INDENTURE OF TRUST

by and between the

OXNARD COMMUNITY DEVELOPMENT COMMISSION

and

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

Dated as of April 1, 2011

Relating to

$[PRINCIPAL AMOUNT]
OXNARD COMMUNITY DEVELOPMENT COMMISSION
HISTORIC ENHANCEMENT AND REVITALIZATION OF OXNARD (HERO)
PROJECT AREA TAX ALLOCATION BONDS, SERIES 2011

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST, is made and entered into as of the 1st day of April, 2011 (this "**Indenture**"), by and between the OXNARD COMMUNITY DEVELOPMENT COMMISSION, a public body corporate and politic, duly organized and existing under the laws of the State of California (as successor-in-interest to the Redevelopment Agency of the City of Oxnard) (the "**Commission**"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association existing under the laws of the United States of America, as trustee (the "**Trustee**");

WITNESSETH:

WHEREAS, the Commission is a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 and Part 1.7 of Division 24 of the Health and Safety Code of the State (the "**Redevelopment Law**"), including the power to issue bonds for any of its corporate purposes; and

WHEREAS, the Redevelopment Agency of the City of Oxnard (the "**Agency**") is the predecessor-in-interest to the Commission; and

WHEREAS, on February 7, 1995, the Commission became the successor-in-interest to the Agency; and

WHEREAS, on April 7, 1998, the City Council of the City of Oxnard (the "**City Council**") and the Commission approved the original redevelopment plan (the "**Original Redevelopment Plan**") for the Historic Enhancement and Revitalization of Oxnard (HERO) Redevelopment Project Area (the "**Original Project Area**") in the City of Oxnard (the "**City**"); on February 3, 2004, the City Council and the Commission amended the Original Redevelopment Plan; and, on March 23, 2004, the City Council and the Commission approved the Amended and Restated Redevelopment Plan for the Project Area (the "**Redevelopment Plan**") and approved the addition of 84.52 acres of territory to the Original Project Area (the "**Added Area**"; the Original Project Area and the Added Area collectively comprise the "**Project Area**"); and

WHEREAS, the Redevelopment Plan is currently effective (i) with respect to the Original Project Area, until April 7, 2029, which date is 31 years after the date of adoption of the Original Redevelopment Plan, and (ii) with respect to the Added Area, until March 23, 2034, which date is 30 years after the date of adoption of the Redevelopment Plan; and

WHEREAS, pursuant to the Redevelopment Plan, (i) the last date on which the Commission may repay indebtedness with tax increment generated within the Original Project Area is April 7, 2044, which date is 46 years after the date of adoption of the Original Redevelopment Plan, and (ii) the last date on which the Commission may repay indebtedness with tax increment generated within the Added Area is March 23, 2049, which date is 45 years after the date of adoption of the Redevelopment Plan; and

WHEREAS, the Commission has determined to issue $[PRINCIPAL AMOUNT] in aggregate principal amount of its Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011 (the "**Bonds**"), for the purpose of providing funds to (i) finance redevelopment activities within the Project Area, (ii) fund a reserve fund for the Bonds, and (iii) pay certain expenses of the Commission relating to the issuance of the Bonds; and

WHEREAS, debt service on the Bonds shall be payable from tax increment revenues received by the Commission with respect to the Project Area on a parity with Parity Debt (as defined herein), including, without limitation, the Commission's previously issue and outstanding Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2006, and Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2008; and

WHEREAS, pursuant to the provisions of Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended (the "**JPA Law**"), the Bonds will be purchased by the City of Oxnard Financing Authority, a joint exercise of powers authority organized and existing pursuant to the JPA Law (the "**Authority**"), and resold concurrently to Stone & Youngberg LLC, the underwriter, to facilitate the negotiated sale of 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 secured, and to secure the payment of the principal thereof and interest and redemption premium (if any) thereon, the Commission and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Commission has determined that all acts and proceedings required by law necessary to make the Bonds, when executed by the Commission and authenticated and delivered by the Trustee and duly issued, the valid, binding, and legal special obligations of the Commission, and to constitute this Indenture a legal, valid, and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Indenture has 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 redemption premium (if any) on all the Bonds issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the Commission and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds as follows:

ARTICLE I

DEFINITIONS; EQUAL SECURITY

SECTION 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any Supplemental Indenture and of any certificate, opinion, request, or other document herein or therein mentioned have the meanings herein specified.

"**Additional Revenues**" means, as of the date of calculation, the amount of Tax Revenues which, as shown on the Report of an Independent Redevelopment Consultant, are estimated to be receivable by the Commission within the Fiscal Year following the Fiscal Year in which such calculation is made, as a result of increases in the assessed valuation of taxable property in the Project Area due to any transfer of ownership which is not yet reflected on the tax rolls. For purposes of this definition, the term "increases in the assessed valuation" means the amount by which the assessed valuation of taxable property in the Project Area is estimated to increase above the assessed valuation of taxable property in the Project Area (as evidenced by the written records of the County) as of the date on which such calculation is made.

"**Agency**" means the Redevelopment Agency of the City of Oxnard, as predecessor-in-interest to the Commission.

"**Annual Debt Service**" means, for any Bond Year, the sum of (1) the interest payable on all Outstanding Bonds in such Bond Year, assuming that all Outstanding serial Bonds are retired as scheduled and that all Outstanding term Bonds, if any, are redeemed or paid from sinking fund payments as scheduled (except to the extent that such interest is to be paid from the proceeds of the sale of any Bonds), and (2) the principal amount of all Outstanding Bonds maturing by their terms in such Bond Year.

"**Authority**" means the City of Oxnard Financing Authority, a joint powers authority duly organized and validly existing under and by virtue of the Constitution and the laws of the State.

"**Authorized Denominations**" means $5,000 and any integral multiple thereof.

"**Average Annual Debt Service**" means the amount determined by dividing the sum of all Annual Debt Service amounts due in each of the Bond Years following the date of such calculation by the number of such Bond Years.

"**Beneficial Owners**" means those individuals, partnerships, corporations, or other entities for which the Participants have caused the Depository to hold Book-Entry Bonds.

"**Bond Register**" means the registration books required to be maintained by the Trustee pursuant to Section 2.08 hereof.

"**Bonds**" means the Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series

2011, and, if the context requires, any Parity Debt, authorized by and at any time Outstanding pursuant this Indenture or any Supplemental Indenture.

"**Bond Year**" means the period of twelve consecutive months commencing on September 2 and ending on the following September 1 in any year during which Bonds are or will be Outstanding; provided, however, that the first Bond Year shall commence on the Closing Date and end on September 1, 2011, and that the final Bond Year shall end on the date on which the Bonds are fully paid or redeemed.

"**Book-Entry Bonds**" means the Bonds registered in the name of the nominee of DTC, or any successor securities depository for the Bonds, as the registered owner thereof pursuant to the terms and provisions of Section 2.12 hereof or, as applicable, any Supplemental Indenture.

"**Business Day**" means a day of the year which is not a Saturday or Sunday, or a day on which banking institutions located in the State are required or authorized to remain closed, or on which the Federal Reserve System is closed. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Indenture, and, unless otherwise specifically provided in this Indenture, no interest shall accrue for the period from and after such nominal date.

"**Certificate of the Commission**" means an instrument in writing signed by the Chairman, the Vice Chairman, the Executive Director and Secretary, the Chief Financial Officer, or the Treasurer of the Commission, or by any other officer of the Commission duly authorized for that purpose.

"**City**" means the City of Oxnard, a municipal corporation duly organized and existing under the laws of the State.

"**Closing Date**" means April __, 2011.

"**Code**" means the Internal Revenue Code of 1986, as amended, and any regulations, rulings, judicial decisions, and notices, announcements, and other releases of the United States Treasury Department or Internal Revenue Service interpreting and construing it.

"**Commission**" means the Oxnard Community Development Commission, a public body corporate and politic, duly organized and existing under the laws of the State (as successor-in-interest to the Agency).

"**Computation Year**" means with respect to the Bonds the period beginning on the Closing Date and ending on September 1, 2011, and thereafter each successive twelve month period commencing on the following September 2 and ending on the following September 1.

"**Continuing Disclosure Agreement**" means that certain Continuing Disclosure Agreement, dated the date of issuance and delivery of the Bonds, by and between the Commission and the Trustee, as dissemination agent, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"**Corporate Trust Office of the Trustee**" means the principal corporate trust office of the Trustee in Los Angeles, California, or such other or additional offices as may be specified to the Commission by the Trustee in writing.

"**Costs of Issuance**" means all items of expense directly or indirectly payable by or reimbursable to the Commission or the Authority relating to the issuance, sale, and delivery of the Bonds, the execution and delivery of this Indenture, and the production of the preliminary and final official statements pertaining to the Bonds, including administrative fees, filing and recording costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee (including legal fees), financing discounts, legal fees and charges, insurance fees and charges, financial and other professional consultant fees, costs of rating agencies or credit ratings, fees for transportation and safekeeping of the Bonds, and charges and fees in connection with the foregoing.

"**Costs of Issuance Fund**" means the fund by that name established pursuant to Section 4.01 hereof.

"**County**" means the County of Ventura, a county duly organized and existing under the laws of the State.

"**Debt Service Fund**" means the fund by that name established pursuant to Section 4.01 hereof.

"**Defeasance Securities**" means any of the following to the extent then permitted by law:

1. Non-callable direct obligations of the United States of America ("**Treasuries**").

2 Evidences of ownership of proportionate interests in future interest and principal payments on Treasuries 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 Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated.

3. Pre-funded municipal obligations rated "AAA" or "Aaa" by S&P and Moody's, respectively.

4. Securities eligible for "AAA" or "Aaa" defeasance under then existing criteria of S&P or Moody's or any combination thereof.

5. Obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America.

"**Depository**" means the securities depository acting as Depository pursuant to Section 2.12 hereof.

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

"Event of Default" has the meaning given to such term in Section 9.01 hereof.

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

"Indenture" means this Indenture of Trust, dated as of April 1, 2011, by and between the Commission and the Trustee, as originally executed and as it may from time to time be amended or supplemented by all Supplemental Indentures executed pursuant to the provisions hereof.

"Independent Accountant" means any certified public accountant or firm of certified public accountants appointed by the Commission, and who, or each of whom, is independent pursuant to the Statement on Auditing Standards No. 1 of the American Institute of Certified Public Accountants.

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

"Information Services" means Financial Information, Inc.'s "Financial Daily Called Bond Service," 30 Montgomery Street, 10th Floor, Jersey City, New Jersey 07302, Attention: Editor; Kenny Information Services' "Called Bond Service," 65 Broadway Street, 16th Floor, New York, New York 10004; Moody's Investors Service "Municipal and Government," 77 Center Drive, Suite 150, Charlotte, North Carolina 28217, Attention: Called Bond Department; and Standard and Poor's "Called Bond Record," 25 Broadway, 3rd Floor, New York, New York 10004; or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addressees providing information with respect to called bonds as the Commission may designate in writing to the Trustee.

"Interest Payment Date" means each March 1 and September 1, commencing September 1, 2011.

"JPA Law" means Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State, as amended.

"Letter of Representations" means the letter of the Trustee and Commission delivered to and accepted by the Depository on or prior to the delivery of the Bonds as Book-Entry Bonds setting forth the basis on which the Depository serves as depository for such Book-Entry Bonds, as originally executed or as it may be supplemented or revised or replaced by a letter to a substitute Depository.

"Low and Moderate Income Housing Fund" means the fund by that name established, maintained, and held by the Commission pursuant to Section 33334.3 of the Redevelopment Law.

"**Maximum Annual Debt Service**" means the maximum Annual Debt Service for any Bond Year prior to the maturity of the Bonds; provided, however, that, for purposes of calculating such maximum Annual Debt Service, there shall be excluded a pro rata portion of each installment of principal of any series of Bonds, together with the interest to accrue thereon, in the event and to the extent that a portion of the proceeds of such series of Bonds are deposited into and remain in any escrow fund from which amounts may not be released to the Commission unless and until the escrow release test set forth in the applicable Supplemental Indenture has been satisfied.

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

"**Nominee**" means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.12 hereof.

"**Opinion of Counsel**" means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the Commission or the City.

"**Outstanding,**" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 8.02 hereof) all Bonds, except --

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

(2) Bonds paid or deemed to have been paid within the meaning of Section 10.01 hereof; and

(3) Bonds in lieu of or in substitution for which other Bonds shall have been executed by the Commission and authenticated and delivered pursuant hereto.

As the context requires, "Outstanding" shall also be deemed to refer to all Outstanding Subordinate Debt, as well.

"**Owner**" means any person who shall be the registered owner of any Outstanding Bond, as shown on the Bond Register.

"**Parity Debt**" means any loans, advances, or indebtedness issued or incurred by the Commission and secured by a pledge of or lien upon the Tax Revenues that is on a parity with the pledge of or lien upon the Tax Revenues for the security of the Bonds, including, without limitation, the Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2006, and the Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2008.

"**Participants**" means those broker-dealers, banks, and other financial institutions from time to time for which the Depository holds Book-Entry Bonds as securities depository.

"Participating Underwriter" has the meaning ascribed thereto in the Continuing Disclosure Agreement.

"Permitted Investments" means any of the investments listed in Exhibit D attached hereto and incorporated herein by this reference, provided at the time of investment the investment is a legal investment under the laws of the State for the moneys proposed to be invested therein.

