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**TRUST AGREEMENT**

**Dated as of February 1, 2014**

**between the**

**CITY AND COUNTY OF SAN FRANCISCO**

**and**

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

**RELATING TO**

**City and County of San Francisco  
Tax-Exempt Lease Revenue  
Commercial Paper Certificates of  
Participation, Series 3**

**and**

**City and County of San Francisco  
Taxable Lease Revenue  
Commercial Paper Certificates of  
Participation, Series 3-T**

**City and County of San Francisco  
Tax-Exempt Lease Revenue  
Commercial Paper Certificates of  
Participation, Series 4**

**and**

**City and County of San Francisco  
Taxable Lease Revenue  
Commercial Paper Certificates of  
Participation, Series 4-T**

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## **TRUST AGREEMENT**

This **TRUST AGREEMENT**, dated as of February 1, 2014 (as amended, supplemented or modified from time to time, the "**Trust Agreement**"), between the **CITY AND COUNTY OF SAN FRANCISCO**, a charter city and county organized and existing under the laws of the State of California (the "**City**"), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States (the "**Trustee**").

### **BACKGROUND:**

1. The City has determined to adopt and implement a program under which the City will provide financing for certain public capital improvements (collectively, the "**Projects**") and deliver its Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 3 (the "**Series 3 Certificates**"), its Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 4 (the "**Series 4 Certificates**" and, with the Series 3 Certificates, the "**Tax-Exempt Commercial Paper Certificates**"), its Taxable Lease Revenue Commercial Paper Certificates, Series 3-T (the "**Series 3-T Certificates**") and its Taxable Lease Revenue Commercial Paper Certificates, Series 4-T (the "**Series 4-T Certificates**" and, with the Series 3-T Certificates, the "**Taxable Commercial Paper Certificates**"). The Tax-Exempt Commercial Paper Certificates and the Taxable Commercial Paper Certificates are referred to collectively herein as the "**Commercial Paper Certificates**." The City intends to deliver the Commercial Paper Certificates for the purpose of providing moneys which will be sufficient, among other things (i) to pay costs of the Projects; (ii) to fund capitalized interest with respect to the Certificates (as defined herein); (iii) to fund Capitalized Fees and Expenses (as defined herein); and (iv) to pay costs incurred in connection with the sale and delivery of the Commercial Paper Certificates.

2. Concurrently herewith, the City and the Trustee will enter into a Site Lease, dated as of the date hereof (as amended, supplemented or modified from time to time, the "**Site Lease**"), under which the Trustee will lease from the City certain Property (as defined therein) located in the City, including the buildings and improvements thereon owned by the City.

3. Concurrently herewith, the City and the Trustee will enter into a Sublease, dated as of the date hereof (as amended, supplemented or modified from time to time, the "**Sublease**"), under which the City will sublease the Property from the Trustee in furtherance of the City's public purposes.

4. The City has determined to enter into this Trust Agreement in order to provide for the authentication and delivery of the Commercial Paper Certificates, to establish and declare the terms and conditions upon which the Commercial Paper Certificates will be delivered and secured, and to secure the payment of the principal and interest with respect thereto.

5. The City will execute and deliver the Commercial Paper Certificates, evidencing proportionate interests in all of the rights of the Trustee under the Sublease, including the right to receive Base Rental payments payable thereunder, and will undertake such other responsibilities as are assigned to the Trustee under this Trust Agreement.

6. The City has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Trust Agreement do exist, have happened and have been

performed in due time, form and manner as required by law, and the parties hereto are duly authorized to execute and enter into this Trust Agreement.

#### **P L E D G E:**

In consideration of the premises, of the acceptance by the Trustee of its duties hereby imposed, and of the purchase and acceptance of the Commercial Paper Certificates by the Holders thereof, the receipt and adequacy of which are hereby acknowledged, and to secure the payment of all of the Certificates at any time delivered and Outstanding hereunder and the interest with respect thereto according to their tenor, purport and effect, to secure the obligations of the City to the Banks under the Reimbursement Agreements (as such terms are defined herein) and to secure the performance and observance of all of the covenants, agreements and conditions contained therein, herein and in the Site Lease and the Sublease, there is hereby pledged, for the benefit of the Holders and the Banks, unto the Delivery and Paying Agent, the Trustee and the Banks, and granted to the Delivery and Paying Agent (as defined herein), the Trustee and the Banks a security interest in and lien on, all its right, title and interest in and to: (i) the Site Lease; (ii) the Sublease, including the right to enforce remedies under the Sublease and all revenues, issues, income, rents, royalties, profits and receipts derived or to be derived by the City from or attributable to the sublease of the Property to the City including all revenues attributable to the sublease of the Property or to the payment of the costs thereof received or to be received by the City under the Sublease or any part thereof or any contractual arrangement with respect to the use of the Property, including all Base Rental payments made by the City thereunder; (iii) the proceeds of any insurance, including the proceeds of any self-insurance covering loss relating to the Property; (iv) all amounts on hand from time to time in the funds and accounts established hereunder (other than the Rebate Fund); (v) all proceeds of rental interruption insurance policies carried with respect to the Property pursuant to the Sublease or in accordance with this Trust Agreement; and (vi) any additional moneys or amounts that may from time to time, by delivery or by writing of any kind, be subjected to the lien hereof by the City or by anyone on its behalf, subject only to the provisions of this Trust Agreement, the Site Lease and the Sublease (clauses (i), (ii), (iii), (iv), (v) and (vi) of this sentence, collectively, the "Pledged Property").

#### **A G R E E M E N T:**

In consideration of the foregoing and the material covenants hereinafter contained, the City and the Trustee formally covenant, agree and bind themselves as follows:

## ARTICLE I

### APPOINTMENT OF TRUSTEE; DEFINITIONS

**Section 1.01. Appointment of Trustee.** The Trustee is hereby appointed and employed to act solely as set forth herein, to receive, hold and disburse in accordance with the terms hereof the moneys to be paid to it, to apply and disburse payments received under the Sublease to the Holders of such Certificates or the Banks, and to perform certain other functions, all as hereinafter provided. By executing and delivering this Trust Agreement, the Trustee accepts the duties and obligations provided herein, but only upon the terms and conditions herein set forth.

**Section 1.02. Definitions.** Unless the context otherwise requires, the terms defined in this Section 1.02 will, for all purposes of this Trust Agreement, have the meanings set forth below. All other capitalized terms used herein without definition will have the meanings given to such terms in the Sublease.

**"Additional Property"** has the meaning assigned to such term in Section 7.02.

**"Additional Rental"** means the amounts specified as such in Section 3.1(h) of the Sublease.

**"Administrative Expense Account"** means the account of that name established within the Delivery and Paying Agent Fund under Section 3.05.

**"Advance"** means each payment of a drawing by a Bank under a Credit Facility subject to the provisions contained in the applicable Credit Facility and Reimbursement Agreement.

**"Alemany Market"** means the Property owned by the City and currently used as a farmers' market, located at 100 Alemany in the City (Block 5731, Lot 003, Block 5734, Lots 002 and 003, and Block 5733A, Lots 001 and 002).

**"Alternate Credit Facility"** means an irrevocable letter of credit, a line or lines of credit, a noncancellable insurance policy or other credit facility provided to support the payment of Commercial Paper Certificates in accordance with the provisions of Section 6.02, as such alternate credit facility may be amended or supplemented from time to time.

**"Authorized Denomination"** means \$100,000 and integral multiples of \$1,000 in excess thereof.

**"Authorized Representative"** means the Controller of the City, the Director of Public Finance of the City, the Public Finance Manager of the City, or another official designated by any such officer and authorized to act on behalf of the City under or with respect to this Trust Agreement and all other agreements related hereto.

**"Available Moneys"** means (1) moneys derived from payments under a Credit Facility and not commingled with any other funds; (2) any moneys on deposit with the Trustee pursuant to this Trust Agreement or with the Issuing and Paying Agent pursuant to the Issuing and Paying Agent Agreement for a period of one hundred twenty-three (123) consecutive days and not commingled with any moneys so held for less than said period, during which no petition in bankruptcy under the United States Bankruptcy Code has been filed by or against the City;

(3) investment income derived from the investment of moneys described in clause (1) or (2); or  
(4) moneys as to which the Trustee and the Issuing and Paying Agent have received an opinion of bankruptcy counsel acceptable to the Trustee and the Rating Agencies to the effect that the contemplated disbursement thereof pursuant to this Trust Agreement and the Issuing and Paying Agent Agreement will not be recoverable under Section 547 or 550 of the United States Bankruptcy Code.

**"Bank Reimbursement Account"** means the account of that name established within the Delivery and Paying Agent Fund under Section 3.05 with a Series 3 Subaccount, Series 3-T Subaccount, Series 4 Subaccount and a Series 4-T Subaccount therein.

**"Bank"** or **"Banks"** means the provider or providers issuing a Credit Facility or any provider or providers issuing an Alternate Credit Facility, as long as such Credit Facility or Alternate Credit Facility is in effect with respect to any of the Commercial Paper Certificates. **"Bank"** initially refers to State Street Bank and Trust Company. If there is more than one Bank, references to **"the Bank"** or **"a Bank"** will be deemed to refer to the Bank providing a Credit Facility for the applicable series of Commercial Paper Certificates.

**"Base Rental"** means the amounts specified as such in Section 3.1 of the Sublease, as such amounts may be adjusted from time to time in accordance with the terms of the Sublease, but does not include Additional Rental.

**"Base Rental Account"** means the account of that name established within the Delivery and Paying Agent Fund under Section 3.05.

**"Base Rental Payment Date"** means May 1, 2014 and each August 1, November 1, February 1 and May 1 thereafter during the term of the Sublease.

**"Base Rental Period"** means the one-year period commencing on May 1 of each year and ending on the following April 30, provided that the first Base Rental Period will commence on the first date of delivery of Commercial Paper Certificates and end on April 30, 2014.

**"Business Day"** means any day other than (i) a Saturday or Sunday or a day on which banking institutions are authorized or required by law or executive order to be closed in the State or in New York for commercial banking purposes; (ii) a day on which the New York Stock Exchange is authorized or required by law or executive order to be closed; and (iii) a day upon which commercial banks are authorized or required by law or executive order to be closed in the cities and states in which demands for payment may be presented under a Credit Facility supporting the payment of the Commercial Paper Certificates.

**"Capitalized Fees Account"** means the account of that name established with the Project Fund under Section 3.04 with a Tax-Exempt Subaccount and a Taxable Subaccount therein.

**"Capitalized Fees and Expenses"** means any application, commitment, financing, rating or similar fee charged, or reimbursement for administrative or other expenses incurred or charged by the City, the Trustee, the Delivery and Paying Agent, any Dealer, and the Banks, which fees and expenses are to be payable from amounts on deposit in the Capitalized Fees Account (as provided in Section 3.04) or from Additional Rental.



**"Capitalized Interest Account"** means the account of that name established within the Project Fund under Section 3.04 with a Tax-Exempt Subaccount and a Taxable Subaccount therein.

**"Certificate"** means any Commercial Paper Certificate or any Revolving Bank Certificate, and **"Certificates"** means the Commercial Paper Certificates and the Revolving Bank Certificates.

**"City"** means the City and County of San Francisco, California and its successors and assigns.

**"Closing Date"** means the first date on which Commercial Paper Certificates are executed and delivered hereunder by the City.

**"Code"** means the Internal Revenue Code of 1986, as amended, including regulations, rulings and judicial decisions promulgated thereunder.

**"Commercial Paper Certificates"** means the Tax-Exempt Commercial Paper Certificates and the Taxable Commercial Paper Certificates authorized hereby and at any time Outstanding hereunder that are executed by the City and authenticated by the Delivery and Paying Agent under Article II.

**"Costs of Issuance"** means all the costs of preparing, executing and delivering the Commercial Paper Certificates and other costs related to the financing provided thereby, including, but not limited to, all printing and document preparation expenses in connection with this Trust Agreement, the Site Lease, the Sublease, the Commercial Paper Certificates and any offering materials pertaining to the Commercial Paper Certificates; rating agency fees; CUSIP Service Bureau charges; financial advisory fees; consultant fees; market study fees; title insurance and appraisal fees; legal fees and expenses of counsel; fees and expenses (including legal expenses) of the Banks; the initial fees and expenses of the Trustee and the Delivery and Paying Agent (including without limitation, origination fees and first annual fees payable in advance); and other costs, fees and expenses incurred in connection with the execution and delivery of the Commercial Paper Certificates or the implementation of the financing provided thereby, to the extent such fees and expenses are approved by an Authorized Representative.

**"Costs of Issuance Fund"** means the account of that name established under Section 3.07 with a Tax-Exempt Account and a Taxable Account therein.

**"Credit Facility"** means initially that certain irrevocable direct-pay letter of credit issued by the Bank under the Reimbursement Agreement, and, upon the delivery of any additional Credit Facility or Alternate Credit Facility, such Credit Facility or Alternate Credit Facility. The term "Credit Facilities" refers collectively to all outstanding Credit Facilities.

**"Dealer"** means U.S. Bancorp Investments, Inc., Loop Capital Markets, LLC, Citigroup Global Markets Inc. and Wells Fargo Bank, N.A. Municipal Products Group, and any co-dealer appointed by the City in its discretion, or any substitute, successor, alternate or additional dealer or co-dealer appointed by the City in its discretion with respect to the Commercial Paper Certificates.

**"Dealer Agreement"** means the dealer agreement or agreements to be entered into with the Dealer, substantially in the form of Exhibit C, as it may be amended, supplemented or

otherwise modified from time to time, or any dealer agreement with a substitute, successor, alternate or additional dealer or co-dealer.

**"Delivery and Paying Agent"** means initially U.S. Bank National Association acting as the agent of the Trustee, or any successor trustee appointed under Article IV or any other delivery and paying agent appointed under Article V.

**"Delivery and Paying Agent Agreement"** means the Delivery and Paying Agent Agreement dated as of February 1, 2014 between U.S. Bank National Association, and the City or any similar agreement between the City and any successor or substitute Delivery and Paying Agent.

**"Delivery and Paying Agent Fund"** means the fund of that name established under Section 3.05.

**"Depository"** means DTC or if (a) the Depository resigns from its functions as securities depository of the Commercial Paper Certificates, or (b) the City discontinues use of the Depository under Section 2.09, any other securities depository which agrees to follow procedures required to be followed by a securities depository in connection with the Commercial Paper Certificates and which is selected by the City with the consent of the Trustee.

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

**"Event of Default"** has the meaning assigned to such term in Section 8.01.

**"Excess Investment Earnings"** means an amount equal to the sum of:

- (i) the excess of
  - (A) the aggregate amount earned on all Nonpurpose Investments (other than amounts attributable to such excess), over
  - (B) the amount which would have been earned if the Yield on such Nonpurpose Investments (other than amounts attributable to such excess) had been equal to the Yield on the Commercial Paper Certificates,
- (ii) any income attributable to the excess described in clause (i).

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

Public Debt, or (iv) any commingled investment fund in which the City and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment. To the extent required by applicable regulations under the Code, the term "investment" will include a hedge.

**"Final Completion"** means, with respect to the construction of the Public Safety Building, the construction, the installation of improvements and the substantial readiness of the Public Safety Building for use and occupancy by the City (subject to minor architectural finish items e.g., 'punch list' items) as evidenced by the delivery of a certificate of completion.

**"Final Drawing Notice"** has the meaning assigned to such term in the applicable Reimbursement Agreement.

**"Fitch"** means Fitch Ratings a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation will be dissolved or liquidated or will no longer perform the functions of a securities rating agency, then the term "Fitch" will be deemed to refer to any other nationally recognized securities rating agency selected by the City.

**"Government Certificates"** means evidences of indebtedness or ownership of proportionate interests in future principal and interest payments of Government Obligations, including depository receipts thereof, wherein (i) a bank or trust company acts as custodian and holds the underlying Government Obligations; (ii) the owner of the Government Certificate is a real party in interest with the right to proceed directly and individually against the obligor of the underlying Government Obligations; and (iii) the underlying Government Obligations are held in trust in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian or any person claiming through the custodian, or any person to whom the custodian may be obligated.

**"Government Obligations"** means direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury) or evidence of ownership in a portion thereof (which may consist of specified portions of interest with respect thereto and obligations of the Resolution Funding Corporation which constitute interest strips) if held by a custodian on behalf of the Trustee, obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, and prerefunded municipal obligations rated in the highest rating category by Moody's and S&P.

**"Gross Proceeds"** means the sum of the following amounts:

- (i) original proceeds, namely, net amounts received by or for the City as a result of the sale of the Commercial Paper Certificates, excluding original proceeds which become transferred proceeds (determined in accordance with applicable Regulations) of obligations issued to refund in whole or in part the Commercial Paper Certificates;

- (ii) investment proceeds, namely, amounts received at any time by or for the City, such as interest and dividends, resulting from the investment of any original proceeds (as referenced in clause (i) above) or investment proceeds (as referenced in this clause (ii)) in Nonpurpose Investments, increased by any profits and decreased (if necessary, below zero) by any losses on such investments, excluding investment

proceeds which become transferred proceeds (determined in accordance with the Code) of obligations issued to refund in whole or in part the Commercial Paper Certificates;

(iii) sinking fund proceeds, namely, amounts, other than original proceeds or investment proceeds (as referenced in clauses (i) and (ii) above) of the Commercial Paper Certificates, which are held in any fund or account to the extent that the City reasonably expects to use such other fund to pay debt service on the Commercial Paper Certificates or to reimburse the Banks for the payment of debt service on the Commercial Paper Certificates;

(iv) amounts in any fund established as a reasonably required reserve for payment of debt service on the Commercial Paper Certificates;

(v) amounts, other than as specified in this definition, used to pay debt service on the Commercial Paper Certificates; and

(vi) amounts received as a result of investing amounts described in this definition.

**"Holder"** whenever used with respect to a Certificate, means the Person in whose name such Certificate is registered or if such Certificate is not in registered form, the Person who is the bearer thereof; except that so long as any Master Certificate is delivered and outstanding, then, with respect to the Commercial Paper Certificates, it means the Depository or its Nominee.

**"Investment Earnings"** means interest received in respect of the investment of moneys on deposit in any fund or account maintained hereunder.