"Plan Limitations" means the limitations contained or incorporated in the Redevelopment Plan on (i) the aggregate principal amount of bonded indebtedness payable from taxes that may be divided and allocated to the Commission pursuant to the Redevelopment Plan that may be outstanding at any time, (ii) the expiration date of the Redevelopment Plan, and (iii) the period of time for establishing, incurring, or repaying indebtedness payable from taxes that may be divided and allocated to the Commission pursuant to the Redevelopment Plan.

"Project Area" means the territory within the Redevelopment Project, as described in the Redevelopment Plan.

"Rebatable Arbitrage" has the meaning given to such term in Section 6.02(8)(a) hereof.

"Rebate Fund" means the fund by that name established pursuant to Section 4.01 hereof.

"Record Date" means the fifteenth (15th) day of the month preceding an Interest Payment Date, whether or not such day is a Business Day.

"Redevelopment Fund" means the fund by that name established pursuant to Section 4.01 hereof.

"Redevelopment Law" means the Community Redevelopment Law of the State, constituting Part 1 and Part 1.7 of Division 24 of the Health and Safety Code of the State, as amended.

"Redevelopment Plan" means the Amended and Restated Redevelopment Plan for the Project Area, adopted by the City Council on March 23, 2004, pursuant to Ordinance No. 2653, together with any amendments thereto heretofore or hereafter duly enacted pursuant to the Redevelopment Law.

"Redevelopment Project" means the area constituting the Historic Enhancement and Revitalization of Oxnard (HERO) Project as described in the Redevelopment Plan and pursuant to the Redevelopment Law for the redevelopment of the Project Area.

"Report" means a document in writing signed by an Independent Redevelopment Consultant and including:

(a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and

(c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

"**Repository**" shall have the meaning given to such term in the Continuing Disclosure Agreement.

"**Reserve Fund**" means the fund by that name established pursuant to Section 4.01 hereof.

"**Reserve Requirement**" means, as of any date of calculation, an amount equal to the least of (i) ten percent (10%) of the aggregate principal amount of the Bonds originally issued, (ii) Maximum Annual Debt Service on the Bonds, or (iii) one hundred twenty-five percent (125%) of the Average Annual Debt Service on the Bonds. As of the Closing Date, the Reserve Requirement is $_____.

"**S&P** means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors and assigns.

"**Securities Depositories**" means the following registered securities depositories: The Depository Trust Company, 55 Water Street, 50th Floor, New York, New York 10041-0099, Attn. Call Notification Department, Fax (212) 855-7232; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depositories, or no such depositories, as the Commission may indicate in a Certificate of the Commission delivered to the Trustee.

"**Special Fund**" means the fund by that name described in Section 4.01 hereof.

"**State**" means the State of California.

"**Subordinate Debt**" means any loans, advances, or indebtedness issued or incurred by the Commission that are either: (a) payable from, but not secured by a pledge of or lien upon, the Tax Revenues; or (b) secured by a pledge of or lien upon the Tax Revenues that is subordinate to the pledge of and lien upon the Tax Revenues hereunder for the security of the Bonds and any Parity Debt.

"**Supplemental Indenture**" means any indenture then in full force and effect which has been duly executed and delivered by the Commission and the Trustee amendatory hereof or supplemental hereto; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder. In addition, as the context requires, "Supplemental Indenture" shall also mean and include any resolution, trust indenture, installment sale agreement, or other applicable agreement adopted, entered into, or executed and delivered by the Commission pursuant to which Parity Debt is or has been issued.

"Tax Certificate" means the Tax Certificate delivered by the Commission on the Closing Date, as the same may be amended or supplemented in accordance with its terms.

"Tax-Exempt Obligations" means obligations the interest on which is (1) excludable from gross income for federal income tax purposes and (2) not treated as an item of tax preference under Section 57(a)(5) of the Code.

"Tax Revenues" means, except as provided below, moneys allocated within the Plan Limitations and paid to the Commission derived from (a) that portion of taxes levied upon assessable property within the Project Area allocated to the Commission pursuant to Article 6 of Chapter 6 of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State of California, or pursuant to other applicable State laws, (b) reimbursements, subventions (but excluding payments to the Commission with respect to personal property within the Project Area pursuant to Section 16110 et seq. of the Government Code of the State), or other payments made by the State with respect to any property taxes that would otherwise be due on real or personal property but for an exemption of such property from such taxes, and (c) all amounts of such taxes required to be deposited in the Low and Moderate Income Housing Fund in any Fiscal Year pursuant to Section 33334.3 of the Redevelopment Law, to the extent permitted to be applied to the payment of principal, interest, and premium, if any, with respect to the Bonds and any Parity Debt, but excluding amounts of such taxes required to be deposited in the Low and Moderate Income Housing Fund in any Fiscal Year pursuant to Section 33334.3 of the Redevelopment Law, to the extent not permitted to be applied to the payment of principal, interest, and premium, if any, with respect to the Bonds and any Parity Debt. Tax Revenues do not include any payments made pursuant to any existing pass-through agreements entered into with any applicable taxing entity or any statutorily required pass-through payments, including, without limitation, any payments required under Section 33607.5 or 33676(a)(2) of the California Health and Safety Code, or any payments made to the County's Education Revenue Augmentation Fund created pursuant to Article 3 (commencing with Section 97) of Chapter 6 of Part 0.5 of Division 1 of the California Revenue and Taxation Code.

"Trustee" means Wells Fargo Bank, National Association, a national banking association existing under the laws of the United States of America, and its successors or assigns, or any other association or corporation which may at any time be substituted in its place as provided in Section 7.02 hereof, and its successors or assigns.

"Written Request of the Commission" means an instrument in writing signed by the Chairman, the Vice Chairman, the Executive Director and Secretary, the Chief Financial Officer, or the Treasurer of the Commission, or by any other officer of the Commission duly authorized for that purpose.

SECTION 1.02 Equal Security. In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture shall be deemed to be and shall constitute a contract between the Commission and the Trustee for the benefit of the Owners from time to time of all Bonds authorized, executed, issued, and delivered hereunder and then Outstanding to secure the full and final payment of the interest on and principal of and redemption premium, if any, on all Bonds which may from time to time be authorized, executed, issued, and delivered hereunder, subject to the agreements, conditions, covenants, and provisions contained herein; and all

agreements and covenants set forth herein to be performed by or on behalf of the Commission shall be for the equal and proportionate benefit, protection, and security of all Owners of the Bonds without distinction, preference, or priority as to security or otherwise of any Bonds over any other Bonds by reason of the number or date thereof or the time of authorization, sale, execution, issuance, or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II

ISSUANCE OF BONDS; REGISTRATION AND TRANSFER OF BONDS

SECTION 2.01 Authorization of Bonds. The Commission has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions, and things required by law to exist, to have happened, and to have been performed precedent to and in the issuance of the Bonds do exist, have happened, and have been performed in due time, form, and manner as required by law, and that the Commission is now duly authorized to issue the Bonds in the form and manner provided herein, and that the Bonds shall be entitled to the benefit, protection, and security of the provisions hereof. The Bonds are hereby authorized to be issued by the Commission under and subject to the terms of this Indenture and the Redevelopment Law, and are further authorized to be sold by the Commission to the Authority and, substantially simultaneously therewith, resold by the Authority to the Participating Underwriter under and subject to the terms of this Indenture, the Redevelopment Law, and the JPA Law.

SECTION 2.02 Amount of the Bonds. The Bonds shall be designated "Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011" and shall be in the aggregate principal amount of _____ Million _____ Thousand Dollars ($[PRINCIPAL AMOUNT]).

SECTION 2.03 Description of the Bonds.

(a) The Bonds shall be dated the Closing Date, shall be issued only in fully registered form in Authorized Denominations (not exceeding the principal amount of Bonds maturing in any one year), and shall mature on the dates and in the principal amounts and shall bear interest at the respective rates per annum as set forth in the following schedule:

Maturity Date (September 1)	Principal Amount	Interest Rate
2011	$ ___,000	_.___%
2012	___,000	
2013	___,000	
2014	___,000	
2015	___,000	
2016	___,000	
2017	___,000	

Maturity Date (September 1)	Principal Amount	Interest Rate
2018	___,000	
2019	___,000	
2020	___,000	
2021	___,000	
2022	___,000	
2023	___,000	
2024	___,000	
2025	___,000	
2026	___,000	
2027	___,000	
2028	___,000	
20__	___,000	
20_8	_____,000	

The principal of the Bonds shall be payable in lawful money of the United States of America to the Owner thereof at the Corporate Trust Office of the Trustee upon presentation and surrender of such Bonds.

(b) (i) The Bonds shall bear interest at the rates per annum set forth above, payable on the Interest Payment Dates in each year. Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless such date of authentication is during the period commencing after a Record Date through and including the next succeeding Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless such date of authentication is on or before the first Record Date, in which event it shall bear interest from the Closing Date; provided, however, that if on the date of authentication of any Bonds, interest is then in default on the Outstanding Bonds, such Bonds shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding Bonds.

(ii) Payment of interest on the Bonds due on or before the maturity or prior redemption thereof shall be made to the person in whose name such Bond is registered, as of the Record Date preceding the applicable Interest Payment Date, on the Bond Register, such interest to be paid by check mailed by first class mail on such Interest Payment Date to such Owner at his address as it appears on such books, except that, in the case of an Owner of Bonds evidencing One Million Dollars ($1,000,000) or more in aggregate principal amount, upon the written request of such Owner received by the Trustee on or prior to a Record Date, specifying the account or accounts to which such payment shall be made, payment shall be made by wire transfer of immediately available funds on such Interest Payment Date. Interest on the Bonds shall be payable in lawful money of the United States of America and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

SECTION 2.04 **Form of Bonds.** The Bonds and the authentication and registration endorsement and assignment to appear thereon shall be substantially in the forms set forth on Exhibit A hereto.

SECTION 2.05 Execution of Bonds. The Chairman of the Commission is hereby authorized and directed to execute, and the Executive Director and Secretary of the Commission is hereby authorized and directed to countersign, each of the Bonds on behalf of the Commission. The signatures of such Chairman and Executive Director and Secretary may be by manual, printed, lithographed, or engraved by facsimile reproduction. In case any officer whose signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Bonds.

Only those Bonds bearing thereon a certificate of authentication and registration in substantially the form set forth in Exhibit A hereto, executed manually and dated by the Trustee, shall be entitled to any benefit, protection, or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated and registered have been duly authorized, executed, issued, and delivered hereunder and are entitled to the benefit, protection, and security hereof.

SECTION 2.06 Transfer and Payment of Bonds. Any Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of Section 2.08 hereof by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender, at the Corporate Trust Office of the Trustee, of such Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the Commission shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds of a like aggregate principal amount of the same tenor and maturity. The Trustee shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege.

The Commission and the Trustee may deem and treat the Owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment thereof and for all other purposes, whether such Bond shall be overdue or not, and neither the Commission nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of and redemption premium, if any, on such Bond shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge liability on such Bond to the extent of the sum or sums so paid.

The Trustee shall not be required to register the transfer of (i) any Bonds during the period established by the Trustee for selection of Bonds for redemption, or (ii) any Bond which has been selected for redemption in whole or in part.

SECTION 2.07 Exchange of Bonds. Bonds may be exchanged at the Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of the same tenor and maturity of other Authorized Denominations. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege.

The Trustee shall not be required to exchange (i) any Bonds during any period established by the Trustee for selection of Bonds for redemption, or (ii) any Bond which has been selected for redemption in whole or in part.

SECTION 2.08 Bond Registration Books. The Trustee shall keep at its office sufficient books for the registration and transfer of the Bonds which shall at all times be open to inspection by the Commission during normal business hours with reasonable prior notice, and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Bonds in such books as hereinabove provided.

SECTION 2.09 Mutilated, Destroyed, Stolen, or Lost Bonds. If any Bond shall become mutilated, the Trustee, at the expense of the Owner thereof, shall thereupon authenticate and deliver a new Bond of like tenor, maturity, and Authorized Denomination in exchange and substitution for the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by the Trustee and delivered to, or upon the order of, the Commission.

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 shall be satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner, shall thereupon authenticate and deliver a new Bond of like tenor, maturity, and Authorized Denomination in lieu of and in substitution for the Bond so lost, destroyed, or stolen.

The Trustee may require payment of a reasonable sum for each new Bond issued under this Section and of the expenses which may be incurred by the Commission and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed, or stolen shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture. Neither the Commission nor the Trustee shall be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and replacement Bond shall be treated as one and the same.

SECTION 2.10 Temporary Bonds. The Bonds issued under this Indenture may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed, or typewritten, shall be of such denominations as may be determined by the Commission, shall be in fully registered form and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed and authenticated in accordance with the terms hereof. If the Commission issues temporary Bonds, it shall execute and furnish definitive Bonds without delay and thereupon the temporary Bonds shall be surrendered, for cancellation, at the Corporate Trust Office of the Trustee, and the Trustee shall 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 delivered hereunder.