**"Investment Property"** means any security (as said term is defined in section 165(g)(2)(A) or (B) of the Code), obligation, annuity contract or investment-type property, excluding, however, obligations (other than specified private activity bonds as defined in section 57(e)(5)(6) of the Code) the interest with respect to which is excluded from gross income, under section 103 of the Code, for federal income tax purposes.

**"Master Certificate"** means a Certificate substantially in the form of Exhibit B-1 hereto with respect to Tax-Exempt Commercial Paper Certificates and Exhibit B-2 hereto with respect to the Taxable Commercial Paper Certificates, and in each case registered in the name of the Depository thereof or its Nominee, or any successor or assign.

**"Maximum Base Rental"** means the amounts specified as such in Section 3.1(a) of the Sublease, as such amounts may be adjusted from time to time in accordance with the terms of the Sublease, including Section 2.2 of the Sublease, but does not include Additional Rental.

**"Maximum Interest Rate"** means, with respect to the Commercial Paper Certificates, 12% per annum.

**"Maximum Principal Amount"** means, \$100,000,000, or such lesser principal amount of indebtedness designated by the City which, if it bore interest at the Maximum Interest Rate and principal and such interest were payable as provided in the Sublease (commencing on the first day of the first Base Rental Period to commence after the date of calculation), could be fully retired from amounts then payable by the City as Maximum Base Rental (as adjusted under the Sublease) during the remaining term of the Sublease.

**"Moody's"** means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, except that if such corporation will no longer perform the functions of a securities rating agency for any reason, the term "Moody's" will be deemed to refer to any other nationally recognized securities rating agency selected by the City.

**"No-Delivery Notice"** means a notice from a Bank to the Delivery and Paying Agent not to deliver any additional Commercial Paper Certificates secured by the Credit Facility issued by such Bank.

**"Nominee"** means Cede & Co. or such other nominee of the Depository (which may be the Depository) as determined from time to time pursuant hereto.

**"Nonarbitrage Certificate"** means the Certificate as to Arbitrage of the City executed on the Closing Date and any other Certificate as to Arbitrage executed from time to time by the City in connection with the Tax-Exempt Commercial Paper Certificates.

**"Nonpurpose Investment"** means any Investment Property which is acquired with the Gross Proceeds of the Commercial Paper Certificates and is not acquired in order to carry out the governmental purpose of the Commercial Paper Certificates.

**"Outstanding"** means, when used as of any particular time with respect to either the Commercial Paper Certificates or the Revolving Bank Certificates or both, as the context requires, such Certificates theretofore delivered by the City under this Trust Agreement, except:

(a) Certificates theretofore cancelled or delivered to the Delivery and Paying Agent for cancellation and, in all cases, with the intent to extinguish the debt represented thereby; and

(b) Certificates in lieu of, or in substitution for, which other Certificates have been delivered and delivered under Section 2.06; and

(c) Certificates with respect to which all liability of the City will have been discharged in accordance with Section 10.03.

**"Participant"** means a member of, or participant in, the Depository.

**"Payment Account"** means the account of that name established within the Delivery and Paying Agent Fund under Section 3.05 with a Series 3 Subaccount, Series 3-T Subaccount, Series 4 Subaccount and a Series 4-TSubaccount therein.

**"Permitted Encumbrances"** means, as of any particular time: (i) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the City may, under Section 7.02, permit to remain unpaid; (ii) the Sublease, as it may be amended from time to time; (iii) the Site Lease, as it may be amended from time to time; (iv) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (v) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions, all of a non-monetary nature, which exist of record as of the Closing Date; and (vi) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions, all of a non-monetary

nature, established following the Closing Date and to which the City, the Trustee and the Banks consent in writing.

**"Person"** means an individual, corporation, firm, association, partnership, trust or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

**"Pledged Property"** has the meaning assigned to such term in the "Pledge" at the front of this Trust Agreement.

**"Principal Office of the Trustee"** means the corporate trust office of the Trustee located at U.S. Bank National Association, One California Street, Suite 1000, San Francisco, CA 94111, Attention: Corporate Trust Services.

**"Project Costs"** means the costs of the acquisition, construction, development and financing of capital facilities and improvements thereto, capital expenditures and extraordinary costs, and includes, without limitation, the costs of engineering, architectural services, plans, specification, surveys and estimates of costs, the costs of any taxes or assessments paid or to be paid in connection with the transfer of any property related to the capital facilities; the costs of any indemnity or surety bonds or other insurance with respect to the acquisition, construction, development or financing of any capital facilities; the costs of software, computer upgrades and consulting fees related thereto; Costs of Issuance of the Commercial Paper Certificates, including without limitation, expenses relating to registering or qualifying the Commercial Paper Certificates for distribution in any jurisdiction of the United States, discounts, commissions, financing charges and fees and expenses of underwriters, dealers (including, but not limited to, the Dealer), remarketing agents, rating agencies, attorneys, accountants, advisors and consultants, letter of credit fees payable with respect to the Commercial Paper Certificates, the premium payable with respect to any insurance policy with respect to the Commercial Paper Certificates, the costs of audit and any credit enhancement facility; the cost of title insurance; any reimbursement payments to the City; fees and expenses of the Trustee and the Delivery and Paying Agent; the administrative expenses of the City attributable to the capital facilities, including, without limitation, compensation of officers, directors, employees, agents, attorneys, accountants and consultants of the City and any fees and expenses of the Trustee and the Delivery and Paying Agent during construction; and such other costs, whether or not specified herein, as may be necessary or incidental to the acquisition, construction, development or financing of the capital facilities and any improvements thereto and the placing of the same in operation, and such other costs and expenses for changes, alterations and additions to the capital facilities requested by the City.

**"Project Fund"** means the fund by that name established under Section 3.04.

**"Projects"** means the projects to be financed with proceeds of the Commercial Paper Certificates as specified by the City from time to time.

**"Property"** has the meaning assigned to such term in the Sublease.

**"Public Safety Building"** means the facility being constructed by the City at Mission Rock and Third Street in the City (Block 8720, Lot 2).

**"Qualified Investments"** means, if and to the extent permitted by law and by any policy guidelines promulgated by the City:

- (a) Government Obligations or Government Certificates;
- (b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):
  - (i) Farmers Home Administration (FmHA) - Certificates of beneficial ownership;
  - (ii) Federal Housing Administration Debentures (FHA);
  - (iii) General Services Administration - Participation certificates;
  - (iv) Government National Mortgage Association (GNMA or "Ginnie Mae") - guaranteed mortgage backed bonds and GNMA guaranteed pass-through obligations (participation certificates);
  - (v) U.S. Maritime Administration - Guaranteed Title XI financing;
  - (vi) U.S. Department of Housing and Urban Development (HUD) - Project notes and local authority bonds; and
  - (vii) Any other agency or instrumentality of the United States of America;
- (c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit United States of America government agencies (stripped securities are only permitted if they have been stripped by the agency itself):
  - (i) Federal Home Loan Bank System - Senior debt obligations (consolidated debt obligations);
  - (ii) Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac") - Participation certificates (mortgage-backed securities) and senior debt obligations rated in the highest rating category by Moody's and S&P;
  - (iii) Fannie Mae - mortgage-backed securities and senior debt obligations (excluding stripped mortgage securities which are valued greater than par on the portion of the unpaid principal) rated in the highest rating category by Moody's and S&P;
  - (iv) Student Loan Marketing Association (SLMA or "Sallie Mae") - Senior debt obligations;
  - (v) Resolution Funding Corp. (REFCORP) - Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form;

(vi) Federal Farm Credit System - Consolidated systemwide bonds and notes; and

(vii) Any other agency or instrumentality of the United States of America;

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, and having a rating by S&P of AAAM-G or AAAM and by Moody's of Aaa;

(e) Certificates of deposit issued by a state or national bank or a state or federal savings and loan; provided that such certificates of deposit will be either (i) continuously and fully insured by the FDIC; or (ii) have a maturity of not greater than 365 days and have the highest short-term letter and numerical ratings of Moody's and S&P;

(f) Savings accounts or money market deposits that are fully insured by FDIC;

(g) Investment Agreements, including guaranteed investment contracts, provided either (i) the long-term unsecured debt or claims ability of the issuer or guarantor thereof is rated in the highest rating category by Moody's and S&P by the terms of which all amounts invested thereunder are required to be withdrawn and paid to the Trustee, without penalty, in the event such rating at any time falls below the highest rating category, or (ii) such agreement is fully collateralized by Government Obligations or Government Certificates;

(h) Commercial paper of "prime" quality rated in the highest rating category by Moody's and S&P, which commercial paper is limited to issuing corporations that are organized and operating within the United States and which matures not more than 270 calendar days after the date of purchase;

(i) Bonds or notes issued by any state or municipality which are rated in the highest rating category by Moody's and S&P;

(j) Federal funds or bank acceptances which are eligible for purchases by members of the Federal Reserve System, drawn on any banks the short-term obligations of which are rated in the highest rating category by Moody's and S&P; provided that the maturity cannot exceed 270 days;

(k) Repurchase agreements with maturities of either (a) 30 days or less, or (b) less than one year, provided that the collateral is marked-to-market daily, entered into with financial institutions such as banks or trust companies organized under state or federal law, insurance companies, or government bond dealers reporting to, or trading with, and recognized as a primary dealer by, the Federal Reserve Bank of New York and a member of SPIC, or with a dealer or parent holding company that is rated A or better by Moody's and S&P. The repurchase agreement must be in respect of Government Obligations or Government Certificates or obligations described in paragraph (b) herein, which, exclusive of accrued interest, will be maintained at least 100% of par. In addition, repurchase agreements will meet the following criteria: (i) the third party (who may not be the provider of the collateral) has possession of the repurchase securities and the



Government Obligations or Government Certificates; (ii) failure to maintain the requisite collateral levels will require liquidation; and (iii) the third party having possession of the securities has a perfected, first priority security interest in the securities; and

(l) Any other debt or fixed income security specified by the City (except securities of the City and any agency, department, commission or instrumentality thereof) and rated in the highest rating category by Moody's and S&P, including prerefunded municipal obligations.

In connection with the purchase of any Qualified Investment, the City may enter into agreements, including forward purchase agreements, with the seller thereof.

**"Rating Agency"** means Moody's, S&P or Fitch so long as each of them, as applicable, maintain a rating on the Commercial Paper Certificates.

**"Rating Category"** means one of the general rating categories of Moody's, S&P or Fitch, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

**"Rebate Fund"** means the fund of that name established under Section 3.06.

**"Reimbursement Agreement" or "Reimbursement Agreements"** means, initially, the Letter of Credit and Reimbursement Agreement dated as of February 1, 2014, between the City and State Street Bank and Trust Company, pursuant to which a Credit Facility has been issued to support the payment of Commercial Paper Certificates, together with the Fee Agreement dated as of February \_\_, 2014, between the City and State Street Bank and Trust Company, as the same may be amended, supplemented or otherwise modified from time to time, or any other agreement or agreements executed from time to time in connection with the delivery of a Credit Facility. If there is more than one Reimbursement Agreement, references to "the Reimbursement Agreement" or "a Reimbursement Agreement" refer to the Reimbursement Agreement for the applicable series of Commercial Paper Certificates.

**"Representation Letter"** will have the meaning assigned to such term in Section 2.09.

**"Required Principal Reduction Amount"** means, as of any date of calculation, the principal amount of Certificates, if any, that must be retired (and not refunded, reissued or remarketed) such that immediately after such retirement the aggregate principal amount of Certificates Outstanding will not exceed the Maximum Principal Amount as of such date.

**"Revolving Bank Certificate"** means any promissory note or notes in the form of a certificate or certificates of participation delivered under the provisions of this Trust Agreement and the Reimbursement Agreements in evidence of Advances made by a Bank under a Reimbursement Agreement, having the terms and characteristics contained therein and delivered in accordance therewith.

**"S&P"** means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, except that if such corporation will no longer perform the functions of a securities rating agency for any reason, the term "S&P" will be deemed to refer to any other nationally recognized securities rating agency selected by the City.

**"Securities Depositories"** means DTC; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the City may designate in a Written Certificate of the City filed with the Trustee.

**"Series 3 Certificates"** means the City's Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 3.

**"Series 3-T Certificates"** means the City's Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 3-T.

**"Series 4 Certificates"** means the City's Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 4.

**"Series 4-T Certificates"** means the City's Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 4-T.

**"Site Lease"** means that certain Site Lease, dated as of the date hereof, between the City and the Trustee, including any amendments or supplements thereto made or entered into in accordance with the terms hereof and of the Site Lease.

**"Special Counsel"** means Jones Hall, A Professional Law Corporation and Amira Jackmon, attorney-at-law, at any time that Certificates are outstanding bearing an opinion of such counsel, or at any other time such counsel or another attorney or firm of attorneys of recognized national standing in the field of public finance selected by the City.

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

**"Sublease"** means that certain Sublease, dated as of the date hereof, between the City and the Trustee, including any amendments or supplements thereto made or entered into in accordance with the terms hereof and of the Sublease.

**"Sublease Term"** means the term of the Sublease with respect to the Property as provided in Section 2 thereof.

**"Substituted Property"** will have the meaning given to such term in Section 7.02.

**"Supplemental Trust Agreement"** means any agreement amending or supplementing this Trust Agreement or another Supplemental Trust Agreement.

**"Tax-Exempt Commercial Paper Certificates"** means, collectively, the Series 3 Certificates and the Series 4 Certificates.

**"Taxable Commercial Paper Certificates"** means, collectively, the Series 3-T Certificates and the Series 4-T Certificates.

**"Trust Agreement"** means this Trust Agreement between the City and the Trustee, including any amendments or supplements hereto made or entered into in accordance with the terms hereof.

**"Trustee"** means U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America, or any successor trustee appointed under Article IV.

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

**"Yield"** means that yield which, when used in computing the present worth of all payments of principal and interest (or other payments in the case of Nonpurpose Investments which require payments in a form not characterized as principal and interest) on a Nonpurpose Investment or on the Commercial Paper Certificates produces an amount equal to the purchase price of such Nonpurpose Investment or the Commercial Paper Certificates, all computed as prescribed in the Code.

### **Section 1.03. Rules of Construction.**

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

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

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

(d) All references herein to a party that "will" take an action is deemed to be a directive to such party to take such action and an agreement by such party to take such action. All references herein to a party that "will not" take an action is deemed to be a directive to such party not to take such action and an agreement by such party not to take such action.

**Section 1.04. Authorization.** Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Trust Agreement, and has taken all actions necessary to authorize the execution and delivery of this Trust Agreement.

**Section 1.05. Trust Agreement a Contract.** In consideration of the acceptance of the Certificates by the Holders thereof, this Trust Agreement is deemed to be and constitutes a contract between the City and the Holders from time to time of all Certificates delivered hereunder and then Outstanding to secure the full and final payment of the interest with respect to and principal of all Certificates authorized, executed and delivered hereunder, subject to the agreements, conditions, covenants and provisions herein contained.

## ARTICLE II

### GENERAL TERMS OF COMMERCIAL PAPER CERTIFICATES

**Section 2.01. Authorization of Commercial Paper Certificates, the Revolving Bank Certificates and Advances.** From time to time, on or after the date of this Trust Agreement, the City may on any date, upon compliance with the terms of Section 3.01, execute and the Delivery and Paying Agent will authenticate and, at the request of the City, will deliver Commercial Paper Certificates in an aggregate principal amount which will not exceed the amount then available to be drawn under the applicable Credit Facility or the Maximum Principal Amount calculated as of such date at any one time Outstanding for the purpose of (i) financing Project Costs, and (ii) paying Commercial Paper Certificates (and interest with respect thereto), directly or indirectly, delivered under the provisions hereof. The Commercial Paper Certificates evidence proportionate interests in the Sublease, including the right to receive Base Rental payments thereunder, as more particularly described therein, herein and in the Certificates.

The Revolving Bank Certificates will be and are hereby authorized to be delivered, in accordance with the terms and conditions of the Reimbursement Agreements for the purpose of evidencing Advances made to refinance, renew or refund Commercial Paper Certificates (and interest with respect thereto) when due. Advances evidenced by the Revolving Bank Certificates will be and are hereby authorized to be drawn in accordance with the terms and conditions of such Revolving Bank Certificate and the applicable Reimbursement Agreement. The authorizations hereof are all in accordance with and subject to the terms, conditions and limitations contained herein and, with respect to each Revolving Bank Certificate, in the applicable Reimbursement Agreement.

For so long as only one Credit Facility is in effect and such Credit Facility is in a stated amount (not taking into account any unreimbursed drawings thereunder) that allows for the execution and delivery of the Maximum Principal Amount of Certificates, the City will cause the execution and delivery of only the Series 3 Certificates and the Series 3-T Certificates and will not cause the execution and delivery of the Series 4 Certificates and the Series 4-T Certificates.

**Section 2.02. Terms of Commercial Paper Certificates.** Subject to Section 3.01, Commercial Paper Certificates to be designated "City and County of San Francisco Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 3," "City and County of San Francisco Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 3-T," "City and County of San Francisco Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 4" or "City and County of San Francisco Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 4-T," as appropriate, may be delivered and sold and delivered from time to time in such principal amounts as determined by an Authorized Representative in Authorized Denominations, numbered as the Delivery and Paying Agent will determine and maturing and becoming due and payable on such dates as an Authorized Representative will determine at the time of sale; but, in no case may any Commercial Paper Certificate (i) mature on a day that is not a Business Day, (ii) have a term in excess of two hundred seventy (270) days, (iii) have a maturity date less than five days prior to the expiration or termination of the applicable Credit Facility unless the City will have arranged for an Alternate Credit Facility under Section 6.02, or (iv) bear interest at a rate in excess of the Maximum Interest Rate.

Subject to applicable terms, limitations and procedures contained herein, Commercial Paper Certificates herein authorized will be dated as of their date of delivery and will bear

interest at such rate or rates per annum, as may be determined by an Authorized Representative or, upon the written direction of an Authorized Representative (which may be provided by e-mail), or as provided in Section 3.01, the Dealer; but, in no event will the interest rate exceed the Maximum Interest Rate. Interest with respect to the Tax-Exempt Commercial Paper Certificates will be computed on the basis of actual days elapsed and on a 365-day or 366-day year, whichever is applicable, and interest with respect to the Taxable Commercial Paper Certificates will be computed on the basis of actual days elapsed and on a 360-day year. Subject to applicable terms, limitations and procedures set forth herein, Commercial Paper Certificates may be sold in such manner at public or private sale and at such price, including a price of less than par, as an Authorized Representative will approve at the time of the sale thereof. If sold at a price of less than par, the Commercial Paper Certificates need not have a stated rate of interest.

The Commercial Paper Certificates will not be subject to prepayment prior to maturity.

Both principal and interest with respect to the Commercial Paper Certificates will be payable at maturity in lawful money of the United States of America in immediately available funds, at the corporate trust office of the Delivery and Paying Agent to the Holder thereof.

The City and the Delivery and Paying Agent may treat the Holder as the absolute owner of any Commercial Paper Certificate for the purpose of receiving payment thereof and for all purposes, and the City and the Delivery and Paying Agent will not be affected by any notice or knowledge to the contrary.

**Section 2.03. Revolving Bank Certificates.** Subject to the limitations contained herein and in the Reimbursement Agreements, the City may execute Revolving Bank Certificates in accordance with the terms of this Trust Agreement and the Reimbursement Agreements.

**Section 2.04. Form of Commercial Paper Certificates.** So long as the City uses the book-entry system with respect to the Commercial Paper Certificates, the Commercial Paper Certificates will be substantially in the form set forth in Exhibit B-1 hereto with respect to Tax-Exempt Commercial Paper Certificates of each series and Exhibit B-2 hereto with respect to Taxable Commercial Paper Certificates of each series and if the City determines to discontinue use of the book-entry system with respect to the Commercial Paper Certificates, the Tax-Exempt Commercial Paper Certificates of each series will be substantially in the form set forth in Exhibit A-1 hereto and the Taxable Commercial Paper Certificates of each series will be substantially in the form set forth in Exhibit A-2 hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Trust Agreement and may have such letters, numbers or other marks of identification and such legends, endorsements and opinions thereon as may, consistent herewith, be approved by an Authorized Representative. Any portion of the text of any Commercial Paper Certificates may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Commercial Paper Certificates.

The Commercial Paper Certificates will be printed, lithographed or engraved or produced in any other similar manner, or typewritten, all as determined and approved by an Authorized Representative.

**Section 2.05. Execution and Authentication.** The Commercial Paper Certificates will be executed on behalf of the City with the signature of the Director of Public Finance of the City. Each such signature may be executed manually or by facsimile.

In case any such officer whose signature or countersignature appears on the Commercial Paper Certificates has ceased to be such officer before the Commercial Paper Certificates so signed has been delivered, such signature or countersignature will nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until the delivery of the Commercial Paper Certificates, and such Commercial Paper Certificates will be delivered and outstanding hereunder and will be as binding upon the City as though the Person who signed such Commercial Paper Certificates had been such official on the date borne by the Commercial Paper Certificates and on the date of delivery. Also, any Commercial Paper Certificate may be signed on behalf of the City by such Person as at the actual date of execution of such Commercial Paper Certificate is the Mayor or Controller of the City, as the case may be, although on the date borne by such Commercial Paper Certificate such Person is not such official.

No Commercial Paper Certificate will be entitled to any right or benefit under this Trust Agreement, or be valid or obligatory for any purpose unless there appears on such Commercial Paper Certificate a certificate of authentication, executed by the Delivery and Paying Agent by manual signature, and such certificate upon any Commercial Paper Certificate will be conclusive evidence that such Commercial Paper Certificate has been duly certified or registered, if applicable, and delivered.

**Section 2.06. Certificates Mutilated, Lost, Destroyed or Stolen.** If any Certificate will become mutilated, the City, at the expense of the Holder of said Certificate, will execute and deliver a new Certificate of like tenor in exchange and in substitution for the Certificate so mutilated, but only upon surrender to the City of the Certificate so mutilated. If any Certificate will be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the City and the Delivery and Paying Agent and if such evidence is satisfactory to the City and indemnity satisfactory to the Delivery and Paying Agent, the City has been given, the City will, at the expense of the Holder, execute and deliver a new Certificate of like tenor in lieu of and in substitution for the Certificate so lost, destroyed or stolen. Any Certificate executed and delivered under the provisions of this Section 2.06 in lieu of any Certificate claimed to be lost, destroyed or stolen will be equally and proportionately entitled to the benefits of this Trust Agreement with all other Certificates. Neither the City nor the Delivery and Paying Agent will be required to treat both the original Certificate and any duplicate Certificate as being Outstanding for the purposes of determining the principal amount of Certificates which may be delivered hereunder or for any other purpose, but both the original and the duplicate Certificate will be treated as one and the same.

Only a new Series 3 Certificate may be exchanged for a Series 3 Certificate mutilated, lost, destroyed or stolen, and only a new Series 3-T Certificate may be exchanged for a Series 3-T Certificate mutilated, lost, destroyed or stolen. Only a new Series 4 Certificate may be exchanged for a Series 4 Certificate mutilated, lost, destroyed or stolen, and only a new Series 4-T Certificate may be exchanged for a Series 4-T Certificate mutilated, lost, destroyed or stolen.

**Section 2.07. Cancellation.** All Certificates which at maturity are surrendered to the Delivery and Paying Agent for the collection of the principal and interest with respect thereto will, upon payment, be cancelled and destroyed by the Delivery and Paying Agent, and the Delivery and Paying Agent forthwith will transmit to the City a certificate identifying such Certificates and stating that such Certificates have been duly cancelled and destroyed.

**Section 2.08. Fiscal and Other Agents.** In furtherance of the purposes of this Trust Agreement, the Trustee, with the prior written consent of the City, may from time to time appoint and provide for the payment of such additional fiscal, paying or other agents or trustees as it may deem necessary or appropriate in connection with the Certificates.

**Section 2.09. Book-Entry System.** So long as the City uses the book-entry system with respect to the Commercial Paper Certificates, Commercial Paper Certificates of each series and maturity will be initially delivered and delivered in the form of a separate single fully registered Master Certificate, the forms of which is set forth in Exhibit B. Upon initial delivery and delivery, the ownership of each such Master Certificate will be registered in the name of the Nominee as nominee of the Depository.

In order to qualify the Commercial Paper Certificates for the Depository's book-entry system, the Authorized Representative is hereby authorized to execute, countersign and deliver, from time to time, on behalf of the City to such Depository a letter or letters from the City representing such matters as will be necessary to so qualify the Commercial Paper Certificates (each a "Representation Letter"). The execution and delivery of a Representation Letter will not in any way limit the provisions of this Section 2.09 or in any other way impose upon the City any obligation whatsoever with respect to Persons having beneficial interests in the Commercial Paper Certificates other than the Holders. In addition to the execution and delivery of the Representation Letter, the Authorized Representative and all other officers of the City, and their respective designees, each are hereby authorized to take any other actions, not inconsistent with this Trust Agreement, to qualify the Commercial Paper Certificates for the Depository's book-entry program.

**Section 2.10. Transfers Outside Book-Entry System.** In the event (i) the Depository determines not to continue to act as securities depository for the Commercial Paper Certificates, or (ii) the City determines that the Depository will no longer so act and delivers a Written Certificate to the Delivery and Paying Agent to that effect, then the City will discontinue the book-entry system with respect to the Commercial Paper Certificates with the Depository. If the City determines to replace the Depository with another qualified securities depository, the City will prepare or direct the preparation of a new, single, separate, fully registered Master Certificate, registered in the name of such successor or substitute qualified securities depository or its nominee, or make such other arrangement acceptable to the City and the Depository as are not inconsistent with the terms of this Trust Agreement. If the City fails to identify another qualified securities depository to replace the Depository, the City will deliver to the Delivery and Paying Agent for safekeeping, completion, authentication and delivery in accordance with the provisions hereof, Commercial Paper Certificates executed on behalf of the City, in reasonable quantity, with the date of delivery, principal amount, maturity date, owner and rate of interest left blank. Each such Commercial Paper Certificate will be held in safekeeping by the Delivery and Paying Agent until authenticated and delivered in accordance with the provisions of Section 3.01.

**Section 2.11. Draws Under Credit Facilities for Commercial Paper Certificates.** The Authorized Representative has arranged for a Credit Facility to be delivered to the Delivery and Paying Agent with respect to each Series of the Certificates. The Delivery and Paying Agent will draw moneys, or demand payment, under the Credit Facility in accordance with the terms thereof in amounts necessary to make timely payment of the principal of and interest with respect to the applicable series of Commercial Paper Certificates when due.



The Delivery and Paying Agent will deposit the moneys received with respect to each drawing or payment under each Credit Facility in the applicable subaccount of the Payment Account established under Section 3.05 and which account will be maintained so long as any Commercial Paper Certificates of the applicable series have not been paid. Moneys in the Payment Accounts will not be commingled with any other moneys and will be used and applied only to pay the principal of or interest with respect to the series of Commercial Paper Certificates for which the draw or payment under such Credit Facility was made and may be used and applied for no other purpose, including without limitation the payment of the applicable Revolving Bank Certificate or the interest with respect thereto. Any monies in the Payment Accounts will be held uninvested until applied for the purposes herein provided.

**Section 2.12. Priority of Moneys to Pay Commercial Paper Certificates.** Payment of principal and interest with respect to the Commercial Paper Certificates will be derived only from the following sources in the following order of priority:

- (i) moneys drawn by the Delivery and Paying Agent under the Credit Facility relating to such series of Commercial Paper Certificates; and
- (ii) revenues derived from the Pledged Property on hand from time to time in the funds and accounts established hereunder and available for such purpose.

**Section 2.13. Credit Facilities.** The Delivery and Paying Agent will hold and maintain each Credit Facility provided for the benefit of the Holders of the applicable series of Commercial Paper Certificates, and not the Revolving Bank Certificates, until the expiration or termination of such Credit Facility pursuant to its terms. The Delivery and Paying Agent will draw on the applicable Credit Facility as needed to pay the principal of and interest with respect to the applicable series of Commercial Paper Certificates upon the maturity thereof and will enforce all terms, covenants and conditions of such Credit Facility, including payment when due of any draws on, or payment demands under, such Credit Facility, and will not consent to, agree to or permit any amendment or modification of such Credit Facility which would materially adversely affect the rights or security of the Holders of the applicable series of Commercial Paper Certificates. If at any time during the term of such Credit Facility, any successor Delivery and Paying Agent is appointed and qualified under this Trust Agreement, the resigning or removing Delivery and Paying Agent will request that the Banks cooperate in the transfer of each Credit Facility to the successor Delivery and Paying Agent. In no event will the Delivery and Paying Agent's removal or resignation become effective unless and until each Credit Facility is transferred to the successor Delivery and Paying Agent. If a Credit Facility consists of a letter of credit, then upon the expiration, termination or substitution thereof, and in accordance with its terms or the replacement thereof by an Alternate Credit Facility, the Delivery and Paying Agent will immediately surrender such Credit Facility to the applicable Bank for cancellation.

The Delivery and Paying Agent may accept, hold and draw upon the Credit Facility issued by itself or by any of its corporate affiliates to provide security and a source of payment for the Commercial Paper Certificates. The Trustee and the Delivery and Paying Agent covenant that they will at all times maintain adequate controls to manage any potential conflict of interest. Notwithstanding any other provision herein to the contrary, while the Bank issuing the Credit Facility or Alternate Credit Facility is the Trustee or an affiliate of the Trustee and such Bank has not failed to honor a properly presented draw on the Credit Facility or Alternate Credit Facility, the Trustee shall have no discretion with respect to the exercise of remedies with respect to the Commercial Paper Certificates and shall do so only in accordance with the provisions of Article VIII hereof and Section 2.2 of the Sublease. The Trustee will immediately

tender its resignation and take prompt steps to have a successor trustee appointed satisfying the requirements of this Trust Agreement if such affiliated Bank fails at any time to honor a properly presented draw on the Credit Facility.

### **ARTICLE III**

#### **DELIVERY AND SALE; FUNDS AND ACCOUNTS**

**Section 3.01. Delivery and Sale of Commercial Paper Certificates.** At any time after the execution of this Trust Agreement, the City may determine to deliver Commercial Paper Certificates in accordance with written instructions of an Authorized Representative, substantially in the form of Exhibit F, delivered to the Delivery and Paying Agent by facsimile (or may be given telephonically or by e-mail with confirmation sent by facsimile). Said instructions:

(a) will specify such series, principal amounts, dates of issue, purchase price, maturities, rates of interest and other terms and conditions which are hereby authorized and permitted to be fixed by an Authorized Representative at the time of sale of the Commercial Paper Certificates, and whether such Commercial Paper Certificates will be Tax-Exempt Commercial Paper Certificates or Taxable Commercial Paper Certificates;

(b) so long as the City uses the book-entry system with respect to the Commercial Paper Certificates, will include a request to the Delivery and Paying Agent to debit the purchaser's account at the Depository against credit to the Delivery and Paying Agent's account at the Depository which purchase will then be recorded on the books and records of the Delivery and Paying Agent maintained with respect to each Master Certificate;

(c) if the City is no longer using the book-entry system with respect to the Commercial Paper Certificates, will include a request that the Delivery and Paying Agent authenticate such Commercial Paper Certificates by countersignature of its authorized officer or employee and deliver them to the named purchaser or purchasers thereof upon receipt of payment in accordance with the custom then prevailing in the New York financial market in regard to such Commercial Paper Certificates, and the rules of the New York Clearinghouse will apply thereto;

(d) will contain provisions representing that all action on the part of the City necessary for the valid delivery of the Commercial Paper Certificates then to be delivered has been taken, that all provisions of California law necessary for the valid delivery of such Commercial Paper Certificates with provision for interest exemption from California personal income taxation have been complied with, and, with respect to the Tax-Exempt Commercial Paper Certificates, that all provisions of federal law for the valid delivery of such Tax-Exempt Commercial Paper Certificates with provision for the exclusion of interest from gross income for federal income tax purposes have been complied with, and that such Commercial Paper Certificates in the possession of the Holders thereof will be valid and enforceable obligations of the City according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted; and

(e) will also certify that:

(i) each of the following conditions has been satisfied;

(A) a Dealer Agreement or Dealer Agreements will be in full force and effect providing for the marketing of all the Commercial Paper Certificates Outstanding immediately upon such delivery;

(B) the interest rate on such Commercial Paper Certificates will not exceed the Maximum Interest Rate;

(C) a Credit Facility will be in full force and effect with respect to all Outstanding Commercial Paper Certificates of the related series immediately after such delivery in an amount sufficient to pay the principal of all Outstanding Commercial Paper Certificates and interest with respect thereto at the rates then in effect with respect to such Commercial Paper Certificates through the maturity dates thereof;

(D) the City has not received advice from Special Counsel that the interest with respect to the Commercial Paper Certificates proposed to be delivered may not be exempt from California personal income tax or, with respect to the Tax-Exempt Commercial Paper Certificates, may not be excluded from gross income for federal income tax purposes;

(E) with respect to the delivery of Certificates of Participation after February 26, 2014, the principal amount of Certificates Outstanding immediately after the delivery of such Commercial Paper Certificates will not exceed the Maximum Principal Amount calculated as of the date of such delivery;

(F) if the delivery of such Commercial Paper Certificates is for a purpose other than refinancing, renewing, repaying or refunding Commercial Paper Certificates or Advances, the City will have issued to the Trustee a Debt Service Certificate — Additional Commercial Paper Certificates in the form of Exhibit C-2 to the Sublease reflecting the delivery of such Commercial Paper Certificates and the City will have complied with Section 3.1(c), if applicable, or Section 3.1(e) of the Sublease;

(G) if the delivery of such Commercial Paper Certificates (1) will occur more than 18 months after Special Counsel's most recently delivered opinion with respect to the Commercial Paper Certificates or (2) will result in an increase in the aggregate principal amount of Certificates Outstanding in excess of \$100,000,000, then the City will have also have received an opinion of Special Counsel that the interest with respect to any Tax-Exempt Commercial Paper Certificates proposed to be delivered will be exempt from California personal income tax and excludable from gross income for federal income tax purposes;

(H) the Delivery and Paying Agent has not received a No-Delivery Notice from the Bank providing a Credit Facility for the series of Commercial Paper Certificates to be delivered; and

(i) the Delivery and Paying Agent has not received a Final Drawing Notice from the Bank providing a Credit Facility for the series of Commercial Paper Certificates to be delivered.

(ii) no Event of Default has occurred and is continuing as of the date of such instructions;

(iii) the City has full power and authority to perform its duties and obligations with respect to the Certificates, the Trust Agreement, the Site Lease, the Sublease and the Reimbursement Agreements;

(iv) the City is in compliance with its covenants set forth in Article VI as of the date of such instructions; and

(v) the amount of Commercial Paper Certificates to be Outstanding and interest accrued or to accrue with respect thereto as of the date of such delivery does not exceed the amount then available to be drawn under the applicable Credit Facility.

Notwithstanding the above provisions of this Section 3.01, if Commercial Paper Certificates are maturing and the City has not delivered the written instructions substantially in the form of Exhibit F regarding the delivery of renewal Commercial Paper Certificates, the Dealer is authorized to direct the Delivery and Paying Agent to deliver Commercial Paper Certificates in an amount equal to the amount of the maturing Commercial Paper Certificates, and, in connection therewith, will provide the Delivery and Paying Agent with the necessary information required in Section 3.01(a) above. In such event, the City will be deemed to be in compliance with the requirements of Section 3.01(e) (other than Section 3.01(e)(i)(F)) unless it has given notice to the Delivery and Paying Agent that it is not in compliance with those requirements.

The City shall not permit the execution and delivery of any Commercial Paper Certificates prior to the date on which the Bank receives evidence of title insurance on the Components of the Property insuring the Trustee and naming the Bank as an additional insured, in an amount not less than \$109,000.00, subject only to such exceptions as shall be acceptable to the Bank, with such endorsements and affirmative coverages as may be reasonably required by the Bank, including such endorsements as may be reasonably required by the Bank, and otherwise in form and substance satisfactory to the Bank and its counsel and issued by an insurance company acceptable to the Bank and its counsel and authorized to issue such insurance in the State of California.