SECTION 2.11 Validity of Bonds. From and after the issuance of the Bonds, the findings and determinations of the Commission respecting the Bonds shall be conclusive

evidence of the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the Bonds shall be required to see to the existence of any fact or to the performance of any condition or to the taking of any proceeding required prior to such issuance or to the application of the proceeds of sale of the Bonds. The validity of the issuance of the Bonds shall not be dependent on or affected in any way by the proceedings taken by the Commission with respect to the Bonds or by any contracts made by the Commission or its agents in connection therewith, or upon the performance by any person, firm, or authority of his or its obligation with respect thereto. The recital contained in the Bonds that the same are issued pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Bonds shall be incontestable from and after their issuance. The Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive Bonds (or any temporary Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

SECTION 2.12 Book-Entry System. (a) Prior to the execution and delivery of the Bonds, the Commission may provide that such Bonds shall be initially executed and delivered as Book-Entry Bonds, and in such event, the Bonds for each maturity shall be in the form of a separate single fully registered Bond (which may be typewritten). Upon initial execution and delivery, the ownership of each such Bond shall be registered in the Bond Register in the name of the Nominee, as nominee of the Depository. Payment of principal or interest for any Book-Entry Bonds registered in the name of the Nominee shall be made on the payment date by wire transfer of New York clearing house or equivalent next day funds or by wire transfer of same day funds to the account of the Nominee. Such payments shall be made to the Nominee at the address which is, on the regular Record Date or special record date, as the case may be, shown for the Nominee in the Bond Register.

(b) With respect to Book-Entry Bonds, the Commission and the Trustee shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such Book-Entry Bonds. Without limiting the immediately preceding sentence, the Commission 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 Participant with respect to any ownership interest in Book-Entry Bonds, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to Book-Entry Bonds, including any notice of prepayment, (iii) the selection by the Depository and its Participants of the beneficial interests in Book-Entry Bonds to be redeemed in the event the Commission redeems Bonds in part, (iv) the payment to any Participant or any other person, other than an Owner as shown in the Bond Register, of any amount with respect to principal, premium, if any, or interest evidenced and represented by Book-Entry Bonds or (v) any consent given or other action taken by the Depository as Owner.

(c) The Commission and the Trustee may treat and consider the person in whose name each Book-Entry Bond is registered in the Bond Register as the absolute Owner of such Book-Entry Bond for the purpose of payment of principal, redemption premium, if any, and interest with respect to such Bond, for the purpose of selecting any Bonds, or portions thereof to be redeemed, for the purpose or giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, for the purpose of obtaining any consent or other action to be taken by Owners and for all other purposes

whatsoever and the Commission and the Trustee shall not be affected by any notice to the contrary.

(d) In the event of a redemption necessitating a reduction in aggregate principal amount of Bonds Outstanding, or a redemption of part of the Bonds Outstanding, the Depository, in its discretion, (i) may request the Trustee to execute and deliver a new Bond or (ii) if DTC is the sole owner of the Bonds, shall make an appropriate notation on the Bond indicating the date and amounts of such reduction in principal except in the case of final maturity, in which case the Bond must be presented to the Trustee prior to payment.

(e) The Trustee shall pay all principal, premium, if any, and interest evidenced and represented by the Bonds only to or "upon the order of" (as that term is used in the Uniform Commercial Code as adopted in the State) the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Commission's obligations with respect to payment of principal, redemption premium, if any, and interest evidenced and represented by the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a Bond evidencing the obligation to make payments of principal, redemption premium, if any, and interest evidenced and represented by the Bonds. Upon delivery by the Depository to the Commission and the Trustee of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to record dates, the word Nominee in this Indenture shall refer to such nominee of the Depository.

(f) In order to qualify the Book-Entry Bonds for the Depository's book-entry system, the Trustee shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the Commission or the Trustee any obligation whatsoever with respect to persons having interests in such Book-Entry Bonds other than the Owners, as shown on the Bond Register. Such Letter of Representations may provide the time, form, content, and manner of transmission of notices to the Depository. In addition to the execution and delivery of a Letter of Representations by the Trustee, the Commission and the Trustee shall take such other actions, not inconsistent with this Indenture, as are reasonably necessary to qualify Book-Entry Bonds for the Depository's book-entry program.

(g) In the event the Commission determines that it is in the best interest of the Beneficial Owners that they be able to obtain certificated Bonds and that such Bonds should therefore be made available and notifies the Depository and the Trustee of such determination, the Depository shall notify the Participants of the availability through the Depository of certificated Bonds. In such event, the Trustee shall transfer and exchange certificated Bonds as requested by the Depository and any other Owners in appropriate amounts. In the event (i) the Depository determines not to continue to act as Depository for Book-Entry Bonds, or (ii) the Depository shall no longer so act and gives notice to the Trustee of such determination, then the Commission shall discontinue the Book-Entry system with the Depository. If the Commission determines to replace the Depository with another qualified Depository, the Commission shall prepare or direct the preparation of a new single, separate, fully registered Bond for each maturity date of such Book-Entry Bonds, registered in the name of such successor or substitute

qualified Depository or its nominee. If the Commission fails to identify another qualified securities depository to replace the Depository, then the Bonds shall no longer be restricted to being 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 such bonds shall designate, in accordance with the provisions of Sections 2.07, 2.08, and 2.09 hereof. Whenever the Depository requests the Commission to do so, the Commission shall cooperate with the Depository in taking appropriate action after reasonable notice (1) to make available one or more separate Bonds evidencing the Book-Entry Bonds to any Participant having Book-Entry Bonds credited to its account with the Depository, and (2) to arrange for another securities depository to maintain custody of bonds evidencing the Book-Entry Bonds.

(h) Notwithstanding any other provision of this Indenture to the contrary and if DTC is the sole Owner of the Bonds, so long as any Book-Entry Bond is registered in the name of the Nominee, all payments with respect to principal, redemption premium, if any, and interest evidenced and represented by such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Letter of Representations or as otherwise instructed by the Depository.

(i) In connection with any notice or other communication to be provided to Owners pursuant to this Indenture by the Commission or the Trustee, at the direction of the Commission, with respect to any consent or other action to be taken by Owners, the Commission or the Trustee, as the case may be, shall establish a record date for such consent or other action and give the Depository notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible. Notice to the Depository shall be given only when DTC is the sole Owner of the Bonds.

ARTICLE III

REDEMPTION OF BONDS

SECTION 3.01 **Redemption**. The Bonds shall be subject to redemption prior to their stated maturities only as set forth below:

(a) **Optional Redemption**. The Bonds maturing on or after September 1, 20__, shall be subject to redemption as a whole or in part, as determined by the Commission and by lot within a maturity, at the option of the Commission, on any date on or after September 1, 20__, without premium, from any available source of funds.

The Commission shall be required to give the Trustee written notice of its intention to redeem Bonds under this subsection (a), of the date of such redemption, and of its determination of the maturities to be redeemed at least forty-five (45) days prior to the date fixed for such redemption, and shall transfer to the Trustee for deposit into the Debt Service Fund all amounts required for such redemption not later than the date fixed for such redemption.

Mandatory Redemption. The Bonds maturing on September 1, 20__, are subject to redemption (or purchase in lieu of redemption, as described below) prior to their stated maturity, in part by lot, from mandatory sinking account payments made by the Commission, on each September 1, commencing September 1, 20__, at the principal thereof plus accrued interest

thereon to the date fixed for redemption, without premium. The principal amount of such Bonds to be so redeemed or purchased in lieu of redemption and the dates therefor shall be as follows:

September 1 of the Year	Principal Amount
20__	$___,000
20__	___,000
20__	___,000
20__	___,000
20__ (maturity)	___,000

The Bonds maturing on September 1, 20__, are subject to redemption (or purchase in lieu of redemption, as described below) prior to their stated maturity, in part by lot, from mandatory sinking account payments made by the Commission, on each September 1, commencing September 1, 20__, at the principal thereof plus accrued interest thereon to the date fixed for redemption, without premium. The principal amount of such Bonds to be so redeemed or purchased in lieu of redemption and the dates therefor shall be as follows:

September 1 of the Year	Principal Amount
20__	$___,000
20__	___,000
20__	___,000
20__	___,000
20__ (maturity)	___,000

If some but not all of the Bonds maturing on September 1, 20__, or on September 1, 20__, have been optionally redeemed pursuant to subsection (a) above, the total amount of all future sinking account payments for such Bonds shall be reduced by the aggregate principal amount of such Bonds so redeemed, to be allocated among such sinking account payments on a pro rata basis in integral multiples of $5,000 as determined by the Commission (notice of which determination shall be given by the Commission to the Trustee).

In lieu of redemption of Bonds pursuant to this subsection (b), amounts on deposit in the Debt Service Fund as sinking account payments may also be used and withdrawn by the Trustee at the written direction of the Commission received prior to the selection of Bonds for redemption pursuant to this subsection (b) at public or private sale as and when and at such prices (including brokerage and other charges and including accrued interest) as the Commission may in its discretion determine. The principal amount of any of the Bonds so purchased by the Commission and surrendered to the Trustee in any twelve-month period ending on September 1 in any year shall be credited towards and shall reduce the principal amount of the Bonds otherwise required to be redeemed on the following September 1 of such year pursuant to this subsection (b). At the option of the Commission, any or all of the Bonds so purchased by the Commission shall be either (i) surrendered to the Trustee for cancellation or (ii) provided that the

Commission shall have first obtained an Opinion of Counsel that the exclusion from gross income of interest with respect to the Bonds will not be adversely affected for federal income tax purposes, surrendered to the Trustee, which shall promptly deliver such Bonds to, and shall register such Bonds in the name of, the Commission or its assignee, in which case such Bonds shall remain Outstanding and shall not be cancelled or retired, notwithstanding any other provisions of this Indenture to the contrary.

SECTION 3.02 Notice of Redemption. Notice of redemption shall be mailed first-class mail by the Trustee, not less than thirty (30) nor more than sixty (60) days prior to the redemption date, to (i) the respective Owners of the Bonds designated for redemption at their addresses appearing on the Bond Register, (ii) the Securities Depositories, and (iii) the Information Services. Notice of redemption to the Securities Depositories and the Information Services shall be given by certified or registered mail, overnight delivery or confirmed facsimile transmission. Each notice of redemption shall state the redemption date, the redemption price, if any, that (if appropriate) such redemption is conditioned upon the timely delivery of the redemption price by the Commission to the Trustee for deposit in the Debt Service Fund on or before the redemption date, the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity is to be redeemed, the distinctive certificate numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the redemption date there will become due and payable on the Bonds to be redeemed, all or the principal amount thereof on the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered at the address of the Trustee specified in the redemption notice. Failure by the Trustee to give notice pursuant to this Section to any one or more of the respective Owners of any Bonds designated for redemption, the Information Services, or the Securities Depositories, or the insufficiency of any such notice, shall not affect the sufficiency of the proceedings for redemption.

Upon the occurrence of any contingent or other unscheduled Bond redemption hereunder, notice thereof shall be given to each Repository pursuant to and in accordance with the Continuing Disclosure Agreement.

SECTION 3.03 Effect of Redemption. If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price of the Bonds called for redemption is held by the Trustee in the Debt Service Fund or in any other fund or account established for such purpose, then on the redemption date designated in such notice, Bonds shall become due and payable, and from and after the date so designated interest on the Bonds so called for redemption shall cease to accrue, and the Owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof. Except as otherwise provided in Section 3.01(b) hereof, all Bonds redeemed, or purchased in lieu of redemption, pursuant to the provisions of this Article shall be cancelled by the Trustee and shall be delivered to, or upon the order of, the Commission and shall not be reissued.

ARTICLE IV

ESTABLISHMENT OF FUNDS; DEPOSIT AND APPLICATION OF PROCEEDS; PARITY DEBT

SECTION 4.01 Establishment of Funds. The Trustee shall hereby establish and maintain the following special trust funds to be held by the Trustee with respect to the Bonds: (i) the "Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011 Costs of Issuance Fund" (the "**Costs of Issuance Fund**"), (ii) the "Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011 Redevelopment Fund" (the "**Redevelopment Fund**"), (iii) the "Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011 Debt Service Fund" (the "**Debt Service Fund**"), (iv) the "Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011 Reserve Fund" (the "**Reserve Fund**"), and (v) the "Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011 Rebate Fund" (the "**Rebate Fund**").

The Commission has previously established and shall continue to maintain the Special Fund (the "**Special Fund**").

SECTION 4.02 Procedure for the Issuance of Bonds. The Commission may, at any time, execute the Bonds for issuance hereunder and deliver them to the Trustee, and thereupon the Bonds shall be authenticated and delivered by the Trustee to the purchaser thereof upon the Written Request of the Commission and upon receipt of payment therefor from the purchaser thereof.

SECTION 4.03 Application of Bond Proceeds. Upon the receipt of payment for the Bonds on the Closing Date, the Trustee shall apply the purchase price of the Bonds (representing $[PRINCIPAL AMOUNT].00 of aggregate principal amount, less $_____ of underwriter's discount, [plus/less] a net aggregate original issue [premium/discount] of $_____), as follows:

(a) The Trustee shall deposit $_____ of the proceeds of the Bonds into the Costs of Issuance Fund, to be disbursed as provided herein;

(b) The Trustee shall deposit $_____ of the proceeds of the Bonds into the Reserve Fund, to be disbursed as provided herein; and

(c) The Trustee shall deposit $_____ of the proceeds of the Bonds into the Redevelopment Fund, to be disbursed as provided herein.

SECTION 4.04 Use of Moneys in the Costs of Issuance Fund. The moneys in the Costs of Issuance Fund shall be disbursed from time to time to pay Costs of Issuance. The Trustee shall disburse moneys in the Costs of Issuance Fund from time to time to pay Costs of

Issuance upon receipt by the Trustee of a Written Request of the Commission in the form attached hereto as Exhibit B.

The Trustee shall hold the moneys in the Costs of Issuance Fund and disburse such moneys therefrom in accordance with this Section. If, on the date that is six (6) months after the Closing Date, there shall remain any balance of money in the Costs of Issuance Fund, all moneys so remaining, after the Trustee shall have duly notified the Commission thereof, shall be transferred, first, to the Reserve Fund to the extent necessary to make the amount on deposit therein equal to the Reserve Requirement, and thereafter to the Debt Service Fund and applied to the payment of principal of the Bonds on the next succeeding Interest Payment Date on which principal of the Bonds is payable.

SECTION 4.05 Use of Moneys in the Redevelopment Fund. The moneys in the Redevelopment Fund shall be disbursed from time to time to be used in the manner provided by the Redevelopment Law solely for the purpose of aiding in the financing of the costs of the Redevelopment Project. The Trustee shall disburse moneys in the Redevelopment Fund from time to time to pay such costs upon receipt by the Trustee of a Written Request of the Commission or the City in the form attached hereto as Exhibit C.

The Trustee shall hold the moneys in the Redevelopment Fund and disburse such moneys therefrom in accordance with this Section. Any amounts remaining in the Redevelopment Fund (exclusive of amounts certified by the Commission or the City as necessary to pay future costs of the Redevelopment Project) on the date on which the Commission or the City has notified the Trustee in writing that all such costs have been paid, shall be transferred, first, to the Reserve Fund to the extent necessary to make the amount on deposit therein equal to the Reserve Requirement, and thereafter to the Debt Service Fund for the payment of principal of and interest on the Bonds.

SECTION 4.06 Issuance of Parity Debt. In addition to the Bonds, the Commission may, by Supplemental Indenture, issue or incur Parity Debt payable from Tax Revenues on a parity with the Bonds to finance additional redevelopment activities within the Project Area in such principal amount as shall be determined by the Commission. The Commission may issue or incur any such other Parity Debt subject to the following specific conditions, all of which are hereby made conditions precedent to the issuance and delivery of such Parity Debt issued under this Section:

(a) The Commission shall be in compliance with all covenants set forth in this Indenture and all Supplemental Indentures, and (i) no Event of Default (or any event that, once all notice or grace periods have passed, would constitute an Event of Default) shall exist and (ii) the Reserve Fund shall be fully funded at the Reserve Requirement for the Bonds (exclusive of such Parity Debt to be issued under this Section);

(b) The Tax Revenues estimated to be received by the Commission for the then current Fiscal Year based on the most recent assessed valuation of property in the Project Area (excluding taxes attributable to a tax rate levied by a taxing agency after January 1, 1989, for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of and interest on any bonded indebtedness of such agency), as evidenced in written

documentation from an appropriate official of the County, plus, at the option of the Commission, Additional Revenues, shall be at least equal to one hundred fifty percent (150%) of Maximum Annual Debt Service on all Bonds and Parity Debt that will be Outstanding immediately following the issuance of such Parity Debt;

(c) The Supplemental Indenture providing for the issuance of such Parity Debt under this Section 4.06 shall provide that interest thereon shall be payable on March 1 and September 1, and principal thereof shall be payable on March 1 or September 1 in any year in which principal is payable;

(d) The Supplemental Indenture providing for the issuance of such Parity Debt shall provide for the deposit into a reserve account for such Parity Debt of the full amount of the Reserve Requirement for such Parity Debt;

(e) The aggregate amount of the principal of and interest on all Outstanding Bonds and Parity Debt coming due and payable following the issuance of such Parity Debt shall not exceed the any of the Plan Limitations applicable to the Tax Revenues to be allocated and paid to the Commission following the issuance of such Parity Debt; and

(f) The Commission shall deliver to the Trustee a Certificate of the Commission certifying that the conditions precedent to the issuance of such Parity Debt set forth in subsections (a), (b), (c), (d), and (e) of this Section 4.06 have been satisfied.

SECTION 4.07 Issuance of Subordinate Debt. The Commission may incur Subordinate Debt in such principal amount as shall be determined by the Commission. The Commission may issue or incur such Subordinate Debt subject to the following specific conditions precedent:

(a) The Commission shall be in compliance with all covenants set forth in this Indenture and all Supplemental Indentures;

(b) If, and to the extent, such Subordinate Debt is payable from Tax Revenues within the Plan Limitations, then all Outstanding Bonds, Parity Debt, and all Subordinate Debt coming due and payable following the issuance of such Subordinate Debt shall not exceed the any of the Plan Limitations applicable to the Tax Revenues to be allocated and paid to the Commission following the issuance of such Subordinate Debt; and

(c) The Commission shall deliver to the Trustee a Certificate of the Commission certifying that the conditions precedent to the issuance of such Subordinate Debt set forth in subsections (a) and (b) of this Section 4.07 have been satisfied.

ARTICLE V

TAX REVENUES

SECTION 5.01 Security for Bonds. The Bonds and all Parity Debt shall be equally secured by a first pledge of and lien on all of the Tax Revenues and all of the moneys in the Special Fund, and the Bonds shall be equally secured by a first and exclusive pledge of and

lien upon all of the moneys the Debt Service Fund and the Reserve Fund, without preference or priority for series, issue, number, dated date, sale date, date of execution, or date of delivery. Except for the Tax Revenues and such moneys, no funds or properties of the Commission shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

SECTION 5.02 Special Fund; Deposit of Tax Revenues.

(a) The Commission shall deposit all of the Tax Revenues received in any Bond Year in the Special Fund promptly upon receipt thereof by the Commission, until such time during such Bond Year as the amounts on deposit in the Special Fund equal the aggregate amounts required (i) to be transferred to the Trustee for deposit into the Debt Service Fund and the Reserve Fund in such Bond Year pursuant to Section 5.03 hereof and (ii) to be transferred to the Trustee or such other applicable entity for deposit in the funds and accounts established with respect to any Parity Debt, as provided in any Supplemental Indenture.

(b) All Tax Revenues received by the Commission during any Bond Year in excess of the amount required to be deposited in the Special Fund during such Bond Year pursuant to subsection (a) of this Section 5.02 shall be released from the pledge and lien hereunder for the security of the Bonds and may be applied by the Commission for any lawful purposes of the Commission, including, without limitation, the payment of Subordinate Debt or any amounts due and owing to the United States of America pursuant to Section 6.02 hereof. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Bonds and any Parity Debt and the payment in full of all other amounts payable hereunder and under any Supplemental Indentures, the Commission shall not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in this Indenture and in any Supplemental Indenture.

SECTION 5.03 Debt Service Fund; Reserve Fund; Surplus. Moneys in the Special Fund shall be transferred by the Commission, pro rata and on a parity basis, (i) to the Trustee or such other applicable entity, such amounts, at such required times, for deposit in the funds and accounts established with respect to any Parity Debt, as provided in any Supplemental Indenture, and (ii) to the Trustee in the following amounts, at the following times, for deposit by the Trustee in the following funds:

(a) Debt Service Fund. On or before the third Business Day preceding each Interest Payment Date, the Commission shall withdraw from the Special Fund and transfer to the Trustee for deposit in the Debt Service Fund in immediately available funds an amount that, when added to the amount on deposit in the Debt Service Fund on that date, will be equal to (A) the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date and (B) the aggregate amount of the principal payable with respect to the Outstanding Bonds, whether at maturity, due to mandatory redemption pursuant to Section 3.01(b) hereof, or purchase, on such Interest Payment Date. No such transfer and deposit need be made to the Debt Service Fund if the amount contained therein is at least equal to the interest to become due on all Outstanding Bonds and the principal of the Outstanding Bonds then maturing or otherwise payable on the next succeeding Interest Payment Date. On or before the date of each optional redemption pursuant to Section 3.01(a) hereof, the Commission

shall withdraw from the Special Fund and transfer to the Trustee for deposit in the Debt Service Fund in immediately available funds an amount that, when added to the amount on deposit in the Debt Service Fund on that date, will be equal to the amount necessary to pay all principal, interest, and premium, if any, with respect to all Bonds selected for optional redemption on such redemption date. All moneys in the Debt Service Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal, interest, and premium, if any, with respect to Bonds as the same shall become due and payable.

(b) Reserve Fund. The Reserve Fund is to be maintained in an amount that will be equal to the Reserve Requirement. In the event that the amount on deposit in the Reserve Fund on any date becomes less than the Reserve Requirement, the Trustee shall promptly notify the Commission of such fact. Promptly upon receipt of any such notice, the Commission shall withdraw from the Special Fund and transfer to the Trustee an amount sufficient to increase the amount on deposit in the Reserve Fund to the amount of the Reserve Requirement. If there shall then not be sufficient moneys in the Special Fund to transfer such required amount to the Reserve Fund, the Commission shall be obligated to continue to make such transfers to the Reserve Fund as Tax Revenues become available in the Special Fund until there is an amount equal to the Reserve Requirement on deposit in the Reserve Fund. No such transfer and deposit need be made to the Reserve Fund so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement. All money in the Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Debt Service Fund in the event of any deficiency at any time in the Debt Service Fund or for the retirement of all the Bonds then Outstanding. All interest income received by the Trustee on investment of moneys in the Reserve Fund shall be retained in the Reserve Fund so long as amounts on deposit in the Reserve Fund are less than the Reserve Requirement. So long as the Commission is not in default hereunder, any amount in the Reserve Fund in excess of the Reserve Requirement shall be withdrawn from the Reserve Fund by the Trustee semiannually on the second Business Day preceding each Interest Payment Date and deposited in the Debt Service Fund. All amounts in the Reserve Fund on the final Interest Payment Date shall be withdrawn from the Reserve Fund and shall be transferred either (1) to the Debt Service Fund, to the extent required to make the deposits then required to be made pursuant to this Section 5.03, or (2) if the Commission shall have caused to be deposited in the Debt Service Fund an amount sufficient to make the deposits required by this Section 5.03, then the Trustee shall transfer the remaining amount to the Commission.

(c) Surplus. The Commission shall not be required to deposit in the Special Fund in any Bond Year an amount of Tax Revenues which, together with other available amounts in the Special Fund, exceeds the amounts required to be transferred to the Trustee or such other applicable entity from the Special Fund with respect to such Bond Year pursuant to this Section 5.03. In the event that, for any reason whatsoever, any amount shall remain on deposit in the Special Fund on the last day of any Bond Year after making all of the transfers from the Special Fund with respect to such Bond Year theretofore required to be made pursuant to this Section 5.03, the Commission may withdraw such amount from the Special Fund to be used for any lawful purpose of the Commission.

SECTION 5.04 Investment of Moneys in Funds. Moneys in the funds established hereunder shall, in accordance with a Written Request of the Commission, be

invested by the Trustee in Permitted Investments. The Trustee may conclusively rely on any direction contained in a Written Request of the Commission to invest in investments that such investments are Permitted Investments. In the absence of a Written Request of the Commission, the Trustee shall invest moneys in interest bearing demand or time deposit accounts with the Trustee or in accordance with clause (7) of the definition of Permitted Investments; provided, however, that, unless otherwise approved by an Opinion of Counsel, moneys in the Redevelopment Fund shall be invested solely in Tax-Exempt Obligations. The obligations in which moneys in the said funds are invested shall mature on or prior to the date on which such moneys are estimated to be required to be paid out hereunder. The obligations in which moneys in the Reserve Fund are so invested shall be invested in obligations maturing no later than five (5) years after the date of investment; provided no such investment shall mature later than the final maturity date of the Bonds; provided further, if such investments may be redeemed at par so as to be available on each Interest Payment Date, any amount of the Reserve Fund may be invested in such redeemable investments of any maturity on or prior to the final maturity date of the Bonds. The Trustee shall sell at the best price obtainable or present for redemption any obligations so purchased whenever it may be necessary to do so in order to provide moneys to meet any payment required under this Indenture. Notwithstanding anything herein to the contrary, the Trustee shall not be responsible for any loss from investments, sales, or transfers undertaken in accordance with this Indenture. Except as otherwise expressly provided herein, all interest, income, or profits from the deposits or investments of all funds shall remain in such funds. For purposes of determining the amount of deposit in any fund held hereunder, all Permitted Investments credited to such fund shall be valued at the cost thereof. Investments shall be valued not less often than on or about June 30 of each year commencing on June 30, 2011, at the market value thereof, exclusive of accrued interest. Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding valuation date. Except as otherwise provided in this Section, Permitted Investments representing an investment of moneys attributable to any fund and all investment profits or losses thereon shall be deemed at all times to be a part of said fund.

The Trustee may act as principal or agent in the acquisition or disposition of investments and may commingle moneys in funds and accounts for the purpose of investment.