### **Section 3.02. Proceeds of Sale of Commercial Paper Certificates.**

(a) The proceeds of the sale of any Commercial Paper Certificates that are delivered for the purpose of refinancing, renewing or refunding Certificates (and interest with respect thereto) will be deposited in the Bank Reimbursement Account within the Delivery and Paying Agent Fund and applied in accordance with the provisions of Section 3.05. Amounts deposited in the Bank Reimbursement Account under this Section will be allocated as follows: proceeds of Series 3 Certificates will be deposited in the Series 3 Subaccount, proceeds of Series 3-T Certificates will be deposited in the Series 3-T Subaccount, proceeds of Series 4 Certificates will be deposited in the Series 4 Subaccount, and proceeds of Series 4-T Certificates will be deposited in the Series 4-T Subaccount.

(b) The proceeds of the sale of any Commercial Paper Certificates that are delivered for the purpose of financing Project Costs (net of all Costs of Issuance, if any, which will be deposited in the Costs of Issuance Fund and applied in accordance with the provisions of Section 3.07) will be deposited in the accounts or subaccounts established under Section 3.04 below as the City may designate, and applied to the payment of Project Costs, in accordance with the provisions of Section 3.04.

**Section 3.03. Proceeds of Advances.** The proceeds of all Advances will be deposited in the applicable subaccounts of the Payment Account within the Delivery and Paying Agent Fund and expended for the payment of principal of and interest with respect to maturing Outstanding Commercial Paper Certificates in accordance with Section 3.05. Amounts deposited in the Payment Account under this Section will be allocated as follows: Advances with respect to the Series 3 Certificates will be deposited in the Series 3 Subaccount, Advances with respect to the Series 3-T Certificates will be deposited in the Series 3-T Subaccount, Advances with respect to the Series 4 Certificates will be deposited in the Series 4 Subaccount, and Advances with respect to the Series 4-T Certificates will be deposited in the Series 4-T Subaccount.

**Section 3.04. Establishment and Application of Project Fund.** There is hereby established in trust a special fund designated the "Project Fund" which will be held by the Trustee and which will be kept separate and apart from all other funds and moneys held by the Trustee. The Trustee will administer the Project Fund. Within the Project Fund, the Trustee will establish the following accounts:

- (i) Tax-Exempt Account;
- (ii) Taxable Account;
- (iii) Capitalized Interest Account with the following subaccounts:
  - (A) Tax-Exempt Subaccount;
  - (B) Taxable Subaccount;
- (iv) Capitalized Fees Account with the following subaccounts:
  - (A) Tax-Exempt Subaccount;
  - (B) Taxable Subaccount.

In addition, the Trustee may establish such additional accounts within the Project Fund as will be directed by the City in connection with any particular capital project or improvements. Each account will bear such additional designation as may be necessary or appropriate to distinguish it from every other account. Moneys may be transferred from any account to any other account established under this Section in accordance with the written instructions of an Authorized Representative.

In connection with the delivery of the Commercial Paper Certificates, there will be deposited in the applicable account within the Project Fund designated by the City for the purpose of paying Project Costs that portion of the proceeds of the Commercial Paper

Certificates required to be deposited therein under Section 3.02 and such other amounts as specified by the City. The Trustee will, from time to time, disburse money from the Project Fund or any applicable account therein, to pay Project Costs in each case promptly after receipt of and in accordance with a written request of an Authorized Representative in the form of Exhibit E. Moneys deposited in the Project Fund or any applicable account therein will remain therein until from time to time expended to pay for Project Costs, as specified in writing by the City, and will not be used for any other purposes whatsoever, except as otherwise provided below. Pending such expenditure, moneys in said fund may be invested at the direction of the Authorized Representative in Qualified Investments subject to any investment and other limitations contained in the Nonarbitrage Certificate. Unless the City otherwise directs, any income received from such investments will be deposited, as received, into the account from which the income is derived and used for the purposes of the account.

If the City will certify to the Trustee that moneys are no longer required for the payment of any Project Costs and there will remain any balance of money in the Project Fund or any account or subaccount therein, such balance will be transferred, at the election of the City, (a) to the Base Rental Account to the extent necessary to make the amount on deposit therein equal to the amount of Minimum Required Rental Payment to become due within the next 12 months, or (b) to the Banks to pay any other amount owing to the Banks, or (c) to the City for any capital expenditure of the City whether or not related to Project Costs, but only if no amounts are due and owing to the Banks under the Reimbursement Agreements, or (d) to any other use desired by the City that Special Counsel has determined will not adversely affect the exclusion of interest with respect to the Tax-Exempt Commercial Paper Certificates from gross income for federal income tax purposes of the interest with respect to the Tax-Exempt Commercial Paper Certificates.

The Trustee will transfer the amounts on deposit in the Tax-Exempt Subaccount and the Taxable Subaccount of the Capitalized Interest Account to the Delivery and Paying Agent to the applicable subaccounts of the Bank Reimbursement Account as is necessary to reimburse each Bank for Advances applied to the payment of interest with respect to the related Commercial Paper Certificates, but amounts on deposit in the Tax-Exempt Subaccount of the Capitalized Interest Account will be used only to reimburse each Bank for Advances applied to the payment of interest on the related Tax-Exempt Commercial Paper Certificates, and amounts on deposit in the Taxable Subaccount of the Capitalized Interest Account will be used only to reimburse each Bank for Advances applied to the payment of interest on the related Taxable Commercial Paper Certificates. The Delivery and Paying Agent will deposit the amounts received from the Trustee into the Bank Reimbursement Account, and will apply the amounts so deposited as provided in Section 3.05.

The Trustee will, from time to time, disburse amounts on deposit in the Capitalized Fees Account for the payment of Capitalized Fees and Expenses upon receipt of, and in accordance with, a written request substantially in the form of Exhibit G, but amounts on deposit in the Tax-Exempt Subaccount of the Capitalized Fees Account will be used to pay Capitalized Fees and Expenses relating to the Tax-Exempt Commercial Paper Certificates.

#### **Section 3.05. Establishment and Application of Delivery and Paying Agent Fund.**

(a) Simultaneously with the execution of this Trust Agreement, and under the terms of the Delivery and Paying Agent Agreement, the Delivery and Paying Agent will establish in trust a special fund designated as the "Delivery and Paying Agent Fund," which will be held by the Delivery and Paying Agent and which will be kept separate and apart from all other funds

and moneys held by the Delivery and Paying Agent. The Delivery and Paying Agent Fund will be maintained by the Delivery and Paying Agent (i) until all required Base Rental is paid in full under the terms of the Sublease and all obligations of the City payable to the Banks under the Reimbursement Agreements are satisfied, or (ii) until such earlier date as there are no Certificates Outstanding, all obligations of the City payable to the Banks under the Reimbursement Agreements are satisfied, and the City has notified the Delivery and Paying Agent that it does not intend to issue any additional Commercial Paper Certificates and the Credit Facilities have been terminated. Within the Delivery and Paying Agent Fund, the Delivery and Paying Agent will establish the following accounts:

- (i) Base Rental Account;
- (ii) Administrative Expense Account;
- (iii) Payment Account with the following subaccounts:
  - (A) Series 3 Subaccount;
  - (B) Series 3-T Subaccount;
  - (C) Series 4 Subaccount; and
  - (D) Series 4-T Subaccount; and
- (iv) Bank Reimbursement Account with the following subaccounts:
  - (A) Series 3 Subaccount;
  - (B) Series 3-T Subaccount;
  - (C) Series 4 Subaccount; and
  - (D) Series 4-T Subaccount.

(b) Base Rental and proceeds of rental interruption insurance with respect to any Property (if any), received by the Delivery and Paying Agent, on behalf of the Trustee, will be deposited in the Base Rental Account. Any delinquent Base Rental payments and any proceeds of rental interruption insurance with respect to the Property deposited in the Base Rental Account will be transferred to the Bank Reimbursement Account to the extent necessary for the immediate payment of interest payments past due and then for immediate payment of principal payments past due according to the tenor of any Certificate. Any remaining money representing delinquent Base Rental payments and any proceeds of rental interruption insurance will remain on deposit in the Base Rental Account to be applied in the manner provided herein.

(c) Additional Rental, if any, with respect to the Property received by the Delivery and Paying Agent from the City, will be deposited in the Administrative Expense Account. The Delivery and Paying Agent will disburse money from the Administrative Expense Account on such dates and in such amounts as are necessary to pay all expenses of the City (not otherwise paid or provided for out of the proceeds of the sale of the Commercial Paper Certificates or paid from the Project Fund or the Costs of Issuance Fund), incidental to the execution and delivery of

the Commercial Paper Certificates, including but without limiting the generality of the foregoing; fees, costs and expenses of the Trustee and the Delivery and Paying Agent, fees, costs and expenses and other amounts payable to the Banks under the Reimbursement Agreements, Dealer fees and expenses and other necessary administrative charges of the City and for any other lawful purpose of the City in accordance with the Nonarbitrage Certificate, in each case, in accordance with a written payment request of an Authorized Representative in the form of Exhibit D.

(d) There will be deposited into the Payment Account all amounts directed to be deposited therein under Section 3.03, to be applied in the manner provided in Section 2.11.

(e) There will be deposited into the Bank Reimbursement Account all amounts directed to be deposited therein under Sections 3.02(a) and 3.04 and subsection (b) above and subsection (f)(iii) below, to be applied in the manner provided herein.

(f) Amounts on deposit in the various accounts of the Delivery and Paying Agent Fund will be expended as follows:

(i) On the maturity date of any Commercial Paper Certificate:

(A) the Delivery and Paying Agent will apply moneys on deposit in the Payment Account as follows:

(1) amounts in the Series 3 Subaccount will be applied to the payment of principal and interest, if any, with respect to the maturing Series 3 Certificates in accordance with the terms of this Trust Agreement;

(2) amounts in the Series 3-T Subaccount will be applied to the payment of principal and interest, if any, with respect to the maturing Series 3-T Certificates in accordance with the terms of this Trust Agreement;

(3) amounts in the Series 4 Subaccount will be applied to the payment of principal and interest, if any, with respect to the maturing Series 4 Certificates in accordance with the terms of this Trust Agreement;

(4) amounts in the Series 4-T Subaccount will be applied to the payment of principal and interest, if any, with respect to the maturing Series 4-T Certificates in accordance with the terms of this Trust Agreement;

(B) the Delivery and Paying Agent will apply amounts on deposit in the Bank Reimbursement Account that have been deposited under Section 3.02(a) to reimburse the Banks for Advances made to pay the principal of and, if directed by the City, the interest with respect to maturing Commercial Paper Certificates as follows:

(1) Amounts on deposit in the Series 3 Subaccount will be applied to reimburse the applicable Bank for Advances made to pay the principal



of and, if directed by the City, the interest on maturing Series 3 Certificates;

(2) Amounts on deposit in the Series 3-T Subaccount will be applied to reimburse the applicable Bank for Advances made to pay the principal of and, if directed by the City, the interest on maturing Series 3-T Certificates;

(3) Amounts on deposit in the Series 4 Subaccount will be applied to reimburse the applicable Bank for Advances made to pay the principal of and, if directed by the City, the interest on maturing Series 4 Certificates;

(4) Amounts on deposit in the Series 4-T Subaccount will be applied to reimburse the applicable Bank for Advances made to pay the principal of and, if directed by the City, the interest on maturing Series 4-T Certificates;

(C) the Delivery and Paying Agent will apply amounts on deposit in the Bank Reimbursement Account that have been transferred from the Capitalized Interest Account to reimburse the Banks for Advances made to pay the interest with respect to maturing Commercial Paper Certificates, as follows:

(1) Amounts on deposit in the Series 3 Subaccount will be applied to reimburse the applicable Bank for Advances made to pay the principal of and, if directed by the City, the interest on maturing Series 3 Certificates;

(2) Amounts on deposit in the Series 3-T Subaccount will be applied to reimburse the applicable Bank for Advances made to pay the principal of and, if directed by the City, the interest on maturing Series 3-T Certificates;

(3) Amounts on deposit in the Series 4 Subaccount will be applied to reimburse the applicable Bank for Advances made to pay the principal of and, if directed by the City, the interest on maturing Series 4 Certificates;

(4) Amounts on deposit in the Series 4-T Subaccount will be applied to reimburse the applicable Bank for Advances made to pay the principal of and, if directed by the City, the interest on maturing Series 4-T Certificates; and

(D) the Delivery and Paying Agent will apply amounts on deposit in the Bank Reimbursement Account that have been transferred from the Base Rental Account under (iii)(A) below as provided in (iii)(A) below.

(ii) On the date any payment is due under a Revolving Bank Certificate:

(A) the Delivery and Paying Agent will apply moneys on deposit in the Bank Reimbursement Account to the payment of the interest and principal then

due and payable with respect to such Revolving Bank Certificate in accordance with its terms and the applicable Reimbursement Agreement, but amounts on deposit in any subaccount of the Bank Reimbursement Account will be used only to pay the interest and principal then due and payable with respect to such portion of a Revolving Bank Certificate resulting from the series of Commercial Paper Certificates designated for such subaccount; and

(B) if after application of all moneys on deposit in the applicable subaccounts of the Bank Reimbursement Account, any interest or principal then due with respect to such Revolving Bank Certificate remains due and payable, the Delivery and Paying Agent will transfer from the Base Rental Account an amount which equals the interest and principal then due and payable with respect to such Revolving Bank Certificate, for payment of interest and principal in accordance with the terms of such Revolving Bank Certificate and the applicable Reimbursement Agreement.

(iii) (A) The Delivery and Paying Agent will transfer from the Base Rental Account to the applicable subaccounts of the Bank Reimbursement Account, as needed, amounts necessary to reimburse the Banks for Advances made to pay the interest with respect to maturing Commercial Paper Certificates; and

(B) No later than each August 1, commencing August 1, 2014, the Delivery and Paying Agent will transfer from the Base Rental Account to the applicable subaccounts of the Bank Reimbursement Account such amount, if any, as will be necessary to pay from the Bank Reimbursement Account to the Banks for Advances to retire maturing Commercial Paper Certificates in an amount not less than the Required Principal Reduction Amount calculated for the then current Base Rental Period. The City will ensure that Commercial Paper Certificates in an amount not less than the Required Principal Reduction Amount will be retired and not reissued no later than August 1 of each Base Rental Period commencing August 1, 2014. Any amounts remaining in the Base Rental Account on June 30 of each year following such transfer, taking into account the accrued and unpaid interest with respect to the Certificates that will be paid during the next succeeding Base Rental Period (which will be retained in the Base Rental Account), will be applied, first, to pay any amount outstanding on the Revolving Bank Certificates (and interest with respect thereto), and will be applied, second, at the direction of the City, either to retire additional Commercial Paper Certificates (and interest with respect thereto) or for any lawful purpose of the City (in which case such amount will be transferred to or upon the direction of the City). In the event that the City does not provide the Delivery and Paying Agent with any direction, the Delivery and Paying Agent will remit such remaining amounts on deposit in the Base Rental Account to the City.

In the event that there are insufficient amounts on deposit in the Bank Reimbursement Account and the Base Rental Account to make, in full, the payments due on the Revolving Bank Certificates, the Delivery and Paying Agent, unless otherwise directed by the Banks, will apply amounts on deposit in the Bank Reimbursement Accounts and the Base Rental Account first to make the payments required by subsection (f)(ii)(A) prior to making any other payments required hereunder.

### **Section 3.06. Establishment and Application of Rebate Fund.**

(a) In addition to the accounts created under Article III the Trustee will establish and maintain a fund separate from any other fund or account established and maintained hereunder designated as the "Rebate Fund." There will be deposited in the Rebate Fund such amounts as are required to be deposited therein under instructions received from the City. The City's instructions regarding the Rebate Fund will be consistent with the Nonarbitrage Certificate. All money at any time deposited in the Rebate Fund will be held by the Trustee in trust for payment to the United States of America. The Trustee will invest all amounts held in the Rebate Fund in Nonpurpose Investments, as directed by the City in accordance with the Nonarbitrage Certificate. The Trustee will be deemed conclusively to have complied with the requirements of this Section 3.06(a) and the Nonarbitrage Certificate if it follows the instructions of the City, and will have no independent responsibility to, or liability resulting from its failure to, enforce compliance by the City with the requirements of this Section 3.06(a) or the Nonarbitrage Certificate.

(b) The City will pay or cause to be paid to the United States Department of the Treasury Excess Investment Earnings, if any, required by Section 148(f) of the Code. The Trustee will disburse the amounts on deposit in the Rebate Fund in accordance with the written direction of the City.

**Section 3.07. Costs of Issuance Fund.** There is hereby established in trust a special fund designated the "Costs of Issuance Fund," with a Tax-Exempt Account and a Taxable Account, which will be held by the Trustee and which will be kept separate and apart from all other funds and moneys held by the Trustee. In connection with the delivery of the Commercial Paper Certificates, there will be deposited in the Costs of Issuance Fund that portion of the proceeds of the Commercial Paper Certificates required to be deposited therein under Section 3.02 and such other amounts as specified by the City. The Trustee will disburse money from the Costs of Issuance Fund on such dates and in such amounts as are necessary to pay Costs of Issuance, in each case, promptly after receipt of, and in accordance with, a written payment request of an Authorized Representative in the form of Exhibit D, together with invoices therefor. Pending such expenditure, moneys in said fund may be invested at the direction of the Authorized Representative in Qualified Investments subject to any investment and other limitations contained in the Nonarbitrage Certificate. Any income received from such investments will be retained therein. All moneys remaining in the Costs of Issuance Fund on April 1, 2014 (or such earlier date as the City may direct the Trustee in writing) will be transferred by the Trustee to the Account or Accounts within the Project Fund designated by the City, provided that the Trustee will notify the City in writing of its intention to close the Costs of Issuance Fund not less than 30 days prior to April 1, 2014, and will not close the Costs of Issuance Fund and make such transfer or transfers without first receiving a written direction of the City to do so, which direction will include instructions as to the Account or Accounts such remaining moneys are to be transferred. Thereafter, the Costs of Issuance Fund will be closed.

**Section 3.08. Surplus.** Subject to the limitations contained in the Nonarbitrage Certificate, after (a) payment or provision for payment of all amounts due with respect to the Commercial Paper Certificates, the payment of all amounts due with respect to the Revolving Bank Certificates and all other amounts payable to the Banks under the Reimbursement Agreements, and payment of all fees and expenses of the Trustee and the Delivery and Paying Agent, and (b) the transfer of any additional amounts required to be deposited into the Rebate Fund under the written instructions from an Authorized Representative in accordance with Section 3.06 and the Nonarbitrage Certificate, any amounts remaining in any of the funds or accounts established hereunder (other than in the Rebate Fund) and not required for such

purposes will after payment of any amounts due to the Trustee be remitted to the City and used for any lawful purpose.

**Section 3.09. Additional Rental.** In the event the Trustee receives Additional Rental under the Sublease, such Additional Rental will be applied by the Trustee solely to the payment of any amounts in respect of which such Additional Rental was received, and will not be commingled in any way with any other funds received by the Trustee under the Sublease or this Trust Agreement.

**Section 3.10. Repair or Replacement; Application of Insurance Proceeds and Condemnation Awards.** If any portion of the Property is damaged or destroyed, or is taken by eminent domain proceedings, the City will, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted the repair or replacement thereof, unless the City elects not to repair or replace the Property in accordance with the provisions of this Section 3.10.

The proceeds of any insurance (other than any rental interruption), including the proceeds of any self-insurance fund and of any condemnation award, received on account of any damage, destruction or taking of the Property or portion thereof will as soon as possible be deposited with the Trustee and be held by the Trustee in a special account which it will establish upon such deposit and made available for and, to the extent necessary, will be applied to the cost of repair or replacement of the Property or affected portion thereof upon receipt of a written request of an Authorized Representative. Pending such application, such proceeds will be invested by the Trustee solely at the written direction of an Authorized Representative, in Qualified Investments that mature not later than such times moneys are expected to be needed to pay such costs of repair or replacement.

Notwithstanding the foregoing, an Authorized Representative will, within 180 days of the occurrence of the event of damage, destruction or taking, notify the Trustee in writing of whether the City intends to replace or repair the Property or the portions of the Property which were damaged or destroyed. If the City elects to replace or repair the Property or portions thereof, the City will deposit with the Trustee the full amount of any insurance deductible to be credited to the special account.

In the event of damage, destruction or taking that results in an abatement of Base Rental payments under Section 3.5 of the Sublease, then the City will be required either to (i) apply sufficient funds from the insurance proceeds, condemnation award and other legally available funds to the replacement or repair of the Property or portions thereof which have been damaged, destroyed or taken, or (ii) apply sufficient funds from the insurance proceeds, condemnation award and other legally available funds, if any, first, to the subaccounts of the Bank Reimbursement Account, on a prorated basis, for the payment in full of amounts outstanding under the Revolving Bank Certificates (and interest with respect thereto) and, second, to the subaccounts of the Bank Reimbursement Account, on a prorated basis, to reimburse the Banks for Advances made for the payment in full of all the Outstanding Commercial Paper Certificates or all of those Outstanding Commercial Paper Certificates that would have been payable from that portion of the Base Rental payments which are abated as a result of the damage, destruction or taking, such that the Base Rental payable on the remaining portions of the Property is sufficient to pay all principal and interest due with respect to the Certificates to remain Outstanding after such payment. Any amounts received by the Trustee under this Section 3.10 in excess of the amount needed to either repair or replace a damaged, destroyed or taken portion of the Property will be transferred to the Base Rental Account to the

extent of any delinquent Base Rental or amounts owing to the Banks, with the remainder, if any, transferred to the City.

**Section 3.11. Title Insurance.** Proceeds of any policy of title insurance received by the Trustee in respect of the Property will be applied and disbursed by the Trustee as follows:

(a) If the City (i) determines that the title defect giving rise to such proceeds has not materially affected the use and possession of the Property and will not result in any abatement of Base Rental payable by the City under the Sublease and (ii) has provided the Trustee with written evidence of such determination, such proceeds will be remitted to the City.

(b) If the City determine that such title defect will result in an abatement of Base Rental payable by the City under the Sublease and has provided written evidence of such determination to the Trustee, then the Trustee will immediately apply such proceeds (i) first, to the subaccounts of the Bank Reimbursement Account, on a prorated basis, to pay amounts outstanding under the Revolving Bank Certificates (and interest with respect thereto); and (ii) second, to the subaccounts of the Bank Reimbursement Account, on a prorated basis, to reimburse the Banks for Advances made for the payment of the principal of and interest with respect to Outstanding Commercial Paper Certificates.

**Section 3.12. Application of Amounts After Default by City.** All damages or other payments received by the Trustee from the enforcement of any rights and powers of the Trustee under Article VII of the Sublease, after a default by the City, will, after payment of all reasonable fees and expenses of the Trustee related to the enforcement of remedies, including without limitation, the reasonable fees and expenses of its attorneys, be deposited into the Base Rental Account of the Delivery and Paying Agent Fund and applied in the manner specified herein.

**Section 3.13. Held in Trust.** The moneys and investments held by the Trustee hereunder are irrevocably held in trust for the purposes herein specified, and such moneys and investments, and any income or interest earned thereon, will be expended only as provided herein, and will not be subject to levy or attachment or lien by or for the benefit of any creditor of (i) the City, (ii) the Trustee, (iii) any Holder, or (iv) any beneficial owner of Commercial Paper Certificates except as provided herein.

**Section 3.14. Investments Authorized.** Except as otherwise provided herein, moneys held by the Trustee or the Delivery and Paying Agent in any fund or account hereunder will be invested by the Trustee or the Delivery and Paying Agent, as applicable, in Qualified Investments pending application as provided herein, solely at the written direction of an Authorized Representative, will be registered in the name of the Trustee or the Delivery and Paying Agent, as applicable, and will be held by the Trustee or the Delivery and Paying Agent as applicable. The Trustee or the Delivery and Paying Agent, as applicable, will notify the City not less than two (2) Business Days prior to the date moneys held hereunder are available for investment requesting that the City deliver to the Trustee or the Delivery and Paying Agent, as applicable, a written request of the City specifying the Qualified Investments to be acquired by the Trustee or the Delivery and Paying Agent, as applicable, with such moneys. In the absence of such direction, the Trustee or the Delivery and Paying Agent will invest in Qualified Investments described in clause (vi) of the definition thereof. Moneys held in any fund or account hereunder may be commingled for purposes of investment only. Unless otherwise directed by a Written Certificate of the City, the Trustee and the Delivery and Paying Agent will

retain all Investment Earnings on amounts on deposit in the funds and accounts held by each in the funds and accounts from which such Investment Earnings were derived.

The Trustee or the Delivery and Paying Agent may purchase or sell to itself or any affiliate, as principal or agent, or other person with which it may share an economic interest investments authorized by this Section 3.14, provided that the Trustee has given prior notice to the City of its intent to do so. The Trustee and the Delivery and Paying Agent may act as agent in the making or disposing of any investment.

The Trustee, the Delivery and Paying Agent or any of their affiliates may act as agent, sponsor or advisor in connection with any investment made by the Trustee or the Delivery and Paying Agent hereunder.

For the purpose of determining the amount in any fund or account hereunder all Qualified Investments will be valued on June 30 of each year at the cost thereof (or more frequently as directed in writing by the City or as required in the definition of Qualified Investments with respect to certain Qualified Investments). The Trustee or the Delivery and Paying Agent may, at the direction of the City, sell at any price obtainable, or present for redemption, any Qualified Investment purchased by the Trustee or the Delivery and Paying Agent whenever it will be necessary in order to provide money to meet any required payment, transfer, withdrawal or disbursement from any fund or account hereunder, and the Trustee and the Delivery and Paying Agent will not be liable or responsible for any loss resulting from such investment or sale (including, without limitation, not obtaining the highest possible price), except any loss resulting from its own negligence or willful misconduct.

Except as otherwise provided in the following sentence, the City covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Trust Agreement, or otherwise containing gross proceeds of the Sublease (within the meaning of section 148 of the Code) will be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Fund will be valued at their present value (within the meaning of section 148 of the Code).

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

**Section 3.15. Reports.** The Trustee and the Delivery and Paying Agent will each furnish monthly to the City a report, which may be its customary account statements, of all investments made by the Trustee and the Delivery and Paying Agent, as applicable, and of all amounts on deposit in each fund and account maintained hereunder.

**Section 3.16. Deposit of Proceeds.** Notwithstanding anything herein to the contrary, proceeds of any series of Tax-Exempt Commercial Paper Certificates will only be deposited in tax exempt accounts or subaccounts established hereunder, and proceeds of any series of Taxable Commercial Paper Certificates will only be deposited in taxable accounts or subaccounts established hereunder.

## ARTICLE IV

### THE TRUSTEE

**Section 4.01. Compensation and Indemnification of Trustee.** The City will from time to time, on demand, pay to the Trustee reasonable compensation for its services and will reimburse the Trustee for all its advances and expenditures, including but not limited to advances to and fees and expenses of independent appraisers, accountants, consultants, counsel, agents and attorneys-at-law or other experts employed by it in the exercise and performance of its powers and duties hereunder. To the extent permitted by law, compensation and reimbursement to the Trustee will not be limited by any statutory provisions which limit compensation to trustees of express trusts.

To the extent permitted by law, the City further covenants and agrees to indemnify the Trustee and its authorized officers, directors, agents and employees, against any loss, expense and liabilities which it may incur arising out of or in the exercise and performance of its powers and duties hereunder, or related to or arising from the Site Lease and the Sublease, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or willful misconduct of the Trustee, its officers, directors, agents or employees.

Notwithstanding any other provision of this Trust Agreement, the provisions of this Section 4.01 will survive the satisfaction and discharge of this Trust Agreement or the appointment of a successor trustee.

**Section 4.02. Removal of Trustee.** The City at any time, provided no Event of Default has occurred and is continuing, or the Holders of a majority in aggregate principal amount of all Certificates then Outstanding at any time may by written request for any reason, remove the Trustee and any successor thereto, and will thereupon, with the consent of the Banks, appoint a successor or successors thereto, but any such successor will be a bank or trust company having (or be a member of a bank holding company system with a bank holding company which has) a combined capital (exclusive of borrowed capital) and surplus of at least \$100,000,000 and will be subject to supervision or examination by federal or state banking authorities. If such bank or trust company publishes a report of condition at least annually, under law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 4.02 the combined capital and surplus of such bank or trust company will be deemed to be its combined capital and surplus set forth in its most recent report of condition so published. Any removal of the Trustee will become effective upon acceptance of appointment by the successor Trustee.

**Section 4.03. Resignation of Trustee.** The Trustee or any successor may at any time resign by giving 60 days' prior written notice to the City and by giving mailed notice to the Banks, and the Holders of its intention to resign and of the proposed date of resignation; subject to acceptance of appointment by a successor Trustee.

Upon receiving such notice of resignation, the City will, with the consent of the Banks, promptly appoint a successor Trustee by an instrument in writing. In the event the City fails to appoint a successor Trustee within 90 days following receipt of such written notice of resignation, the resigning Trustee may petition the appropriate court having jurisdiction to appoint a successor. Anything herein to the contrary notwithstanding, any resignation of the Trustee will become effective only upon acceptance of appointment by the successor Trustee.

Any successor Trustee approved by the City, the Banks, or any court will satisfy the qualifications set forth in Section 4.02.

**Section 4.04. 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 will 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 is eligible under Section 4.02), will be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

**Section 4.05. Protection and Rights of the Trustee.** The Trustee will, prior to an Event of Default, and after the curing or waiving of all events of default which may have occurred, perform such duties and only such duties as are specifically set forth in this Trust Agreement. The Trustee will, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Trust Agreement and the Trustee will 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 or her own affairs. The Trustee will be protected and will incur no liability in acting upon or processing in good faith any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it will in good faith believe to be genuine and to have been passed or signed by the proper board or Person or to have been prepared and furnished under any of the provisions of this Trust Agreement, and the Trustee will not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee may consult with counsel, who may or may not be counsel to the City, with regard to legal questions, and the opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered by it in good faith reliance thereon.

The Trustee will not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the written direction of the Banks or of the Holders of not less than a majority in aggregate principal amount of the Commercial Paper Certificates at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or relating to the exercise of any trust or power conferred upon the Trustee under this Trust Agreement.

Except as otherwise expressly provided herein, the Trustee will 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 Commercial Paper Certificates, or as to the existence of a default or Event of Default thereunder.

Whenever in the administration of its duties under this Trust Agreement the Trustee will 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) will be deemed to be conclusively proved and established by a certificate of an Authorized Representative and such certificate will be full warranty to the Trustee for any action taken or suffered under the provisions of this Trust Agreement in good faith reliance thereon, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.



The Trustee may become an Holder or a pledgee of any Commercial Paper Certificates with the same rights it would have if it were not the Trustee; may acquire and dispose of bonds or other evidences of indebtedness of the City and enforce its rights as owner thereof to the same extent as if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Holders, whether or not such committee will represent the Holders of a majority in aggregate principal amount of the Commercial Paper Certificates then Outstanding.

The recitals, statements and representations by the City contained in this Trust Agreement or in the Commercial Paper Certificates will be taken and construed as made by and on the part of the City and not by the Trustee, and the Trustee does not assume, and will not have, any responsibility or obligation for the correctness of any such recital, statement or representation.

The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents or receivers, and will be entitled to advice of counsel concerning all matters of trust and concerning its duties hereunder.

No provision of this Trust Agreement will require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder or in the exercise of any of its rights or powers if the repayment of such funds, or adequate indemnity against such risk or liability, is not reasonably assured to it.

Every provision of this Trust Agreement, the Sublease and any other document related to the Commercial Paper Certificates relating to the conduct or liability of the Trustee will be subject to the provisions of this Trust Agreement, including without limitation, this Article.

In acting as Trustee hereunder, the Trustee acts solely in its capacity as Trustee hereunder and not in its individual or personal capacity, and all Persons, including without limitation the Holders, the City, having any claim against the Trustee will look only to the funds and accounts held by the Trustee hereunder for payment, except as otherwise provided herein. Under no circumstances will the Trustee be liable in its individual or personal capacity for the obligations evidenced by the Commercial Paper Certificates.

The Trustee makes no representation or warranty, either express or implied, as to the value, design, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the City of the Property or any portion thereof, or any other representation or warranty with respect to the Property or any portion thereof. In no event will the Trustee be liable for incidental, indirect, special or consequential damages in connection with this Trust Agreement, the Sublease or the Site Lease or the existence, furnishing or functioning of the Property or the City's use of the Property.

Before taking any action under Article VIII or upon the direction of the Holders, the Trustee may require indemnity satisfactory to the Trustee be furnished to it to protect it against all reasonable fees and expenses, including those of its attorneys and advisors, and protect it against all liability it may incur.

The Trustee will not be responsible for any information in, or the content of any offering memorandum or other document prepared in connection with the Commercial Paper Certificates.

The Trustee is authorized and directed, in its capacity as Trustee hereunder, to execute the Site Lease and the Sublease Lease.

Every provision of the Site Lease and the Sublease relating to the conduct or liability of the Trustee is subject to the provisions of this Trust Agreement, including without limitation, this Article.

In acting as Trustee hereunder and entering into the Site Lease and the Sublease, the Trustee acts solely in its capacity as Trustee hereunder and not in its individual or personal capacity, and all persons, including without limitation the Owners and the City, having any claim against the Trustee will look only to the funds and accounts held by the Trustee hereunder for payment, except as otherwise provided herein.

Notwithstanding anything to the contrary herein, the Trustee is not required to enter, take possession of, or take any other action whatsoever with respect to, the Property or the Projects unless it is satisfied that it will not be subject to liability for the existence of, or contamination by environmentally hazardous substances of any kind whatsoever or other discharges, emissions or release thereof with respect to the Property or the Projects.

**Section 4.06. Trustee to Act as Set Forth Herein.** The Trustee has the power to receive, to hold in accordance with the terms hereof and to disburse the money to be paid under the Sublease and this Trust Agreement. The Trustee has no power to vary, alter or substitute the Sublease or the corpus of any trust created hereby or under the Sublease or this Trust Agreement at any time, except as specifically authorized herein.

## **ARTICLE V**

### **THE DELIVERY AND PAYING AGENT**

#### **Section 5.01. Duties, Immunities and Liabilities of Delivery and Paying Agent.**

(a) The City hereby appoints U.S. Bank National Association, as the Delivery and Paying Agent. The Delivery and Paying Agent will perform such duties and only such duties as are specifically set forth herein and in the Delivery and Paying Agent Agreement and exercise such of the rights and powers vested in it herein and therein.

(b) The City may remove the Delivery and Paying Agent at any time unless an Event of Default has occurred and is then continuing, and will remove the Delivery and Paying Agent if at any time the Delivery and Paying Agent ceases to be eligible in accordance with subsection (e) of this Section 5.01, or becomes incapable of acting, or is adjudged a bankrupt or insolvent, or a receiver of the Delivery and Paying Agent or its property is appointed, or any public officer takes control or charge of the Delivery and Paying Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Delivery and Paying Agent and the Banks, and thereupon will appoint, with the consent of the Banks, a successor Delivery and Paying Agent by an instrument in writing.

(c) The Delivery and Paying Agent may at any time resign by giving 60 days' prior written notice of such resignation to the City and the Banks. Upon receiving such notice of resignation, the City will, with the consent of the Banks, promptly appoint a successor Delivery and Paying Agent by an instrument in writing. In the event the City fails to appoint a successor Delivery and Paying Agent within 90 days following receipt of such written notice of resignation, the resigning Delivery and Paying Agent may petition the appropriate court having jurisdiction to appoint a successor.