ARTICLE VI

COVENANTS OF THE COMMISSION

SECTION 6.01 Punctual Payment and Performance. The Commission shall punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds together with the premium thereon, if any, in strict conformity with the terms of the Bonds and of this Indenture. The Commission shall faithfully observe and perform all of the conditions, covenants, and requirements of this Indenture, all Supplemental Indentures, and the Bonds. Nothing herein contained shall prevent the Commission from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

SECTION 6.02 Tax Covenants; Rebate Fund. The Commission shall contest by court action or otherwise any assertion by the United States of America or any department or agency thereof that the interest received by the Owners is includable in gross income of such

recipients under federal income tax laws. Notwithstanding any other provision of this Indenture, absent an Opinion of Counsel that the exclusion from gross income of interest with respect to the Bonds will not be adversely affected for federal income tax purposes, the Commission shall comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income and the Commission specifically covenants, without limiting the generality of the foregoing, as follows:

1. **Private Activity**. The Commission shall take no action or refrain from taking any action or make any use of the proceeds of the Bonds or of any other moneys or property that would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code.

2. **Arbitrage**. The Commission shall make no use of the proceeds of the Bonds or of any other amounts or property, regardless of the source, or take any action or refrain from taking any action that will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

3. **Federal Guaranty**. The Commission shall make no use of the proceeds of the Bonds or take or omit to take any action that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

4. **Information Reporting**. The Commission shall take or cause to be taken all necessary action to comply with the informational reporting requirement of Section 149(e) of the Code.

5. **Hedge Bonds**. The Commission shall make no use of the proceeds of the Bonds or any other amounts or property, regardless of the source, or take any action or refrain from taking any action that would cause the Bonds to be considered "hedge bonds" within the meaning of Section 149(g) of the Code unless the Commission takes all necessary action to assure compliance with the requirements of Section 149(g) of the Code to maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes.

6. **Miscellaneous**. The Commission shall take no action or refrain from taking any action inconsistent with its expectations stated in the Tax Certificate executed by the Commission in connection with the issuance of the Bonds and shall comply with the covenants and requirements stated therein and incorporated by reference herein.

7. **Rebate Fund**. The Trustee shall establish the Rebate Fund and the Commission shall comply with the requirements below and in the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, for payment to the United States Treasury. All amounts on deposit in the Rebate Fund shall be governed by this Section and the Tax Certificate, unless the Commission obtains an Opinion of Counsel that the exclusion from gross income of interest on the Bonds will not be adversely affected for federal income tax purposes if such requirements are not satisfied.

8. **Excess Investment Earnings**.

(a) Computation. Prior to the end of the fifth Computation Year with respect to the Bonds, the Commission shall calculate or cause to be calculated the amount of rebatable arbitrage, in accordance with Section 148(f)(2) of the Code and Section 1.148-2 of the Treasury Regulations promulgated thereunder (taking into account any applicable exceptions with respect to the computation of the rebatable arbitrage, described, if applicable, in the Tax Certificate (e.g., the temporary investments exceptions of Section 148(f)(4)(B) and (C) of the Code), for this purpose treating the last day of said Computation Year as a computation date, within the meaning of Section 1.148-8(b) of the Treasury Regulations promulgated thereunder (the "**Rebatable Arbitrage**"). The Commission shall obtain expert advice as to the amount of the Rebatable Arbitrage to comply with this Section and the Tax Certificate.

(b) Transfer. Prior to the end of the fifth Computation Year with respect to the Bonds, upon the Commission's written direction, an amount shall be deposited to the Rebate Fund by the Trustee from any legally available funds, including the other funds and accounts established herein, so that the balance in the Rebate Fund shall equal the amount of Rebatable Arbitrage so calculated in accordance with clause (a) above of this Section 6.02(8). In the event that immediately following the transfer required by the previous sentence, the amount then on deposit to the credit of the Rebate Fund exceeds the amount required to be on deposit therein, upon written instructions from the Commission, the Trustee shall withdraw the excess from the Rebate Fund and then credit the excess to the Debt Service Fund.

(c) Payment to the Treasury. Upon receipt of a Written Request of the Commission, the Trustee shall pay to the United States Treasury, out of amounts in the Rebate Fund:

(X) Not later than sixty (60) days after the end of (A) the fifth Computation Year with respect to the Bonds, and (B) each applicable fifth Computation Year thereafter, an amount equal to at least ninety percent (90%) of the Rebatable Arbitrage calculated as of the end of such Computation Year; and

(Y) Not later than sixty (60) days after the payment of all the Bonds, an amount equal to one hundred percent (100%) of the Rebatable Arbitrage calculated as of the end of such applicable Computation Year, and any income attributable to the Rebatable Arbitrage, computed in accordance with Section 148(f) of the Code.

In the event that, prior to the time of any payment required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the Commission shall calculate or cause to be calculated the amount of such deficiency and deposit an amount received from any legally available source, including the other funds and accounts established herein, equal to such deficiency in the Rebate Fund prior to the time such payment is due. Each payment required to be made pursuant to this Section 6.02(8)(c) shall be made to the Internal Revenue Service Center, Ogden, Utah 84201-0027 on or before the date on which such payment is due, and shall

be accompanied by Internal Revenue Service Form 8038-T, or shall be made in such other manner as provided under the Code.

9. Disposition of Unexpended Funds. Any funds remaining in the Rebate Fund after redemption and payment of the Bonds and the payments described in Section 6.02(8)(c) hereof may be transferred by the Trustee to the Commission at the Written Request of the Commission and utilized in any manner by the Commission.

10. Survival of Defeasance. Notwithstanding anything in this Section 6.02 or this Indenture to the contrary, the obligation to comply with the requirements of Section 6.02(8) shall survive the defeasance of the Bonds.

11. Trustee Responsible. The Trustee shall have no obligations or responsibilities under this Section other than to follow the written directions of the Commission.

SECTION 6.03 Accounting Records and Reports. The Commission shall keep or cause to be kept proper books of record and account in which complete and correct entries shall be made of all transactions relating to the Redevelopment Project, the Tax Revenues, and the Special Fund. Such books shall be available for inspection by the Trustee at reasonable hours and under reasonable conditions. Not more than two hundred seventy (270) days after the close of each Fiscal Year, the Commission shall furnish or cause to be furnished to the Trustee complete financial statements showing receipts, disbursements, allocations, and applications of Tax Revenues for such Fiscal Year, and including a profit and loss statement and balance sheet and the balances in all funds relating to the Redevelopment Project. The Commission shall also keep or cause to be kept such other information as is required under the Tax Certificate. The Trustee shall have no duty to inspect such records.

SECTION 6.04 Limitation on Additional Indebtedness; Against Encumbrances. So long as the Bonds are Outstanding, the Commission shall not issue any bonds, notes, or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues, excepting only the Bonds, any Parity Debt, and any Subordinate Debt, and the Commission shall not otherwise encumber, pledge, or place any charge or lien upon any of the Tax Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created in the Indenture for the benefit of the Bonds.

SECTION 6.05 Extension of Payment. The Commission shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest any of the Bonds and shall not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Commission, such Bond or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

SECTION 6.06 **Payment of Claims**. The Commission shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials, or supplies that, if unpaid, might become a lien or charge upon the properties owned by the Commission or upon the Tax Revenues or any part thereof, or upon any funds in the hands of the Trustee, or that might impair the security of the Bonds. Nothing herein contained shall require the Commission to make any such payment so long as the Commission in good faith shall contest the validity of said claims.

SECTION 6.07 **Further Assurances**. Whenever and so often as may be necessary, the Commission shall promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents, or instruments, and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the owners all rights, interests, powers, benefits, privileges, and advantages conferred or intended to be conferred upon them hereby.

SECTION 6.08 **Payment of Taxes and Other Charges**. Except as otherwise provided herein, the Commission shall pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments, and other governmental charges that may be lawfully imposed upon the Commission or the properties then owned by the Commission in the Project Area, or upon the revenues therefrom, when the same shall become due. Nothing herein contained shall require the Commission to make any such payment so long as the Commission in good faith shall contest the validity of said taxes, assessments, or charges. The Commission shall duly observe and conform with all valid requirements of any governmental authority relative to the Redevelopment Project or any part thereof.

SECTION 6.09 **Taxation of Property**. All amounts derived by the Commission pursuant to Section 33673 of the Redevelopment Law with respect to the lease of property for redevelopment shall be treated as Tax Revenues for all purposes of this Indenture.

SECTION 6.10 **Disposition of Property**. The Commission shall not participate in the disposition of any land or real property in the Project Area to anyone that shall result in such property becoming exempt from taxation because of public ownership or use or otherwise (except property dedicated for public right-of-way and except property planned for public ownership or use by the Redevelopment Plan in effect on the date of this Indenture) so that such disposition shall, when taken together with other such dispositions, aggregate more than ten percent (10%) of the acreage constituting the Project Area or more than ten percent (10%) of the most recent assessed valuation of the property in the Project Area, unless such disposition is permitted as hereinafter provided in this Section 6.10. If the Commission proposes to participate in such a disposition, it shall thereupon appoint an Independent Redevelopment Consultant to report on the effect of said proposed disposition. If the Report of the Independent Redevelopment Consultant concludes that the security of the Bonds or the rights of the Owners will not be materially impaired by said proposed disposition, the Commission may thereafter make such disposition. If said Report concludes that such security will be materially impaired by said proposed disposition, the Commission shall disapprove said proposed disposition.

SECTION 6.11 **Maintenance of Tax Revenues**. The Commission shall comply with all requirements of the Redevelopment Law to insure the allocation and payment to it of the

Tax Revenues, including, without limitation, the timely filing of any necessary statements of indebtedness with appropriate officials of the County and, in the case of amounts payable by the State, appropriate officials of the State.

SECTION 6.12 Compliance with the Redevelopment Law; Low and Moderate Housing Fund. The Commission shall insure that all activities undertaken by the Commission with respect to the redevelopment of the Project Area are undertaken and accomplished in conformity with all applicable requirements of the Redevelopment Plan and the Redevelopment Law. Without limiting the generality of the foregoing, the Commission shall deposit or cause to be deposited in the Low and Moderate Income Housing Fund established pursuant to Section 33334.3 of the Redevelopment Law all amounts when, as, and if required to be deposited therein pursuant to the Redevelopment Law and shall expend amounts deposited in the Low and Moderate Income Housing Fund, including, without limitation, proceeds of any Parity Debt deposited therein, solely in accordance with Section 33334.2 of the Redevelopment Law.

SECTION 6.13 Management and Operation of Properties. The Commission shall manage and operate all properties owned by the Commission and comprising any part of the Redevelopment Project in a sound and businesslike manner and shall keep such properties insured at all times in conformity with sound business practice.

SECTION 6.14 Annual Review of Tax Revenues. Within the first thirty (30) days of each Fiscal Year, the Commission shall review (i) the total amount of Tax Revenues remaining available to be received by the Commission under the Plan Limitations and (ii) the aggregate principal and interest due and payable on the Bonds and all Parity Debt. In the event that the Commission shall determine that its acceptance of Tax Revenues in any Fiscal Year will cause the amount remaining under the Plan Limitations to be less than the aggregate principal and interest due and payable on the Bonds and all Parity Debt, the Commission shall (x) deposit Tax Revenues in the Special Fund in an amount equal to the principal of and interest due on the Bonds and all Parity Debt for that Fiscal Year, and (y) deposit the remaining Tax Revenues in an escrow fund to be then established and held by the Commission for the purpose of redeeming, on a parity basis, all the then Outstanding Bonds as provided in Section 3.01(a) hereof and all then outstanding Parity Debt as provided in the applicable Supplemental Indenture.

SECTION 6.15 Continuing Disclosure. Each of the Commission and the Trustee shall comply with and carry out its respective obligations under the Continuing Disclosure Agreement. Notwithstanding any other provision of this Indenture, failure of the Commission or the Trustee to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee may (and, at the request of any Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, shall) or any Bond Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Commission or the Trustee, as the case may be, to comply with its obligations under this Section. For purposes of this Section, "**Beneficial Owner**" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

ARTICLE VII

THE TRUSTEE

SECTION 7.01 Appointment and Acceptance of Duties. The Trustee hereby accepts and agrees to the trusts hereby created to all of which the Commission agrees and the respective Owners of the Bonds, by their purchase and acceptance thereof, agree.

SECTION 7.02 Duties, Immunities, and Liabilities of Trustee. (a) The Trustee shall, prior to an Event of Default and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default that has not been cured, exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(b) So long as no Event of Default has occurred and is continuing, upon thirty (30) days' written notice to the Trustee, the Commission may remove the Trustee at any time and shall remove the Trustee if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or if at any time the Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall commence a case under any bankruptcy, insolvency, or similar law, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take control or charge of the Trustee or its property or affairs for the purpose of rehabilitation, conservation, or liquidation, in each case by giving written notice of such removal to the Trustee, and thereupon shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may resign by giving not less than sixty (60) days' prior written notice of such resignation to the Commission and by giving notice of such resignation by first class mail, postage prepaid, to the Owners at the addresses listed in the Bond Register. Upon receiving such notice of resignation, the Commission shall promptly appoint a successor Trustee by an instrument in writing. The Trustee shall not be relieved of its duties until such successor Trustee has accepted appointment.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and shall have accepted appointment within thirty (30) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee, at the expense of the Commission, or any Owner (on behalf of himself and all other Owners) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing and delivering to the Commission and its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed, or conveyance, shall become vested with all the moneys, estates, properties,

rights, powers, trusts, duties, and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless, at the Written Request of the Commission or written request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title, and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign, and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Commission shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties, and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, such successor Trustee shall mail a notice of the succession of such Trustee to the trusts hereunder by first class mail, postage prepaid, to the Owners at their addresses listed in the Bond Register.

(e) Any Trustee appointed under the provisions of this Indenture shall be a trust company or bank having trust powers, having a corporate trust office in the State of California, having a combined capital, surplus, and undivided profits of at least fifty million dollars ($50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

(f) No provision in this Indenture shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

(g) The Trustee shall not be responsible for the sufficiency, timeliness, or enforceability of the Tax Revenues or the reviewing of any report or certificate required to be provided hereunder.

(h) The Trustee shall not be accountable for the use or application by the Commission or any other party of any funds which the Trustee has released under this Indenture.

(i) The Trustee may employ attorneys, agents, or receivers in the performance of any of its duties hereunder and shall not be answerable for the misconduct of any such attorney, agent, or receiver selected by it with reasonable care.

SECTION 7.03 Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion, or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under subsection (e) of Section 7.02 hereof, shall

succeed to the rights and obligations of such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

SECTION 7.04 Compensation and Indemnification. The Commission shall pay the Trustee, or cause the Trustee to be paid, reasonable compensation for its services rendered hereunder and shall reimburse the Trustee for reasonable expenses (including reasonable fees and expenses of its attorneys) incurred by the Trustee in the performance of its obligations hereunder.

The Commission shall, to the extent permitted by law, indemnify the Trustee and its respective officers, directors, members, and employees for, and hold them harmless against, any loss, liability, or expense incurred without negligence or willful misconduct on their part arising out of or in connection with the acceptance or administration of the trusts imposed by this Indenture, including performance of their duties hereunder, including the costs and expenses of defending themselves against any claims or liability in connection with the exercise or performance of any of their powers or duties hereunder. Such indemnity shall survive the termination or discharge of this Indenture and resignation or removal of the Trustee.

SECTION 7.05 Liability of Trustee. (a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Commission, and the Trustee assumes no responsibility for the correctness of the same, and makes no representations as to the validity or sufficiency of this Indenture or the Bonds, and shall incur no responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Trustee, however, shall be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee may become the Owner of Bonds with the same rights it would have if it were not Trustee or and, to the extent permitted by law, may act as depositary for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners, whether or not such committee shall represent the Owners of a majority in aggregate principal amount of the Bonds then Outstanding.

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

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

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

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until it shall have actual knowledge thereof, or shall have received written notice thereof at the Corporate Trust Office of the Trustee. Except as otherwise expressly provided herein, and subject to Section 7.02 hereof, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants, or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default hereunder or thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it.

SECTION 7.06 Right to Rely on Documents. The Trustee shall be protected in acting, and may conclusively rely, upon any notice, resolution, request, requisition, consent, order, certificate, report, opinion, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties and need not conduct any independent investigation of the matters covered therein. The Trustee may consult with counsel, who may be, but need not be, counsel of or to the Commission, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

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

SECTION 7.07 Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Commission and any Owner, and their respective agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

ARTICLE VIII

AMENDMENT OF THE INDENTURE

SECTION 8.01 Amendment of the Indenture. This Indenture and the rights and obligations of the Commission and of the Owners may be amended at any time by a Supplemental Indenture, which shall become binding with the written consent of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 8.02 hereof, are filed with the Trustee. Any rating agency then rating the Bonds shall receive a notice of each amendment of this Indenture and shall receive a copy thereof at least fifteen (15) days in advance of the execution or adoption of such amendment. No such amendment shall (1) extend the maturity of or reduce the interest rate

on or otherwise alter or impair the obligation of the Commission to pay the interest on or principal of or redemption premium, if any, on any Bond at the time and place and at the rate and in the currency provided herein without the express written consent of the Owner of such Bond, (2) reduce the percentage of principal amount of Bonds owned by Owners whose consent is required for the execution of any Supplemental Indenture, or (3) modify any rights or obligations of the Trustee without its prior written assent thereto.

This Indenture and the rights and obligations of the Commission and of the Owners may also be amended at any time by a Supplemental Indenture, which shall become binding upon adoption without the consent of any Owners, but only to the extent permitted by law and after receipt of an approving Opinion of Counsel and only for any one or more of the following purposes:

(a) to add to the conditions, covenants, and terms contained herein required to be observed or performed by the Commission other conditions, covenants, and terms thereafter to be observed or performed by the Commission, or to surrender any right reserved herein to or conferred herein on the Commission, and which in either case shall not adversely affect the interests of the Owners;

(b) to make such provisions for the purpose of curing any ambiguity or of correcting, curing, or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Commission may deem desirable or necessary and not inconsistent herewith or which may be required by S&P for a rating on the Bonds, and which shall not adversely affect the interests of the Owners;

(c) to provide for the issuance of Parity Debt pursuant to Section 4.06 hereof, and to provide the terms and conditions under which such Parity Debt may be issued, including, but not limited to, the establishment of special funds and accounts relating thereto and any other provisions relating solely thereto, subject to and in accordance with the provisions of Section 4.06 hereof; or

(d) to prescribe further limitations and procedures regarding the use of the proceeds of the Bonds and the moneys held hereunder in order to comply with any United States Treasury Regulations and any amendments thereto or any federal legislation now pending or hereafter enacted governing the exclusion from gross income for purposes of federal income taxation of the interest on the Bonds.

Copies of any amendments to this Indenture shall be sent to S&P.

SECTION 8.02 Disqualified Bonds. Bonds owned or held by or for the account of the Commission or the City (but excluding Bonds held in any City employees' retirement fund) shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided in this Article, and shall not be entitled to consent to or take any other action provided in this Article.

SECTION 8.03 Endorsement or Replacement of Bonds after Amendment. After the effective date of any action taken as hereinabove provided, the Commission may determine that the Bonds may bear a notation by endorsement in form approved by the

Commission as to such action, and in that case upon demand of the Owner of any Outstanding Bond and presentation of his Bond for such purpose at the Corporate Trust Office of the Trustee a suitable notation as to such action shall be made on such Bond. If the Commission shall so determine, new Bonds so modified as, in the opinion of the Commission, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Owner of any Outstanding Bond such new Bonds shall be exchanged at the Corporate Trust Office of the Trustee without cost to each Owner for Bonds then Outstanding upon surrender of such Outstanding Bonds.

SECTION 8.04 Amendment by Mutual Consent. The provisions of this Article shall not prevent any Owner from accepting any amendment as to the particular Bonds owned by him, provided that due notation thereof is made on such Bonds.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES OF HOLDERS

SECTION 9.01 Events of Default and Acceleration of Maturities. If one or more of the following events (each, an "**Event of Default**") shall happen, that is to say:

(a) if default shall be made in the due and punctual payment of the interest on any Bond when and as the same shall become due and payable;

(b) if default shall be made in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed or by proceedings for redemption;

(c) if default shall be made by the Commission in the performance of any of the other agreements or covenants required herein to be performed by the Commission, and such default shall have continued for a period of sixty (60) days after the Commission shall have been given notice in writing of such default by the Trustee; or

(d) if the Commission shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the Commission seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the Commission or of the whole or any substantial part of its property;

then and in each and every such case during the continuance of such Event of Default the Trustee may, and, upon the written request of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding, shall, by notice in writing to the Commission, declare the principal of all Bonds then Outstanding and the interest accrued thereon to be due and payable immediately, and upon any such declaration the same shall become due and payable, anything contained herein or in the Bonds to the contrary notwithstanding. This subsection, however, is subject to the condition that if at any time after

the Bonds have been so declared due and payable and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Commission shall deposit with the Trustee a sum sufficient to pay the unpaid principal amount of the Bonds due prior to such declaration and the accrued interest on those of such Bonds as are Bonds, with interest on such overdue installments at the rate or rates applicable thereto in accordance with their terms, and the reasonable fees and expenses of the Trustee, and any and all other defaults known to the Commission (other than in the payment of the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Commission or provision deemed by the Commission to be adequate shall have been made therefor, then and in every such case the Commission may rescind and annul declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

SECTION 9.02 Proceedings by Trustee. Upon the happening and continuance of any Event of Default, the Trustee may, in its discretion, and, at the written request of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding, the Trustee shall (but only to the extent indemnified to its satisfaction from fees and expenses, including attorneys' fees), do the following:

(a) by mandamus, or other suit, action, or proceeding at law or in equity, enforce all rights of the Owners and require the Commission to enforce all rights of the Owners of Bonds, including the right to require the Commission to carry out any other covenant or agreement with Owners of Bonds and to perform its duties hereunder;

(b) bring suit upon the Bonds; and

(c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Owners.

SECTION 9.03 Effect of Discontinuance or Abandonment. In case any proceeding taken by the Trustee on account of any default or Event of Default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Commission, the Trustee, and the Owners shall be restored to their former positions and rights under this Indenture, respectively, and all rights, remedies, and powers of the Trustee shall continue as though no such proceeding had been taken.

SECTION 9.04 Rights of Owners. Anything in this Indenture to the contrary notwithstanding, subject to the limitations and restrictions as to the rights of the Owners in Sections 9.01, 9.02, and 9.05 hereof, upon the happening and continuance of any Event of Default, the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have the right, upon providing the Trustee security and indemnity reasonably satisfactory to it against the costs, expenses, and liabilities to be incurred therein or thereby, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under this Indenture.

The Trustee may refuse to follow any direction that conflicts with law or this Indenture or that the Trustee determines is prejudicial to rights of other Owners or would subject the Trustee to personal liability.

SECTION 9.05 Restriction on Owners' Action. In addition to the other restrictions on the rights of Owners to request action upon the occurrence of an Event of Default and to enforce remedies set forth in this Article IX, no Owner of any of the Bonds shall have any right to institute any suit, action, or proceeding in equity or at law for the enforcement of any trust under this Indenture, or any other remedy under this Indenture or on said Bonds, unless such Owner previously shall have given to the Trustee written notice of an Event of Default as hereinabove provided and unless the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have made written request of the Trustee to institute any such suit, action, proceeding, or other remedy, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers in this Indenture granted, or to institute such action, suit, or proceeding in its or their name; nor unless there also shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request, and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the trusts of this Indenture or for any other remedy under this Indenture; it being understood and intended that no one or more Owners of the Bonds secured by this Indenture shall have any right in any manner whatever by his or their action to affect, disturb, or prejudice the security of this Indenture, or to enforce any right under this Indenture or under the Bonds, except in the manner in this Indenture provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner in this Indenture provided, and for the equal benefit of all Owners of Outstanding Bonds; subject, however, to the provisions of this Section.

SECTION 9.06 Power of Trustee to Enforce. All rights of action under this Indenture or under any of the Bonds secured by this Indenture which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action, or proceedings instituted by the Trustee shall be brought in its own name, as Trustee, for the equal and ratable benefit of the Owners of the Bonds, subject to the provisions of this Indenture.

SECTION 9.07 Remedies Not Exclusive. No remedy in this Indenture 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 shall be cumulative and shall be in addition to every other remedy given under this Indenture or now or hereafter existing at law or in equity or by statute.

SECTION 9.08 Waiver of Events of Default; Effect of Waiver. The Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of acceleration upon the written request of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding. If any Event of Default shall have been waived as herein provided, the Trustee shall promptly give written notice of such waiver to the Commission and

shall give notice thereof by first class mail, postage prepaid, to all Owners of Outstanding Bonds if such Owners had previously been given notices of such Event of Default; but no such waiver, rescission, and annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

No delay or omission of the Trustee or of any Owner of the Bonds to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or an acquiescence therein; and every power and remedy given by this Article IX to the Trustee and to the Owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

SECTION 9.09 Application of Moneys. Any moneys received by the Trustee pursuant to this Article IX, together with any moneys which upon the occurrence of an Event of Default are held by the Trustee in any of the funds hereunder (other than the Rebate Fund and other than moneys held for Bonds not presented for payment) shall, after payment of all fees and expenses of the Trustee, and the fees and expenses of its counsel, be applied to the payment of the whole amount then owing and unpaid on the Outstanding Bonds for principal, premium, if any, and interest, and, in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid on the Bonds, to the payment of the principal, premium, if any, and interest then due and unpaid upon the Outstanding Bonds without preference or priority of any of principal, premium, if any, or interest over the others or of any installment of interest, or of any Outstanding Bond over any other Outstanding Bond, ratably, according to the amounts due respectively for principal, premium, if any, and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective amounts of interest specified in the Outstanding Bonds.

Whenever moneys are to be applied pursuant to the provisions of this Section 9.09, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The Trustee shall give, by mailing by first class mail as it may deem appropriate, such notice of the deposit with it of any such moneys.

ARTICLE X

DEFEASANCE

SECTION 10.01 Discharge of Bonds.

(a) If the Commission shall pay or cause to be paid or there shall otherwise be paid to the Owners of any Outstanding Bonds the interest thereon and the principal thereof and the redemption premium, if any, thereon at the times and in the manner stipulated herein and therein, then all agreements, covenants, and other obligations of the Commission to the Owners of such Bonds hereunder shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Commission all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the

Trustee shall pay over or deliver to the Commission all money or securities held by it pursuant hereto which are not required for the payment of the interest on and principal of and redemption premium, if any, on such Bonds.