(d) Notwithstanding the provisions of Section 5.01(c) hereof, the Delivery and Paying Agent will not be relieved of its duties hereunder and under the Delivery and Paying Agent Agreement until its successor Delivery and Paying Agent has accepted its appointment and assumed the duties of Delivery and Paying Agent hereunder. Any removal or resignation of the Delivery and Paying Agent and appointment of a successor Delivery and Paying Agent will become effective upon acceptance of appointment by the successor Delivery and Paying Agent; but, only if the Credit Facilities have been transferred to and accepted by the Delivery and Paying Agent in accordance with the respective terms. Any successor Delivery and Paying Agent appointed under this Trust Agreement will signify its acceptance of such appointment by executing and delivering to the City and to its predecessor Delivery and Paying Agent a written acceptance thereof, and thereupon such successor Delivery and Paying Agent, without any further act, deed or conveyance, will become vested with all duties and obligations of such predecessor Delivery and Paying Agent, with like effect as if originally named Delivery and Paying Agent herein; but, nevertheless at the request of the successor Delivery and Paying Agent, such predecessor Delivery and Paying Agent will 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 Delivery and Paying Agent all the powers of such predecessor Delivery and Paying Agent and will pay over, transfer, assign and deliver to the successor Delivery and Paying Agent any money or other property subject to the conditions herein set forth. Upon request of the successor Delivery and Paying Agent, the City will execute and deliver any and all instruments as may be reasonably

required for more fully and certainly vesting in and confirming to such successor Delivery and Paying Agent all such moneys, properties, rights, powers, duties and obligations.

(e) The Delivery and Paying Agent and any successor Delivery and Paying Agent will be a trust company or bank having the powers of a trust company or a bank authorized to exercise trust powers having a corporate trust office in New York, New York, having a combined capital and surplus of at least one hundred million dollars (\$100,000,000), and subject to supervision or examination by federal or state banking authorities. If such bank or trust company publishes a report of condition at least annually, under law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company will 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 Delivery and Paying Agent will cease to be eligible in accordance with the provisions of this subsection 5.01(e), the Delivery and Paying Agent will resign immediately in the manner and with the effect specified in this Section 5.01.

(f) Any rights of, or amounts due to, the Delivery and Paying Agent will be subordinate to the interests of the Holders.

(g) The Delivery and Paying Agent will be protected and will incur no liability in acting upon or processing in good faith any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it in good faith believes to be genuine and to have been passed or signed by the proper board or Person or to have been prepared and furnished under any of the provisions of this Trust Agreement or the Delivery and Paying Agent Agreement, and the Delivery and Paying Agent will not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Delivery and Paying Agent may consult with counsel, who may or may not be counsel to the City, with regard to legal questions, and the opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered by it in good faith reliance thereon.

(h) Except as otherwise expressly provided herein, the Delivery and Paying Agent will 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 Commercial Paper Certificates, or as to the existence of a default or Event of Default thereunder.

(i) The Delivery and Paying Agent may become a Holder or a pledgee of any Commercial Paper Certificates with the same rights it would have if it were not the Delivery and Paying Agent; may acquire and dispose of bonds or other evidences of indebtedness of the City and enforce its rights as owner thereof to the same extent as if it were not the Delivery and Paying Agent; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Holders, whether or not such committee represents the Holders of a majority in aggregate principal amount of the Commercial Paper Certificates then Outstanding.

(j) The recitals, statements and representations by the City contained in this Trust Agreement or in the Commercial Paper Certificates will be taken and construed as made by and on the part of the City and not by the Delivery and Paying Agent, and the Delivery and Paying

Agent does not assume, and will not have, any responsibility or obligation for the correctness of any such recital, statement or representation.

(k) The Delivery and Paying Agent may execute any powers hereof and perform the duties required of it hereunder by or through attorneys, agents or receivers, and will be entitled to advice of counsel concerning its duties hereunder.

(l) No provision of this Trust Agreement will require the Delivery and Paying Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder or in the exercise of any of its rights or powers if the repayment of such funds, or adequate indemnity against such risk or liability, is not reasonably assured to it. Notwithstanding anything to the contrary in this Section 5.01(l), to the extent the Delivery and Paying Agent is required to draw on the Credit Facilities or take other actions under this Trust Agreement to pay Outstanding Certificates, the Delivery and Paying Agent will do so without requiring indemnity.

(m) Every provision of this Trust Agreement, the Sublease and any other document related to the Commercial Paper Certificates relating to the conduct or liability of the Delivery and Paying Agent will be subject to the provisions of this Trust Agreement, including without limitation, this Article.

(n) In acting as Delivery and Paying Agent hereunder, the Delivery and Paying Agent acts solely in its capacity as Delivery and Paying Agent hereunder and not in its individual or personal capacity, and all Persons, including without limitation the Holders, the City, having any claim against the Delivery and Paying Agent will look only to the funds and accounts held by the Delivery and Paying Agent hereunder for payment, except as otherwise provided herein. Under no circumstances will the Delivery and Paying Agent be liable in its individual or personal capacity for the obligations evidenced by the Commercial Paper Certificates.

(o) The Delivery and Paying Agent makes no representation or warranty, either express or implied, as to the value, design, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the City of the Property or any portion thereof, or any other representation or warranty with respect to the Property or any portion thereof. In no event will the Delivery and Paying Agent be liable for incidental, indirect, special or consequential damages in connection with this Trust Agreement, the Sublease or the Site Lease or the existence, furnishing or functioning of the Property or the City's use of the Property.

(p) The Delivery and Paying Agent will not be responsible for any information in, or the content of any offering memorandum or other document prepared in connection with the Commercial Paper Certificates.

**Section 5.02. Merger or Consolidation.** Any company into which the Delivery and Paying Agent 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 is a party or any company to which the Delivery and Paying Agent may sell or transfer all or substantially all of its corporate trust business (provided such company will be eligible under subsection (e) of Section 5.01) will be the successor to such Delivery and Paying Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

**Section 5.03. Other Rights of Delivery and Paying Agent.** The Delivery and Paying Agent will not be bound to recognize any Person as the Holder of a Commercial Paper Certificate unless and until such Commercial Paper Certificate is submitted for inspection, if required, and his or her title thereto is satisfactorily established, if disputed.

Whenever in the administration of the duties imposed upon it by this Trust Agreement the Delivery and Paying Agent will deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the City, and such Written Certificate will be full warrant to the Delivery and Paying Agent for any action taken or suffered in good faith under the provisions of this Trust Agreement in reliance upon such Written Certificate, but in its discretion the Delivery and Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

**Section 5.04. Preservation and Inspection of Documents.** The Delivery and Paying Agent will at all times keep, or cause to be kept, proper books of record and account prepared in accordance with corporate trust industry, in which complete and accurate entries will be made of all transactions made by it relating to the receipt, investment, disbursement, allocation and application of the proceeds of the Commercial Paper Certificates. Such books of record and account will be available for inspection by the City, the Banks and any Holder, or his agent or representative duly authorized in writing, at reasonable hours, and under reasonable circumstances upon reasonable notice.

## ARTICLE VI

### COVENANTS

**Section 6.01. Limitation on Delivery.** The City covenants and agrees that it will not deliver any Commercial Paper Certificates of a series with a maturity later than five days prior to the expiration or termination of the Credit Facility applicable to such series unless the City will have arranged for an Alternate Credit Facility under Section 6.02.

**Section 6.02. Maintenance of Credit Facility.** The City covenants and agrees that at all times while Commercial Paper Certificates remain Outstanding, it will maintain one or more Credit Facilities in amounts such that, assuming that all then Outstanding Commercial Paper Certificates were to become due and payable immediately, the amount available to be drawn under the Credit Facilities would be sufficient to pay principal and interest, including interest that would become due and payable at the stated maturity of such Commercial Paper Certificates. However, the City may in accordance with the terms of the applicable Reimbursement Agreement, but only on a date when all of the Outstanding Commercial Paper Certificates of a series secured by an existing Credit Facility mature or are defeased, replace such Credit Facility for such series upon 30 days prior written notice to the Dealer, the Trustee and the Delivery and Paying Agent, and, upon any such replacement of a Credit Facility, the City will provide notice thereof to the Holders of Outstanding Commercial Paper Certificates at least fifteen (15) days prior to such replacement. Prior to the effective date of an Alternate Credit Facility, the existing Credit Facility will remain in effect until all Commercial Paper Notes supported by the existing Credit Facility are paid in full or defeased pursuant to the provisions of Section 10.03 hereof. The Delivery and Paying Agent will draw on the existing Credit Facility (and not upon any Alternate Credit Facility replacing such Credit Facility) as needed to pay the principal of and interest with respect to such Commercial Paper Certificates upon the maturity thereof, except with respect to any Commercial Paper Certificates defeased pursuant to the provisions of Section 10.03 hereof.

No Series 3 Certificate or Series 3-T Certificate will be delivered if, immediately after the delivery thereof and the application of any proceeds thereof to retire other Commercial Paper Certificates of such series supported by the applicable Credit Facility, the aggregate principal amount of all Commercial Paper Certificates of such series plus the aggregate amount of all interest accrued with respect to such Commercial Paper Certificates supported by such Credit Facility would exceed the amount available to be drawn under such Credit Facility. No Series 4 Certificate or Series 4-T Certificate will be delivered if, immediately after the delivery thereof and the application of any proceeds thereof to retire other Commercial Paper Certificates of such series supported by the applicable Credit Facility, the aggregate principal amount of all Commercial Paper Certificates of such series plus the aggregate amount of all interest accrued with respect to such Commercial Paper Certificates supported by such Credit Facility would exceed the amount available to be drawn under such Credit Facility. In furtherance of the foregoing covenants, the City agrees that it will not deliver any Commercial Paper Certificates or make drawing which will result in a violation of such covenant, will not amend any Credit Facility in a manner which will cause a violation of such covenant and, if and to the extent necessary to maintain compliance with such covenant, will arrange for an Alternate Credit Facility prior to, or contemporaneously with, the expiration of the applicable Credit Facility.

**Section 6.03. Punctual Payment.** The City will punctually pay the principal and interest to become due with respect to every Certificate executed and delivered hereunder in strict

conformity with the terms hereof and of the Certificates, and will faithfully observe and perform all the agreements and covenants contained herein and in the Certificates.

**Section 6.04. Interest on the Tax-Exempt Commercial Paper Certificates.** (a) In order to maintain the exclusion from gross income of the interest with respect to the Tax-Exempt Commercial Paper Certificates for federal income tax purposes, the City covenants to do and perform all acts and things within its power and authority to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code. An Authorized Representative will make all calculations relating to any rebate of excess investment earnings on the proceeds of the Tax-Exempt Commercial Paper Certificates due to the United States Treasury in a reasonable and prudent fashion and will segregate and set aside lawfully available amounts such calculations indicate may be required to be paid to the United States Treasury. In furtherance of this covenant, the City agrees to comply with the Nonarbitrage Certificate, as it may be amended from time to time, as a source of guidance for compliance with such provisions. The Trustee will comply with any instructions received from the City which the City indicates must be followed in order to comply with the Nonarbitrage Certificate. This covenant will survive the payment in full of all Outstanding Tax-Exempt Commercial Paper Certificates.

(b) The City will not use or permit the use of any proceeds of the Tax-Exempt Commercial Paper Certificates or any funds of the City, directly or indirectly, in any manner, and will not take or omit to take any action that would cause any of the Commercial Paper Certificates to be treated as an obligation not described in Section 103(a) of the Code. In furtherance of this covenant, the City will at all times comply with the provisions of the Nonarbitrage Certificate.

(c) The City will not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Tax-Exempt Commercial Paper Certificates to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(d) The City will assure that the proceeds of the Tax-Exempt Commercial Paper Certificates are not so used as to cause the Tax-Exempt Commercial Paper Certificates to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

(e) The City will take all actions within its control necessary to assure the exclusion of interest with respect to the Tax-Exempt Commercial Paper Certificates from the gross income of the Holders of the Tax-Exempt Commercial Paper Certificates to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of delivery of the Tax-Exempt Commercial Paper Certificates.

(f) In the event that at any time the City is of the opinion that for purposes of this Section 6.04 it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee under this Trust Agreement, the City will so instruct the Trustee under this Trust Agreement by written notice containing instructions as to the yield or yields to which such investments must be restricted. The Trustee will take such action as may be necessary in accordance with such instructions. The City will not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Sublease which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of execution of the Sublease would have caused the Sublease to be an "arbitrage bond" within the meaning of section 148 of the Code.



(g) Notwithstanding any provision of this Section 6.04, if the City and the Trustee receive an Opinion of Special Counsel to the effect that any action required under this Section 6.04 is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest with respect to the Tax-Exempt Commercial Paper Certificates under Section 103 of the Code, the City and the Trustee may rely conclusively on such opinion in complying with the provisions hereof, and the covenants hereunder will be deemed to be modified to that extent.

(h) Notwithstanding any other provision of this Trust Agreement to the contrary, upon the City's failure to observe, or refusal to comply with, the foregoing covenant, no Person other than the Trustee or the Holders will be entitled to exercise any right or remedy provided to the Holders under this Trust Agreement on the basis of the City's failure to observe, or refusal to comply with the covenant.

**Section 6.05. Notices to Rating Agency.** The City will give immediate written notice to the Rating Agency of the occurrence of any of the following events:

- (i) the extension, renewal, expiration, termination or replacement of a Credit Facility under Section 6.02;
- (ii) any material modification or amendment to this Trust Agreement, a Credit Facility, a Reimbursement Agreement, the Delivery and Paying Agent Agreement or the Dealer Agreement;
- (iii) the payment in full, or the defeasance under Section 10.03 hereof, of all Outstanding Commercial Paper Certificates and the Revolving Bank Certificates;
- (iv) the replacement or substitution of, or the appointment of any successor to, the Trustee, the Delivery and Paying Agent or any Dealer; or
- (v) the termination of the Commercial Paper Certificate program contemplated under this Trust Agreement.

**Section 6.06. Opinion of Special Counsel.** The City will cause the legal opinion of Special Counsel as to the validity of the Commercial Paper Certificates, as to the exclusion of interest with respect to the Tax-Exempt Commercial Paper Certificates from federal gross income, and as to the exemption of interest with respect to the Commercial Paper Certificates from California personal income taxation to be printed on or attached to each Commercial Paper Certificate.

**Section 6.07. City to Enforce Site Lease and Sublease.** The City covenants and agrees with the Holders of the Certificates to enforce the performance by the City of all obligations and duties imposed on it under the Site Lease and the Sublease.

**Section 6.08. Offices for Servicing Commercial Paper Certificates.** The City will at all times maintain one or more offices or agencies where Commercial Paper Certificates may be presented for payment, and will at all times maintain one or more agencies where Commercial Paper Certificates may be presented for registration of transfer or exchange, and where notices, demands and other documents may be served upon the City in respect of the Commercial Paper Certificates. The City hereby appoints the Trustee as its agent for purposes of this Section 6.08.

**Section 6.09. Access to Books and Records.** The Trustee will at all times have access to those books and records of the City which may be reasonably required by the Trustee to fulfill its duties and obligations hereunder.

**Section 6.10. General.** The City will do and perform or cause to be done and performed all respective acts and things required to be done or performed by or on behalf of the City under the provisions of this Trust Agreement.

The City warrants that upon the date of execution and delivery of any of the Certificates, all conditions, acts and things required by law and this Trust Agreement to exist, to have happened and to have been performed precedent to and in the execution and delivery of such Certificates do exist, have happened and have been performed in respect of the Certificates and the execution and delivery of such Certificates will comply in all respects with the applicable laws of the State.

**Section 6.11. Performance.** The City will faithfully observe all covenants and other provisions contained in this Trust Agreement, in each Certificate executed and delivered hereunder, and in the Site Lease and the Sublease.

**Section 6.12. Prosecution and Defense of Suits.** The City will promptly take such action as may be necessary to cure any defect in the title to the Property or any part thereof, whether now existing or hereafter occurring, and will prosecute and defend all such suits, actions and all other proceedings as may be appropriate for such purpose.

**Section 6.13. Further Assurances.** The City will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement, and for the better assuring and confirming to the Holders the rights and benefits provided herein.

**Section 6.14. Receipt and Deposit of Revenues in Delivery and Paying Agent Fund.** In order to carry out and effectuate the pledge, charge and lien contained herein, the City agrees and covenants that all Base Rental and any proceeds of any rental interruption insurance when and as received will be received by the City in trust hereunder for the benefit of the Holders and the Banks and will be deposited when and as received by the City in the Base Rental Account of the Delivery and Paying Agent Fund. All Pledged Property will be accounted for and applied in accordance with this Trust Agreement and the City will have no beneficial right or interest in any of the Pledged Property except as herein provided. All Pledged Property, whether received by the City in trust or deposited with the Trustee as herein provided, will nevertheless be allocated, applied and disbursed solely to the purposes and uses set forth herein, and will be accounted for separately and apart from all other accounts, funds, moneys or other resources of the City.

**Section 6.15. Retirement of Commercial Paper Certificates.** So long as any Commercial Paper Certificates are Outstanding, the City will cause the Dealer to retire and not remarket, renew or refinance Commercial Paper Certificates in an aggregate principal amount equal to or in excess of the Required Principal Reduction Amount for such Base Rental Period.

**Section 6.16. File Debt Service Certificate--Additional Interest or Principal.** If at any time during a Base Rental Period, the amount on deposit in the Capitalized Interest Account, Base Rental Account, the Payment Account and the Bank Reimbursement Account will not be

sufficient to pay interest payable on the Certificates during such Base Rental Period, the Required Principal Reduction Amount for such Base Rental Period, and any principal due on the Revolving Bank Certificates, the City will file with the Trustee a Debt Service Certificate--Additional Interest or Principal.

## **ARTICLE VII**

### **AMENDMENTS**

**Section 7.01. Amendments to Trust Agreement.** This Trust Agreement may be amended only in writing by agreement among the City and the Trustee with the prior written consent of the Banks; except that, in the event a Bank has failed to honor a properly presented and conforming drawing under its Credit Facility, such Bank will be excluded from the term "Banks" for purposes of this Section 7.01. No such modification or amendment will (i) extend the maturity of or reduce the interest rate on any Commercial Paper Certificate or otherwise alter or impair the obligation of the City to pay the principal or interest at the time and place and at the rate and in the currency provided therein of any Commercial Paper Certificate without the express written consent of the Holder of such Commercial Paper Certificate, or (ii) without its written consent thereto, modify any of the rights or obligations of the Trustee.