Subject to the provisions of the above paragraph, when any of the Bonds shall have been paid and if, at the time of such payment, the Commission shall have kept, performed, and observed all the covenants and promises in such Bonds and in this Indenture required or contemplated to be kept, performed, and observed by the Commission or on its part on or prior to that time, then this Indenture shall be considered to have been discharged in respect of such Bonds and such Bonds shall cease to be entitled to the lien of this Indenture and such lien and all covenants, agreements, and other obligations of the Commission hereunder shall cease, terminate, become void, and be completely discharged as to such Bonds.

Notwithstanding the satisfaction and discharge of this Indenture or the discharge of this Indenture in respect of any Bonds, those provisions of this Indenture relating to the maturity of the Bonds, interest payments and dates thereof, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost, or stolen Bonds, the safekeeping and cancellation of Bonds, nonpresentment of Bonds, and the duties of the Trustee in connection with all of the foregoing, remain in effect and shall be binding upon the Trustee and the Owners of the Bonds and the Trustee shall continue to be obligated to hold in trust any moneys or investments then held by the Trustee for the payment of the principal of, redemption premium, if any, and interest on the Bonds, to pay to the Owners of Bonds the funds so held by the Trustee as and when such payment becomes due. Notwithstanding the satisfaction and discharge of this Indenture or the discharge of this Indenture in respect of any Bonds, those provisions of this Indenture contained in Section 7.04 hereof relating to the compensation of the Trustee shall remain in effect and shall be binding upon the Trustee and the Commission.

(b) Any Outstanding Bonds shall prior to the maturity date or redemption date thereof be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this Section if (1) in case any of such Bonds are to be redeemed on any date prior to their maturity date, the Commission shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail, on a date in accordance with the provisions of Section 3.02 hereof, notice of redemption of such Bonds on said redemption date, said notice to be given in accordance with Section 3.02 hereof, (2) there shall have been deposited with the Trustee either (A) money in an amount which shall be sufficient or (B) Defeasance Securities the interest on and principal of which when paid will provide money which, together with the money, if any, deposited with the Trustee at the same time in accordance with an escrow deposit agreement shall, as verified to the Commission and the Trustee by an Independent Accountant, be sufficient to pay when due the interest to become due on such Bonds on and prior to the maturity date or redemption date thereof, as the case may be, and the principal of and redemption premium, if any, on such Bonds, (3) there shall have been delivered an Opinion of Counsel, addressed to the Commission and the Trustee, to the effect that the Bonds are no longer "Outstanding" for purposes of this Indenture, (4) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Commission shall have given the Trustee in form satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the Owners of such Bonds that the deposit required by clause (2) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section

and stating the maturity date or redemption date upon which money is to be available for the payment of the principal of and redemption premium, if any, on such Bonds, and (5) in the case of Book-Entry Bonds, the Trustee shall give notice to the Depository of the redemption of all or part of such Book-Entry Bonds on the date proceeds or other funds are deposited in escrow with respect to such Book-Entry Bonds.

(c) After the payment of all the interest of and principal on all Outstanding Bonds as provided in this Section, the Trustee shall execute and deliver to the Commission all such instruments as may be necessary or desirable to evidence the discharge and satisfaction of this Indenture, and the Trustee shall pay over or deliver to the Commission all moneys or securities held by it pursuant hereto which are not required for the payment of the interest and principal represented by such Bonds. Notwithstanding the discharge and satisfaction of this Indenture, Owners of Bonds shall thereafter be entitled to payments due under the Bonds, but only from amounts deposited pursuant to the Section 10.01 and from no other source.

SECTION 10.02 Unclaimed Money. Anything contained herein to the contrary notwithstanding, the Trustee shall notify the Commission of any money held by the Trustee in trust for the payment and discharge of any of the Bonds which has remained unclaimed for two (2) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for redemption prior to maturity, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee. The Trustee shall at the Written Request of the Commission repay such money to the Commission 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 Commission for the payment of such Bonds.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01 Liability of Commission Limited to Tax Revenues. Notwithstanding anything contained herein to the contrary, the Commission shall not be required to advance any money derived from any source of income other than the Tax Revenues and the amounts on deposit in the Special Fund, the Debt Service Fund, and the Reserve Fund as provided herein for the payment of the interest on or principal of or redemption premium, if any, on the Bonds or for the performance of any agreements or covenants herein contained. The Commission may, however, advance funds for any such purpose so long as such funds are derived from a source legally available for such purpose.

The Bonds do not constitute a debt of the City, the State, or any of its political subdivisions, and neither the City, the State, nor any of its political subdivisions is liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than those of the Commission. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

SECTION 11.02 Benefits of the Indenture Limited to Parties. Nothing contained herein, expressed or implied, is intended or shall be construed to confer upon, or to give or grant

to, any person or entity other than the Commission, the Trustee, and the Owners any right, remedy, or claim under or by reason hereof. Any agreement or covenant required herein to be performed by or on behalf of the Commission or any member, officer, or employee thereof shall be for the sole and exclusive benefit of the Trustee, and the Owners.

SECTION 11.03 Successor is Deemed Included in All References to Predecessor. Whenever herein either the Commission or any member, officer, or employee thereof is named or referred to, such reference shall be deemed to include the successor to the powers, duties, and functions that are presently vested in the Commission or such member, officer, or employee, and all agreements and covenants required hereby to be performed by or on behalf of the Commission or any member, officer, or employee thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

SECTION 11.04 Execution of Documents by Owners. Any declaration, request, or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or his attorney of any declaration, request ,or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to make acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn before such notary public or other officer. The ownership of any Bonds and the amount, maturity, number, and date of holding the same may be proved by the Bond Register at the Corporate Trust Office of the Trustee.

Any declaration, request, or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond with respect to anything done or suffered to be done by the Commission in good faith and in accordance therewith.

SECTION 11.05 Waiver of Personal Liability. No member, officer, or employee of the Commission shall be individually or personally liable for the payment of the interest on or principal of or redemption premium, if any, on the Bonds by reason of their issuance, but nothing herein contained shall relieve any member, officer, or employee of the Commission from the performance of any official duty provided by any applicable provisions of law or hereby.

SECTION 11.06 Acquisition of Bonds by Commission. Except as otherwise permitted under Section 3.01(b) hereof, all Bonds acquired by the Commission, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

SECTION 11.07 Destruction of Cancelled Bonds. Whenever provision is made for the return to the Commission of any Bonds which have been cancelled pursuant to the provisions hereof, Trustee shall destroy such Bonds and furnish to the Commission a certificate of such destruction.

SECTION 11.08 Funds. Any fund required herein to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either

as an account or a fund, and may, for the purposes of such accounting records, any audits thereof, and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such accounts and funds shall at all times be maintained in accordance with sound industry practice and with due regard for the protection of the security of the Bonds and the rights of the Owners.

SECTION 11.09 Article and Section Headings and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction, or effect hereof. All references herein to "Articles," "Sections," and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof," "hereto," "herewith," "hereunder," and other words of similar import refer to this Indenture as a whole and not to any particular article, section, subdivision, or clause hereof.

SECTION 11.10 Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the Commission or the Trustee shall be contrary to law, then such agreement or agreements, such covenant or covenants, or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or of the Bonds, and the Owners shall retain all the benefit, protection, and security afforded to them hereunder or any applicable provisions of law. The Commission and the Trustee hereby declare that they would have executed and delivered this Indenture and each and every other article, section, paragraph, subdivision, sentence, clause, and phrase hereof and would have authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses, or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable, or invalid.

SECTION 11.11 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 Commission and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

SECTION 11.12 Law Governing. This Indenture shall be governed exclusively by the provisions hereof and by the laws of the State as the same from time to time exist.

SECTION 11.13 Notices. All notices, requests, demands, and other communications under this Indenture by any person shall be in writing (unless otherwise specified herein) and shall be sufficiently given on the date of service if served personally upon the person to whom notice is to be given or on receipt if sent by courier or if mailed, by first-class mail or by registered or certified mail, postage prepaid, and properly addressed as follows:

If to the Commission: Oxnard Community Development Commission
214 South C Street
Oxnard, California 93030
Attention: Chief Financial Officer
Fax: (805) 385-7466

If to the Authority:	City of Oxnard Financing Authority c/o City of Oxnard 300 West Third Street Oxnard, California 93030 Attention: Controller Fax: (805) 385-7466
If to the Trustee:	Wells Fargo Bank, National Association 707 Wilshire Blvd., 17th Floor Los Angeles, California 90017 Attention: Corporate Trust Department Fax: (213) 614-3355
If to S&P	Standard & Poor's Ratings Services 55 Water Street, 38th Floor New York, NY 10041
If to any Owner:	to its address as indicated in the Bond Register

or to such other address or addresses as any such person shall have designated to the others by notice given in accordance with the provisions of this Section 11.13.

The Commission shall cause to be given to S&P notice of any substitution of the Trustee, any material change in this Indenture, or any redemption or defeasance of any or all of the Outstanding Bonds.

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IN WITNESS WHEREOF, the OXNARD COMMUNITY DEVELOPMENT COMMISSION has caused this Indenture to be signed in its name by its Chairman and WELLS FARGO BANK, NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed by one of the officers thereunder duly authorized, all as of the day and year first above written.

OXNARD COMMUNITY
DEVELOPMENT COMMISSION

By: _____
Dr. Thomas E. Holden, Chairman

ATTEST:

_____
Edmund F. Sotelo, Executive Director
and Secretary

APPROVED AS TO FORM:

_____
Alan Holmberg,
Commission General Counsel

APPROVED AS TO CONTENT:

_____
James Cameron,
Chief Financial Officer

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By: _____
Vice President

EXHIBIT A

No. _____ $_____

OXNARD COMMUNITY DEVELOPMENT COMMISSION
HISTORIC ENHANCEMENT AND REVITALIZATION OF OXNARD (HERO)
PROJECT AREA TAX ALLOCATION BONDS, SERIES 2011

Interest Rate	Maturity Date	Dated Date	CUSIP
_____%	September 1, 20__	April __, 2011	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

The OXNARD COMMUNITY DEVELOPMENT COMMISSION, a public body, corporate and politic, duly organized and validly existing under and by virtue of the laws of the State of California (the "Commission"), for value received, hereby promises to pay to the registered owner specified above or registered assigns (each, an "Owner" and collectively with the registered owners of all of the Bonds, the "Owners"), on the maturity date specified above (subject to any right of prior redemption provided for) the principal sum specified above, together with interest thereon at the interest rate per annum specified above on each March 1 and September 1, commencing September 1, 2011 (each, an "Interest Payment Date"), from the Interest Payment Date next preceding the date of authentication hereof, unless such date of authentication is during the period commencing after the fifteenth day of the month preceding an Interest Payment Date (the "Record Date") through and including the next succeeding Interest Payment Date, in which event this Bond shall bear interest from such Interest Payment Date, or unless such date of authentication is on or before the first Record Date, in which event this Bond shall bear interest from April __, 2011, until the principal hereof shall have been paid; provided, however, that if on the date of authentication of this Bond, interest is then in default on the Bonds, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Bonds.

The principal of this Bond shall be payable (without notice of payment to the Owner hereof) in lawful money of the United States of America at the corporate trust office of Wells Fargo Bank, National Association (together with any successor as trustee under the hereinafter defined Indenture, the "Trustee"), in Los Angeles, California, upon presentation and surrender of this Bond.

Payment of interest on this Bond due on or before the maturity or prior redemption hereof shall be made to the person in whose name this Bond is registered, as of the Record Date preceding the applicable Interest Payment Date, on the registration books kept by the Trustee at its corporate trust office in Los Angeles, California, such interest to be paid by check mailed by first class mail on such Interest Payment Date to the Owner at his address as it appears on such

books, except that, in the case of an Owner of Bonds evidencing one million dollars ($1,000,000) or more in aggregate principal amount, upon the written request of such Owner received by the Trustee on or prior to a Record Date, specifying the account or accounts to which such payment shall be made, payment shall be made by wire transfer of immediately available funds on such Interest Payment Date. Interest on this Bond shall be payable in lawful money of the United States of America and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

This Bond is one of a duly authorized issue of bonds of the Commission designated as the "Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011" (the "Bonds") in the aggregate principal amount of _____ million _____ thousand dollars ($[PRINCIPAL AMOUNT]) issued under and pursuant to the provisions of the Community Redevelopment Law of the State, constituting Part 1 and Part 1.7 of Division 24 of the Health and Safety Code of the State, as amended (the "Redevelopment Law"), Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State, as amended (the "JPA Law"), and an Indenture of Trust, dated as of April 1, 2011 (the "Indenture"), by and between the Commission and the Trustee (copies of which Indenture are on file at the corporate trust office of the Trustee in Los Angeles, California).

The Bonds are issued to provide funds to finance redevelopment activities within the Project Area (as defined in the Indenture).

The Bonds are special obligations of the Commission and are payable from and secured by a first pledge of and lien on the Tax Revenues (as defined in the Indenture) derived by the Commission from the Project Area and by amounts on deposit in the Special Fund, the Debt Service Fund, and the Reserve Fund (each as defined in the Indenture). Except for the Tax Revenues and such moneys, no funds or properties of the Commission shall be pledged to, or otherwise be liable for, the payment of principal of or interest or redemption premium, if any, on the Bonds.