#### **Section 7.02. Amendments to Site Lease and Sublease.**

(a) The Site Lease and the Sublease may be amended in writing by agreement between the parties thereto with the prior written consent of the Banks. The City may, with the prior written consent of the Banks, which consent will not unreasonably be withheld, amend the Sublease and the Site Lease to substitute other real property or improvements (the "**Substituted Property**") for existing Property or to remove real property or improvements from the definition of Property upon compliance with all of the conditions set forth in subsections (b) and (c) below. After a substitution or removal, the part of the Property for which the substitution or removal has been effected will be released from the leasehold under the Site Lease and the Sublease. The City may amend the Sublease and the Site Lease to add real property or improvements (the "**Additional Property**") with the prior written consent of the Banks, which consent will not unreasonably be withheld, upon compliance with all of the conditions set forth in subsection (e) below. Anything herein to the contrary notwithstanding, in the event a Bank has failed to honor a properly presented and conforming drawing under its Credit Facility, such Bank will be excluded from the term "Banks" for purposes of determining any required consent of the Banks as provided for in this Section 7.02.

(b) No substitution of Property may take place without the prior consent of the Banks and until the City delivers to the Trustee and the Banks the following:

(i) A written description of all or part of the Property to be released and a description of the Substituted Property to be substituted in its place;

(ii) A Written Certificate of the City (A) stating that the annual fair market rental value of the Property after said substitution, in each Base Rental Period during the remaining term of the Sublease, is at least equal to the Maximum Base Rental prior to said substitution, as determined by the City on the basis of an appraisal of the Property after said substitution conducted by a qualified appraiser (who may be an employee of the City); (B) demonstrating that the useful life of the Property after said substitution

equals or exceeds the remaining term of the Sublease; and (C) stating that each Component of the Property remaining after said substitution is as essential to the operations of the City as it was at the time such Component became subject to the Sublease;

(iii) An opinion of Special Counsel to the effect that the amendments to the Sublease and to the Site Lease contemplating said substitution have been duly authorized, executed and delivered and constitute the valid and binding obligations of the City enforceable in accordance with their terms;

(iv) (A) A policy of title insurance in an amount such that the total title insurance on the Property after said substitution in favor of the Trustee and the Banks are not less than the amount of the credit commitment then available under the Credit Facilities, insuring the City's leasehold interest in the substituted Property (except any portion thereof which is not real property) subject only to Permitted Encumbrances, together with an endorsement thereto making said policy payable to the Banks and the Trustee for the benefit of the Owners of the Commercial Paper Certificates and (B) in the event of a partial removal, evidence that the title insurance in effect immediately prior thereto is not affected;

(v) An opinion of Special Counsel that the substitution does not cause the interest with respect to the Tax-Exempt Commercial Paper Certificates to be includable in gross income of the Owners thereof for federal income tax purposes;

(vi) Evidence that the City has complied with the insurance covenants contained in the Sublease and Reimbursement Agreements with respect to the Substituted Property;

(vii) An opinion of counsel to the Trustee to the effect that the amendments or supplements to the Sublease and to the Site Lease contemplating the substitution of Property have been duly authorized, executed and delivered by the Trustee; and

(viii) Evidence that the City has provided written notification regarding substitution or removal to each Rating Agency then maintaining a rating on the Commercial Paper Certificates not less than five (5) days prior to such substitution.

(c) Notwithstanding any other provision hereof, , or any provision of the Sublease, within 120 days of Final Completion, the City and the Trustee, without any further consent or direction of the Banks, shall add the Public Safety Building to the Property leased under the Site Lease and the Sublease and provide the Banks with each of the items required to be delivered pursuant to subsection (e) below. Concurrently with the addition of the Public Safety Building to the Property leased under the Site Lease and the Sublease, so long as each of the conditions precedent set forth in subsection (d) below are satisfied in a manner satisfactory to the Banks, the City and the Trustee may remove (and release) the Alemany Market (but only the Alemany Market) from the Property leased pursuant to the Site Lease and the Sublease. Following the removal of Alemany Market in accordance with subsection (d) below, including the satisfaction of (d)(ii) below to the satisfaction of the Banks, the City and the Trustee may remove (and release) the Central Shops and the Human Services Central Office from the Property leased pursuant to the Site Lease and the Sublease so long as all of the conditions set forth in subsection (d) below are satisfied in a manner satisfactory to the Banks. The City and the Trustee agree to execute any amendments to the Site Lease and the Sublease necessary to

effectuate such addition of the Public Safety Building and the permitted removal of Alemany Market and the Central Shops and the Human Services Central Office, if applicable.

(d) No removal of Property may take place without the prior written consent of the Banks and until the City delivers to the Trustee and the Banks the following:

(i) A written description of all or part of the Property to be released;

(ii) A Written Certificate of the City (A) stating that the annual fair market rental value of the Property after said removal, in each Base Rental Period during the remaining term of the Sublease, is at least equal to the Maximum Base Rental prior to said removal, as determined by the City on the basis of an appraisal of the Property after said removal conducted by a qualified appraiser (who may be an employee of the City); (B) demonstrating that the useful life of the Property after said removal equals or exceeds the remaining term of the Sublease; and (C) stating that each Component of the Property remaining after said removal is as essential to the operations of the City as it was at the time such Component became subject to the Sublease;

(iii) An opinion of Special Counsel to the effect that the amendments to the Sublease and to the Site Lease contemplating said removal have been duly authorized, executed and delivered and constitute the valid and binding obligations of the City enforceable in accordance with their terms;

(iv) An opinion of Special Counsel that said removal does not cause the interest with respect to the Tax-Exempt Commercial Paper Certificates to be includable in gross income of the Owners thereof for federal income tax purposes;

(v) Evidence that the City has complied with the insurance covenants contained in the Sublease and Reimbursement Agreements with respect to the Substituted Property;

(vi) An opinion of counsel to the Trustee to the effect that the amendments or supplements to the Sublease and to the Site Lease contemplating said removal of Property have been duly authorized, executed and delivered by the Trustee; and

(vii) Evidence that the City has provided written notification regarding removal to each Rating Agency then maintaining a rating on the Commercial Paper Certificates not less than five (5) days prior to such release.

(e) No addition of Property may take place without the prior written consent of the Banks and until the City delivers to the Banks and the Trustee the following:

(i) A Written Certificate of the City (A) setting forth the Base Rental for such Additional Property; (B) demonstrating that the useful life of the Additional Property equals or exceeds the remaining term of the Sublease; and (C) stating that the Additional Property is essential to the operations of the City;

(ii) Executed amendments or supplements to the Site Lease and the Sublease setting forth, among other things, a written, legal description of the Additional Property, the term of the Site Lease and Sublease for the Additional Property, and, in the

case of the Sublease, a schedule setting forth the Base Rental for the Additional Property;

(iii) An opinion of Special Counsel to the effect that the amendments or supplements to the Sublease and to the Site Lease contemplating the addition of Additional Property have been duly authorized, executed and delivered and constitute the valid and binding obligations of the City enforceable in accordance with their terms;

(iv) An opinion of Special Counsel that the addition of Additional Property does not cause the interest with respect to the Tax-Exempt Commercial Paper Certificates to be includable in gross income of the Owners thereof for federal income tax purposes;

(v) Evidence that the City has complied with the insurance covenants contained in the Sublease and the Reimbursement Agreements with respect to the Additional Property;

(vi) An opinion of counsel to the Trustee to the effect that the amendments or supplements to the Sublease and to the Site Lease contemplating the addition of Additional Property have been duly authorized, executed and delivered by the Trustee; and

(vii) a policy of title insurance in an amount such that the total title insurance on the Property following the addition of the Additional Property in favor of the Trustee and the Banks is not less than the amount of the credit commitment then available under the Credit Facilities, insuring the City's leasehold interest in the Additional Property (except any portion thereof which is not real property) subject only to Permitted Encumbrances, together with an endorsement thereto making said policy payable to the Banks and the Trustee (for the benefit of the Owners of the Commercial Paper Certificates).

## **ARTICLE VIII**

### **EVENTS OF DEFAULT**

**Section 8.01. Events of Default Defined.** A default under Section 7.1 of the Sublease will constitute an "Event of Default" hereunder:

**Section 8.02. Notice of Events of Default.** If an Event of Default occurs, the Trustee will give notice of such default to the Holders, the Banks, and to the Rating Agency. Such notice will state that the City is in default and will provide a brief description of such default. The Trustee in its discretion may withhold notice to the Holders (but not the Banks) if it deems it in the best interests of the Holders. The notice provided for in this Section 8.02 will be given by first-class mail, postage prepaid, to the Holders within 30 days of such occurrence of default.

**Section 8.03. Remedies on Default.** (a) Upon the occurrence and continuance of any Event of Default, the Trustee may, with the written consent of the Banks, and shall upon the written direction of the Banks, proceed (and upon written request of the Banks or the Holders of not less than a majority in aggregate principal amount of Commercial Paper Certificates then Outstanding will, subject to receipt of adequate indemnity as provided herein, proceed), to exercise the remedies set forth in Section 7.2 of the Sublease or available to the Trustee hereunder.

(b) Upon an Event of Default and prior to the curing thereof, the Trustee will exercise the rights and remedies vested in it by the Sublease and this Trust Agreement with the same degree of care and skill as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(c) If an Event of Default occurs, remedies under the Reimbursement Agreements may be triggered, including, without limitation, delivery of a No-Delivery Notice or Final Drawing Notice by either or both of the Banks.

**Section 8.04. Commercial Paper Certificates Not Subject to Acceleration.** The Commercial Paper Certificates are not subject to acceleration and upon the occurrence of an Event of Default, none of the Delivery and Paying Agent, the Banks, any Holder or any other Person may accelerate the maturity of any of the Commercial Paper Certificates.

**Section 8.05. Collection of Base Rental Payments.** The Trustee will take any appropriate action to cause the City to pay any Base Rental payment not paid when due, upon written request and authorization by the Banks or the Holders of a majority in aggregate principal amount of the Commercial Paper Certificates then Outstanding and unpaid, and upon being satisfactorily indemnified against any expense and liability with respect thereto and receiving payment for its fees and expenses.

**Section 8.06. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the Trustee or the Banks are intended to be exclusive and every such remedy will be cumulative and will be in addition to every other remedy given under this Trust Agreement and the Sublease, or now or hereafter existing at law or in equity, except as expressly waived herein or therein. No delay or omission to exercise any right or power accruing upon any default will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee, the Banks or

the Holders to exercise any remedy reserved to it or them, it will not be necessary to give any notice other than such notice as may be required in this Article VIII or by law.

**Section 8.07. No Additional Waiver Implied by One Waiver.** In the event any provision contained in this Trust Agreement should be breached by a party and thereafter waived by another party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

**Section 8.08. Action by Holders.** Subject to the right of the Banks to direct remedial proceedings hereunder, in the event the Trustee fails to take any action to eliminate an event of default under Article VII of the Sublease or Event of Default hereunder, the Holders of a majority in aggregate principal amount of Commercial Paper Certificates then Outstanding may institute any suit, action, mandamus or other proceeding in equity or at law for the protection or enforcement of any right under the Sublease and this Trust Agreement, but only if such Holders have first made written request of the Trustee after the right to exercise such powers or right of action has arisen, and have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted therein or otherwise granted by law or to institute such action, suit or proceeding in its name, and unless, also, the Trustee has been offered reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee has refused or neglected to comply with such request within a reasonable time.

**Section 8.09. Opinion of Counsel.** Before being required to take any action under this Article VIII, the Trustee may require an opinion of counsel acceptable to the Trustee, which opinion will be made available to the City upon request, which counsel may or may not be counsel to the City or Special Counsel with regard to legal questions.

**Section 8.10. Direction of Remedies by Banks.** Any provision herein to the contrary notwithstanding, the Trustee will exercise the remedies provided for hereunder only if and as directed or consented to in writing by the Banks and will not waive any Event of Default without the prior written consent of the Banks. Anything herein to the contrary notwithstanding, in the event a Bank has failed to honor a properly presented and conforming drawing under its Credit Facility, such Bank will be excluded from the term "Banks" for purposes of determining any required consent or written direction of the Banks as provided for in this Article VIII.



## **ARTICLE IX**

### **LIMITATION OF LIABILITY**

**Section 9.01. No Liability of City for Trustee Performance.** The City has no obligation or liability to any of the other parties or to the Holders with respect to the performance by the Trustee of any duty imposed upon it under this Trust Agreement, including the distribution of principal and interest to the Holders.

**Section 9.02. No Liability of Trustee or Delivery and Paying Agent for Base Rental Payments by City.** Except as provided herein, neither the Trustee nor the Delivery and Paying Agent has any obligation or liability to the Holders with respect to the payment of the Base Rental by the City when due, or with respect to the performance by the City of any other covenant made by it in the Sublease.

**Section 9.03. No Liability of City Except as Stated.** Except for the performance by the City of its obligations and duties as set forth in the Sublease and this Trust Agreement, the City has no obligation or liability to the Trustee, the Delivery and Paying Agent or the Holders.

**Section 9.04. Limited Liability of Trustee and Delivery and Paying Agent.** The Trustee and the Delivery and Paying Agent have no obligation or responsibility for providing information to the Holders concerning the investment quality of the Commercial Paper Certificates, for the sufficiency or collection of any Base Rental or for the actions or representations of any other party to this Trust Agreement. The Trustee and the Delivery and Paying Agent have no obligation or liability to any of the other parties hereto or to the Holders with respect to the failure or refusal of any other party hereto to perform any covenant or agreement made by it under this Trust Agreement, the Site Lease, or the Sublease, but each will be responsible solely for the performance of the duties expressly imposed upon it hereunder. The recitals of facts, covenants and agreements contained herein and in the Commercial Paper Certificates will be taken as statements, covenants and agreements of the City and each of the Trustee and Delivery and Paying Agent assumes no responsibility for the correctness of the same and makes no representation as to the validity or sufficiency of this Trust Agreement, the Site Lease, the Sublease or the Commercial Paper Certificates, or as to the value of or title to the Property, and will not incur any responsibility in respect thereof, other than in connection with the duties or obligations herein assigned to or imposed upon it.

**Section 9.05. Limitation of Rights.** Nothing in this Trust Agreement or in the Certificates expressed or implied is intended or will be construed to give any Person other than the City, the Trustee, the Delivery and Paying Agent, the Banks and the Holders any legal or equitable right, remedy or claim under or in respect of this Trust Agreement or any covenant, condition or provision hereof; and all such covenants, conditions and provisions are and will be for the sole and exclusive benefit of the City, the Trustee, the Delivery and Paying Agent, the Banks and such Holders.

## **ARTICLE X**

### **MISCELLANEOUS**

**Section 10.01. Records.** Until five years following the full payment of principal and interest due with respect to the Commercial Paper Certificates, each of the Trustee and the Delivery and Paying Agent will keep complete and accurate records of all money received and disbursed under this Trust Agreement, which records will be available for inspection by the City, the Banks and by any Holder, or the agent of any of them, at reasonable times during regular business hours and upon reasonable prior written notice.

**Section 10.02. Notices.** Except as otherwise specifically provided in this Trust Agreement, all notices, requests, demands and other communications under this Trust Agreement by any Person will be in writing (unless otherwise specified herein) and will 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 telex or other telecommunication facility or courier or if mailed by registered or certified mail, postage prepaid, and properly addressed as follows:

If to the City:                      City and County of San Francisco  
City Hall, 1 Dr. Carlton B. Goodlett Place,  
Room 316  
San Francisco, California 94102  
Attention: City Controller

If to the Trustee:                  U.S. Bank National Association  
One California Street, Suite 1000  
San Francisco, California 94111  
Attention: Corporate Trust Services  
Facsimile: (415) 677-3769

If to the Delivery and Paying Agent:

U.S. Bank National Association  
100 Wall Street, Suite 1600  
New York, New York 10005  
Attention: Global Corporate Trust Services  
Facsimile: (212) 514-6841

If to the Bank:                      State Street Bank and Trust Company  
Loan Operation Department  
Mailstop: CPH0453  
100 Huntington Ave  
Tower 1, 4th Floor  
Boston, Massachusetts 02116  
Attn: Standby Letter of Credit Operation - David  
Pennybaler  
Telephone: (617) 937-8805  
Facsimile: (617) 988-6674

With a copy to:                      State Street Bank and Trust Company  
One Lincoln Street, 5th Floor

Boston, Massachusetts 02111  
Attention: Mimi Li  
Telephone: (617) 664-3196  
Facsimile: (617)-946-0188

or to such other address or addresses as any such Person has designated to the others by notice given in accordance with the provisions of this Section 10.02.

**Section 10.03. Defeasance.** If, when all or any portion of the Certificates have become due and payable in accordance with their terms or otherwise as provided in this Trust Agreement, the entire principal and interest so due and payable with respect to said Certificates are paid, or if at or prior to the date said Certificates have become due and payable, sufficient Available Moneys or noncallable, nonprepayable, direct obligations of, or obligations guaranteed by, the United States of America purchased with Available Moneys, the principal of and interest with respect to which will provide sufficient amounts for such payment, are held in trust by the Trustee and provision is made for paying all other sums payable hereunder by the Trustee or the City with respect to said Certificates, the pledge herein created with respect to said Certificates will thereupon cease, terminate and become discharged and said Certificates will no longer be deemed Outstanding for purposes of this Trust Agreement and all the provisions of this Trust Agreement, including all covenants, agreements, liens and pledges made herein, will be deemed duly discharged, satisfied and released.

**Section 10.04. Governing Law.** This Trust Agreement will be construed and governed in accordance with the laws of the State. Venue for all litigation relative to the formation, interpretation and performance of this Trust Agreement will be in San Francisco, California.

**Section 10.05. Partial Invalidity.** Any provision of this Trust Agreement found to be prohibited by law will be ineffective only to the extent of such prohibition, and will not invalidate the remainder of this Trust Agreement.

**Section 10.06. Binding Effect; Successors.** This Trust Agreement will be binding upon and will inure to the benefit of the parties hereto and the Holders and their respective successors and assigns. Whenever in this Trust Agreement any party is named or referred to, such reference will be deemed to include such party's successors or assigns, and all covenants and agreements contained in this Trust Agreement by or on behalf of any party hereto will bind and inure to the benefit of such party's successors and assigns whether so expressed or not.