The Bonds do not constitute a debt of the City of Oxnard, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions is liable thereon, nor in any event shall the Bond be payable out of any funds or properties other than those of the Commission. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Parity Debt (as defined in the Indenture) payable from Tax Revenues that will be payable on a parity with the Bonds has been issued and additional Parity Debt may be incurred by the Commission, subject to the conditions and upon compliance with the procedures set forth in the Indenture. Reference is hereby made to the Indenture and any and all amendments thereof and supplements thereto for a description of the terms under which the Bonds are issued, the provisions with regard to the incurrence of Parity Debt and Subordinate Debt (as defined in the Indenture), and the rights of the Owners of the Bonds. All of the terms of the Indenture are hereby incorporated herein. The Indenture constitutes a contract between the Commission and the Owner of this Bond, and, by acceptance hereof, the Owner of this Bond agrees and consents

to all of the provisions of the Indenture. Each Owner hereof shall have recourse to all of the provisions of the Indenture and shall be bound by all of the terms and conditions thereof.

The Bonds maturing on or after September 1, 20__, shall be subject to redemption as a whole or in part, as determined by the Commission and by lot within a maturity, at the option of the Commission, on any date on or after September 1, 20__, without premium, from any available source of funds

The Commission shall be required to give the Trustee written notice of its intention to redeem Bonds, of the date of such redemption, and of its determination of the maturities to be redeemed at least forty-five (45) days prior to the date fixed for such redemption, and shall transfer to the Trustee for deposit into the Debt Service Fund all amounts required for such redemption not later than the date fixed for such redemption.

The Bonds maturing on September 1, 20__, are subject to redemption (or purchase in lieu of redemption, as described below) prior to their stated maturity, in part by lot, from mandatory sinking account payments made by the Commission, on each September 1, commencing September 1, 20__, at the principal thereof plus accrued interest thereon to the date fixed for redemption, without premium. The principal amount of such Bonds to be so redeemed or purchased in lieu of redemption and the dates therefor shall be as follows:

September 1 of the Year	Principal Amount
20__	$___,000
20__	___,000
20__	___,000
20__	___,000
20__ (maturity)	___,000

The Bonds maturing on September 1, 20__, are subject to redemption (or purchase in lieu of redemption, as described below) prior to their stated maturity, in part by lot, from mandatory sinking account payments made by the Commission, on each September 1, commencing September 1, 20__, at the principal thereof plus accrued interest thereon to the date fixed for redemption, without premium. The principal amount of such Bonds to be so redeemed or purchased in lieu of redemption and the dates therefor shall be as follows:

September 1 of the Year	Principal Amount
20__	$___,000
20__	___,000
20__	___,000
20__	___,000
20__ (maturity)	___,000

If some but not all of the Bonds maturing on September 1, 20__, or on September 1, 20__, have been optionally redeemed as described above, the total amount of all future sinking account payments for such Bonds shall be reduced by the aggregate principal amount of such Bonds so redeemed, to be allocated among such sinking account payments on a pro rata basis in integral multiples of $5,000 as determined by the Commission.

In lieu of the mandatory sinking account redemption of Bonds, amounts on deposit in the Debt Service Fund as sinking account payments may also be used and withdrawn by the Trustee at the written direction of the Commission received prior to the selection of Bonds for mandatory sinking account redemption and used to purchase such Bonds at public or private sale as and when and at such prices (including brokerage and other charges and including accrued interest) as the Commission may in its discretion determine. The principal amount of any of the Bonds so purchased by the Commission and surrendered to the Trustee in any twelve-month period ending on September 1 in any year shall be credited towards and shall reduce the principal amount of the Bonds otherwise required to be redeemed on the following September 1 of such year pursuant to the Indenture.

Notice of redemption shall be mailed first-class mail by the Trustee, not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective Owners of the Bonds designated for redemption at their addresses appearing on the registration books of the Trustee; provided that failure by the Trustee to give notice pursuant to any one or more of the respective Owners of any Bonds designated for redemption, or the insufficiency of any such notice, shall not 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.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all outstanding Bonds and may be declared due and payable upon the conditions, in the manner, and with the effect provided in the Indenture; except that the Indenture provides that in certain events such declaration and its consequences may be rescinded.

The Bonds may be issued in authorized denominations of five thousand dollars ($5,000) and any integral multiple thereof.

This Bond is transferable only on the books required to be kept for that purpose at the corporate trust office of the Trustee in Los Angeles, California, by the Owner hereof in person or by his duly authorized attorney, upon surrender of this Bond together with a written instrument

of transfer in a form approved by the Trustee duly executed by the Owner or his duly authorized attorney, and thereupon a new fully registered Bond or Bonds of a like aggregate principal amount of the same tenor and maturity will be issued to the transferee in exchange therefor. This Bond may be exchanged at the corporate trust office of the Trustee in Los Angeles, California, for a like aggregate principal amount of Bonds of the same tenor and maturity of other authorized denominations. The Trustee shall not be required to register the transfer of or exchange (i) any Bonds during the period established by the Trustee for the selection of Bonds for redemption, or (ii) any Bond which has been selected for redemption in whole or in part.

The Commission and the Trustee may deem and treat the Owner hereof as the absolute owner hereof for the purpose of receiving payment hereof and for all other purposes, whether or not this Bond shall be overdue or not, and neither the Commission nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Bond shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

The Indenture and the rights and obligations of the Commission and of the Owners of the Bonds may be amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such amendment shall (i) extend the maturity of this Bond or reduce the interest rate hereon or otherwise alter or impair the obligation of the Commission to pay the interest hereon or principal hereof or redemption premium, if any, hereon at the time and place and at the rate and in the currency provided herein without the express written consent of the Owner of this Bond, (ii) reduce the percentage of Owners whose consent is required for the execution of any supplement or amendment to the Indenture, or (iii) modify any rights or obligations of the Trustee without its prior written assent thereto, all as more fully set forth in the Indenture.

If the Commission shall pay or cause to be paid or there shall otherwise be paid to the Owners of any outstanding Bonds the interest thereon, the principal thereof and the redemption premium, if any, thereon at the times and in the manner stipulated herein and in the Indenture, then all agreements, covenants, and other obligations of the Commission to the Owners of such Bonds under the Indenture shall thereupon cease, terminate, and become void and be discharged and satisfied.

This Bond shall not be entitled to any benefit, protection, or security under the Indenture or become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been manually executed and dated by the Trustee.

It is hereby certified that all acts and proceedings required by law necessary to make this Bond, when executed by the Commission, authenticated and delivered by the Trustee and duly issued, the valid, binding, and legal limited obligation of the Commission have been done and taken, and have been in all respects duly authorized.

IN WITNESS WHEREOF, the Oxnard Community Development Commission has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Chairman and attested to by the manual or facsimile signature of its Executive Director and Secretary, and has caused this Bond to be dated as of the dated date set forth above.

OXNARD COMMUNITY
DEVELOPMENT COMMISSION

By: _____
Chairman

Attest:

_____
Executive Director and Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within mentioned Indenture that has been authenticated and registered on _____.

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signatory

[FORM OF ASSIGNMENT TO BONDS]

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

_____

(name, address, and social security number or other identifying number) the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

_____

Dated: _____

NOTE: The signature to this Assignment must correspond with the name as written upon the face of the bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

_____

NOTICE: The signature must be guaranteed by an eligible guarantor institution.

EXHIBIT B

WRITTEN REQUEST OF THE COMMISSION

FOR DISBURSEMENT OF COSTS OF ISSUANCE

Wells Fargo Bank, National Association
707 Wilshire Boulevard, 17th Floor
Los Angeles, California 90017

SUBJECT: Oxnard Community Development Commission
Historic Enhancement and Revitalization of Oxnard (HERO)
Project Area Tax Allocation Bonds, Series 2011

Requisition No.: _____

Ladies and Gentlemen:

You, as trustee (the "Trustee") for the above-referenced bonds (collectively, the "Bonds"), are hereby requested to pay from the Costs of Issuance Fund, established pursuant to that certain Indenture of Trust, dated as of April 1, 2011 (the "Indenture"), by and between the Trustee and the Oxnard Community Development Commission ("Commission"), authorizing the issuance and sale of the Bonds, to the respective persons or entities designated on Schedule A attached hereto and by this reference incorporated herein, the respective sums set forth on said Schedule A. Each obligation, item of cost, or expense included in this Written Request is a Cost of Issuance (as defined in the Indenture), has been properly incurred, is a proper charge against the Costs of Issuance Fund, and has not been the basis of any previous withdrawal, and the payment of such obligation, cost, or expense will not cause the balance remaining in the Costs of Issuance Fund after such payment to be less than the amount necessary to pay the remaining estimated Costs of Issuance to be paid from the Costs of Issuance Fund.

Dated: _____, 2011

OXNARD COMMUNITY DEVELOPMENT COMMISSION

By: _____
[Title]

EXHIBIT C

WRITTEN REQUEST OF THE COMMISSION OR THE CITY

FOR DISBURSEMENT OF COSTS OF REDEVELOPMENT PROJECT

Wells Fargo Bank, National Association
707 Wilshire Boulevard, 17th Floor
Los Angeles, California 90017

SUBJECT: Oxnard Community Development Commission
Historic Enhancement and Revitalization of Oxnard (HERO)
Project Area Tax Allocation Bonds, Series 2011

Requisition No.: _____

Ladies and Gentlemen:

You, as trustee (the "Trustee") for the above-referenced bonds (collectively, the "Bonds"), are hereby requested to pay from the Redevelopment Fund, established pursuant to that certain Indenture of Trust, dated as of April 1, 2011 (the "Indenture"), by and between the Trustee and the Oxnard Community Development Commission, authorizing the issuance and sale of the Bonds, to the respective persons or entities designated on Schedule A attached hereto and by this reference incorporated herein, the respective sums set forth on said Schedule A. Each obligation, item of cost, or expense included in this Written Request is a cost of the Redevelopment Project (as defined in the Indenture), has been properly incurred, is a proper charge against the Redevelopment Fund, and has not been the basis of any previous withdrawal.

Dated: _____, 201_

[OXNARD COMMUNITY DEVELOPMENT COMMISSION]

OR

[CITY OF OXNARD]

By: _____
[Title]

EXHIBIT D

PERMITTED INVESTMENTS

(1) (a) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations");

(b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America;

(c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are 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.

(2) Tax-Exempt Obligations.

(3) The listed obligations of government-sponsored agencies that are not backed by the full faith and credit of the United States of America:

(a) Federal Home Loan Mortgage Corporation (FHLMC) Participation certificates (excluded are stripped mortgage securities that are purchased at prices exceeding their principal amounts) – senior debt obligations;

(b) Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) – consolidated system-wide bonds and notes;

(c) Federal Home Loan Banks (FHL Banks) – consolidated debt obligations;

(d) Federal National Mortgage Association (FNMA) – senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts);

(e) Financing Corporation (FICO) – debt obligations; or

(f) Resolution Funding Corporation (REFCORP) – debt obligations.

(4) Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated "A-1" or better by S&P.

(5) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks that have capital and surplus of at least $5 million.

(6) Commercial paper (having original maturities of not more than 30 days) rated "A-1" by S&P and "Prime-1" by Moody's.

(7) Money market funds rated in the highest rating category by S&P or Moody's. Such money market funds may include funds for which the Trustee or its subsidiaries or affiliates provide investment advisory or other management services.

(8) "State Obligations," which means:

(a) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A-" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated;

(b) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (a) above and rated "A-1" by S&P or "MIG-1" by Moody's; or

(c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (a) above and rated "AA" or better by S&P and "Aa" or better by Moody's.

(9) Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

(a) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(b) the municipal obligations are secured by cash or United States Treasury Obligations that may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(c) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification"); and

(d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations.

(10) Repurchase agreements:

With (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A" by S&P or Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by S&P or Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by S&P or Moody's, provided that:

(a) the market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P or Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach);

(b) the Trustee or a third party acting solely as agent therefor or for the Commission (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(c) the repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(d) all other requirements of S&P in respect of repurchase agreements shall be met; and

(e) the repurchase agreement shall provide that if during its term:

(i) the provider's rating by either S&P or Moody's falls below "A-" or "A3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (A) collateralize (using collateral that otherwise satisfies Permitted Investment guidelines) the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the Commission, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (B) repay the principal of and accrued but unpaid interest on the investment; and

(ii) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the Commission or the Trustee, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Commission or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in clause (a) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

(11) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt is rated at least "AA" (stable) by S&P and "Aa2" (stable) by Moody's, or, in the case of a monoline financial guaranty insurance company, claims paying ability of the guarantor is rated at least "AAA (stable)" by S&P and "Aaa (stable)" by Moody's; provided that, by the terms of the investment agreement:

(a) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;

(b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Commission and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(c) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

(d) the Commission or the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the Commission) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Commission;

(e) the investment agreement shall provide that if during its term:

(i) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (A) collateralize (using collateral that otherwise satisfies Permitted Investment guidelines) the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the Commission, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A"

rated structured financing (with a market value approach); or (B) repay the principal of and accrued but unpaid interest on the investment; and

(ii) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the Commission or the Trustee, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Commission or Trustee; and

(f) the investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession); and

(g) the investment agreement must provide that if during its term:

(i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Commission or the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Commission or Trustee, as appropriate; and

(ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Commission or Trustee, as appropriate.

(12) The Local Agency Investment Fund ("LAIF").