**Section 10.07. Local Business Enterprise Utilization; Liquidated Damages.**

a. The LBE Ordinance

The Trustee will comply with all the requirements of the Disadvantaged Business Enterprise Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase the Trustee's obligations or liabilities, or materially diminish the Trustee's rights, under this Trust Agreement. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Trust Agreement as though fully set forth in this section. The Trustee's willful failure to comply with any applicable provision of the LBE Ordinance is a material breach of the Trustee's obligations under this Trust Agreement and will entitle City, subject to any applicable notice and cure provisions set forth in this Trust Agreement, to exercise any of the remedies provided for under this Trust Agreement,

under the LBE Ordinance or otherwise available at law or in equity, which remedies will be cumulative unless this Trust Agreement expressly provides that any remedy is exclusive. In addition, The Trustee will comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

b. Compliance and Enforcement

1. Enforcement

If the Trustee willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Trust Agreement pertaining to LBE participation, the Trustee will be liable for liquidated damages in an amount equal to the Trustee's net profit on this Trust Agreement, or 10% of the total amount of this Trust Agreement, or \$1,000, whichever is greatest. The Director of the City's Human Rights Commission or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of HRC") may also impose other sanctions against the Trustee authorized in the LBE Ordinance, including declaring the Trustee to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Trustee's DBE certification. The Director of HRC will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code §14B.17.

By entering into this Trust Agreement, the Trustee acknowledges and agrees that any liquidated damages assessed by the Director of the HRC will be payable to City upon demand. The Trustee further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to the Trustee on any contract with City.

The Trustee agrees to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Trust Agreement, and will make such records available for audit and inspection by the Director of HRC or the Controller upon request.

**Section 10.08. Nondiscrimination; Penalties.**

a. Trustee Will Not Discriminate

In the performance of this Trust Agreement, the Trustee agrees not to discriminate against any employee, City and County employee working with such contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

b. Subcontracts

The Trustee will incorporate by reference in all subcontracts the provisions of §§12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code (copies of which

are available from Purchasing) and will require all subcontractors to comply with such provisions. The Trustee's failure to comply with the obligations in this subsection will constitute a material breach of this Trust Agreement.

c. Nondiscrimination in Benefits

The Trustee does not as of the date of this Trust Agreement and will not during the term of this Trust Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in §12B.2(b) of the San Francisco Administrative Code.

d. Condition to Contract

As a condition to this Trust Agreement, the Trustee will execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

e. Incorporation of Administrative Code Provisions by Reference

The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Trust Agreement as though fully set forth herein. The Trustee will comply fully with and be bound by all of the provisions that apply to this Trust Agreement under such Chapters, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, the Trustee understands that pursuant to §12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Trust Agreement may be assessed against the Trustee and/or deducted from any payments due the Trustee.

**Section 10.09. MacBride Principles—Northern Ireland.** Pursuant to San Francisco Administrative Code §12F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this Trust Agreement on behalf of the Trustee acknowledges and agrees that he or she has read and understood this Section.

**Section 10.10. Tropical Hardwood and Virgin Redwood Ban.** Pursuant to §804(b) of the San Francisco Environment Code, the City and County of San Francisco urges contractors not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

**Section 10.11. Drug-Free Workplace Policy.** The Trustee acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution,

dispensation, possession, or use of a controlled substance is prohibited on City premises. The Trustee agrees that any violation of this prohibition by the Trustee, its employees, agents or assigns will be deemed a material breach of this Trust Agreement.

**Section 10.12. Compliance with Americans with Disabilities Act.** The Trustee acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. The Trustee will provide the services specified in this Trust Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. The Trustee agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Trust Agreement and further agrees that any violation of this prohibition on the part of the Trustee, its employees, agents or assigns will constitute a material breach of this Trust Agreement.

**Section 10.13. Sunshine Ordinance.** In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors' bids, responses to solicitations and all other records of communications between City and persons or firms seeking contracts, will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

**Section 10.14. Limitations on Contributions.** Through execution of this Trust Agreement, the Trustee acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. The Trustee acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. The Trustee further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of the Trustee's board of directors; the Trustee's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in the Trustee; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by the Trustee. Additionally, the Trustee acknowledges that the Trustee must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

**Section 10.15. Requiring Minimum Compensation for Covered Employees.**

(a) The Trustee agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies

provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Trust Agreement as though fully set forth. The text of the MCO is available on the web at <http://www.sfgov.org/olse/mco>. A partial listing of some of the Trustee's obligations under the MCO is set forth in this Section. The Trustee is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Trust Agreement shall have the meanings ascribed to such terms in Chapter 12P.

(b) The MCO requires the Trustee to pay the Trustee's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and the Trustee is obligated to keep informed of the then-current requirements. Any subcontract entered into by the Trustee will require the subcontractor to comply with the requirements of the MCO and will contain contractual obligations substantially the same as those set forth in this Section. It is the Trustee's obligation to ensure that any subcontractors of any tier under this Trust Agreement comply with the requirements of the MCO. If any subcontractor under this Trust Agreement fails to comply, City may pursue any of the remedies set forth in this Section against the Trustee.

(c) The Trustee will not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) The Trustee will maintain employee and payroll records as required by the MCO. If the Trustee fails to do so, it will be presumed that the Trustee paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect the Trustee's job sites and conduct interviews with employees and conduct audits of the Trustee.

(f) The Trustee's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Trust Agreement. The City in its sole discretion will determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Trustee fails to comply with these requirements. The Trustee agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for the Trustee's noncompliance. The procedures governing the assessment of liquidated damages will be those set forth in Section 12P.6.2 of Chapter 12P.

(g) The Trustee understands and agrees that if it fails to comply with the requirements of the MCO, the City will have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Trust Agreement for violating the MCO, the Trustee fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, the Trustee fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City will have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of

Chapter 12P. Each of these remedies will be exercisable individually or in combination with any other rights or remedies available to the City.

(h) The Trustee represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Trustee is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Trustee later enters into an agreement or agreements that cause Trustee to exceed that amount in a fiscal year, Trustee will thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Trustee and this department to exceed \$25,000 in the fiscal year. .

**Section 10.16. Requiring Health Benefits for Covered Employees.** Unless exempt, the Trustee agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Trust Agreement as though fully set forth. The text of the HCAO is available on the web at <http://www.sfgov.org/oca/lwlh.htm>. Capitalized terms used in this Section and not defined in this Trust Agreement will have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, the Trustee will provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If the Trustee chooses to offer the health plan option, such health plan will meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Trustee is a small business as defined in Section 12Q.3(d) of the HCAO, it will have no obligation to comply with part (a) above.

(c) The Trustee's failure to comply with the HCAO will constitute a material breach of this Trust Agreement. City will notify the Trustee if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Trust Agreement for violating the HCAO, the Trustee fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, the Trustee fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City will have the right to pursue the remedies set forth in 12Q.5(f)(1-5). Each of these remedies will be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any subcontract entered into by the Trustee will require the subcontractor to comply with the requirements of the HCAO and will contain contractual obligations substantially the same as those set forth in this Section. The Trustee will notify City's Office of Contract Administration when it enters into such a subcontract and will certify to the Office of Contract Administration that it has notified the subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on subcontractor through the subcontract. The Trustee will be responsible for its subcontractors' compliance with this Chapter. If a subcontractor fails to comply, the City may pursue the remedies set forth in this Section against the Trustee based on the



subcontractor's failure to comply, provided that City has first provided the Trustee with notice and an opportunity to obtain a cure of the violation.

(e) The Trustee will not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to the Trustee's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) The Trustee represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) The Trustee will maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) The Trustee will keep itself informed of the current requirements of the HCAO.

(i) The Trustee will provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on subcontractors and subtenants, as applicable.

(j) The Trustee will provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) The Trustee will allow City to inspect the Trustee's job sites and have access to the Trustee's employees in order to monitor and determine compliance with HCAO.

(l) The City may conduct random audits of the Trustee to ascertain its compliance with HCAO. The Trustee agrees to cooperate with City when it conducts such audits.

(m) If the Trustee is exempt from the HCAO when this Trust Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but the Trustee later enters into an agreement or agreements that cause the Trustee's aggregate amount of all agreements with City to reach \$75,000, all the agreements will be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Trustee and the City to be equal to or greater than \$75,000 in the fiscal year.

**Section 10.17. Prohibition on Political Activity with City Funds.** In accordance with San Francisco Administrative Code Chapter 12.G, the Trustee may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity") in the performance of the services provided under this Trust Agreement. The Trustee agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event

the Trustee violates the provisions of this section, the City may, in addition to any other rights or remedies available hereunder, (i) remove the Trustee under Section 8.02(b) of this Trust Agreement, and (ii) prohibit the Trustee from bidding on or receiving any new City contract for a period of two (2) years. The Controller will not consider the Trustee's use of profit as a violation of this section.

**Section 10.18. Conflict of Interest.** Through its execution of this Trust Agreement, the Trustee acknowledges that it is familiar with the provisions of section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 *et seq.* and Section 1090 *et seq.* of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Trust Agreement.

**Section 10.19. Earned Income Credit (EIC) Forms.** The Trustee shall comply with Internal Revenue Service regulations, if any, that require the Trustee to notify its employees of the EIC. Failure to comply with any requirement contained in subparagraph (a) of this Section 10.19 shall constitute a material breach by the Trustee of the terms of this Trust Agreement. If, within thirty (30) days after the Trustee receives written notice of such a breach, the Trustee fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, the Trustee fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Trust Agreement or under applicable law.

**Section 10.20. Preservative-treated Wood Containing Arsenic.** The Trustee may not purchase preservative-treated wood products containing arsenic in the performance of this Trust Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" will mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. The Trustee may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude the Trustee from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" will mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

**Section 10.21. Nondisclosure of Private Information.** The Trustee has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. The Trustee agrees that any failure of the Trustee to comply with the requirements of Section 12M.2 of this Chapter will be a material breach of this Trust Agreement, provided that, notwithstanding anything herein or in the Administrative Code to the contrary, the foregoing will not be construed to prohibit (i) disclosure of any and all information that is or becomes publicly known, or information obtained by the Trustee from sources other than the other parties hereto, (ii) disclosure of any and all information (A) if reasonably required to do so by any applicable city, state or federal rule or regulation, (B) to any government agency or regulatory body having or reasonably claiming authority to regulate or oversee any aspects of Trustee's business or that of its affiliates, (C) pursuant to any valid subpoena, civil investigative demand or similar demand or request of any court, regulatory authority, arbitrator or arbitration relating to this Trust

Agreement to which Trustee or any affiliate or an officer, director, employer or shareholder thereof is a party or (D) to any affiliate, independent or internal auditor, agent, employee or attorney of Trustee having a need to know the same, provided that Trustee advises such recipient of the confidential nature of the information being disclosed, or (iii) any other disclosure authorized by the City and this Trust Agreement. In such an event, in addition to any other remedies available to it under equity or law, the City may remove the Trustee under Section 8.02(b) of this Trust Agreement, bring a false claim action against the Trustee pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the Trustee.

**Section 10.22. Proprietary or Confidential Information of City.** The Trustee understands and agrees that, in the performance of the work or services under this Trust Agreement or in contemplation thereof, the Trustee may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. The Trustee agrees that all information disclosed by City to the Trustee will be held in confidence and used only in performance of this Trust Agreement, provided that, notwithstanding anything in this Trust Agreement to the contrary, the foregoing will not be construed to prohibit (i) disclosure of any and all information that is or becomes publicly known, or information obtained by the Trustee from sources other than the other parties to this Trust Agreement, (ii) disclosure of any and all information (A) if reasonably required to do so by any applicable city, state or federal rule or regulation, (B) to any government agency or regulatory body having or reasonably claiming authority to regulate or oversee any aspects of Trustee's business or that of its affiliates, (C) pursuant to any valid subpoena, civil investigative demand or similar demand or request of any court, regulatory authority, arbitrator or arbitration relating to this Trust Agreement to which Trustee or any affiliate or an officer, director, employer or shareholder is a party or (D) to any affiliate, independent or internal auditor, agent, employee or attorney of Trustee having a need to know the same, provided that Trustee advises such recipient of the confidential nature of the information being disclosed, or (iii) any other disclosure authorized by the City and this Trust Agreement. The Trustee will exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

**Section 10.23. Compliance with Laws.** The Trustee will keep itself fully informed of the City's Charter, codes, ordinances and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Trust Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

**Section 10.24. Works for Hire.** If, in connection with services performed under this Trust Agreement, the Trustee or its subcontractors create artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes or any other original works of authorship, such works of authorship will be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works are the property of the City. If it is ever determined that any works created by the Trustee or its subcontractors under this Trust Agreement are not works for hire under U.S. law, the Trustee hereby assigns all copyrights to such works to the City, and agrees to provide any material and execute any documents necessary to effectuate such assignment. With the approval of the City, the Trustee may retain and use copies of such works for reference and as documentation of its experience and capabilities.

**Section 10.25. Resource Conservation.** Chapter 5 of the San Francisco Environment Code ("Resource Conservation") is incorporated herein by reference. Failure by the Trustee to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract.

**Section 10.26. Public Access to Meetings and Records.** Only if the Trustee receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the San Francisco Administrative Code, the Trustee will comply with and be bound by all the applicable provisions of that Chapter and this Section 11.26. By executing this Trust Agreement, the Trustee agrees to open its meetings and records to the public in the manner set forth in Sections 12L.4 and 12L.5 of the Administrative Code. The Trustee further agrees to make-good faith efforts to promote community membership on its Board of Directors in the manner set forth in Section 12L.6 of the Administrative Code. The Trustee acknowledges that its material failure to comply with any of the provisions of this paragraph will constitute a material breach of this Trust Agreement. The Trustee further acknowledges that such material breach of the Trust Agreement will be grounds for the City to terminate and/or not renew the Trust Agreement, partially or in its entirety.

**Section 10.27. Submitting False Claims; Monetary Penalties.** Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim will be liable to the City for three times the amount of damages which the City sustains because of the false claim. A contractor, subcontractor or consultant who submits a false claim will also be liable to the City for the costs, including attorneys' fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the City for a civil penalty of up to \$10,000 for each false claim. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

**Section 10.28 Ownership of Results.** Any interest of the Trustee or its subcontractors, in drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by the Trustee or its subcontractors in connection with services to be performed under this Trust Agreement, will become the property of and will be transmitted to City. However, the Trustee may retain and use copies for reference and as documentation of its experience and capabilities.

**Section 10.29. Food Service Waste Reduction Requirements** Effective June 1, 2007, the Trustee agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Trust Agreement as though fully set forth. This provision is a material term of this Trust Agreement. By entering into this Trust Agreement, the Trustee agrees that if it breaches this provision, the City will suffer actual damages that will be impractical or extremely difficult to determine; further, the Trustee agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two

hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that the City will incur based on the violation, established in light of the circumstances existing at the time this Trust Agreement was made. Such amount will not be considered a penalty, but rather agreed monetary damages sustained by the City because of the Trustee's failure to comply with this provision.

**Section 10.30. Repeal of Administrative Code Provisions.** To the extent that the City repeals any provision of the Administrative Code incorporated, set forth or referenced in Sections 10.07 through 10.29 hereof, other than pursuant to a restatement or amendment of any such provision, such provision, as incorporated, set forth or referenced herein, will no longer apply to this Trust Agreement or the Trustee.

**Section 10.31. Audit and Inspection of Records.** The Trustee will maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Trust Agreement. The Trustee will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Trust Agreement, whether funded in whole or in part under this Trust Agreement, except to the extent such information is proprietary or confidential to the Trustee. The Trustee will maintain such data and records in an accessible location and condition for a period of not less than three years after final payment under this Trust Agreement or until after final audit has been resolved, whichever is later. The State of California or any federal agency having an interest in the subject matter of this Trust Agreement will have the same rights conferred upon City by this Section.

**Section 10.32. Subcontracting.** The Trustee is prohibited from subcontracting this Trust Agreement or any part of it unless such subcontracting is first approved by City in writing. Neither party will, on the basis of this Trust Agreement, contract on behalf of or in the name of the other party. An agreement made in violation of this provision will confer no rights on any party and will be null and void.

**Section 10.33. Assignment.** The services to be performed by Trustee are personal in character and neither this Trust Agreement nor any duties or obligations hereunder may be assigned or delegated by the Trustee unless first approved by City by written instrument executed and approved in the same manner as this Trust Agreement.

**Section 10.34. Non-Waiver of Rights.** The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, will not be a waiver of any such default or right to which the party is entitled, nor will it in any way affect the right of the party to enforce such provisions thereafter.

**Section 10.35. Execution in Counterparts.** This Trust Agreement may be executed in several counterparts, each of which is deemed to be an original and all of which constitute but one and the same agreement.

IN WITNESS WHEREOF, the parties have executed this Trust Agreement effective the date first above written.

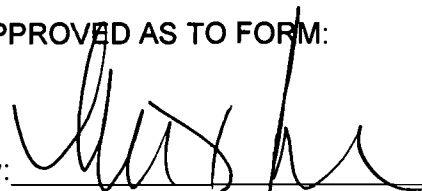
CITY AND COUNTY OF SAN FRANCISCO

By:   
Director of Public Finance

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

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

APPROVED AS TO FORM:

By:   
City Attorney

IN WITNESS WHEREOF, the parties have executed this Trust Agreement effective the date first above written.

CITY AND COUNTY OF SAN FRANCISCO

By: \_\_\_\_\_  
Mayor

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

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

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney

**EXHIBIT A-1**

**FORM OF COMMERCIAL PAPER CERTIFICATE**

**UNITED STATES OF AMERICA**

**STATE OF CALIFORNIA**

**CITY AND COUNTY OF SAN FRANCISCO**

**TAX-EXEMPT LEASE REVENUE**

**COMMERCIAL PAPER CERTIFICATE OF PARTICIPATION, [SERIES 3][SERIES 4]**

No.: _____	Certificate Date: _____
Principal Amount: _____	Maturity Date: _____
Interest to Maturity: _____	Number of Days: _____
Due at Maturity: _____	Interest Rate (%): _____

THIS IS TO CERTIFY THAT the registered owner identified above or registered assigns, as the registered owner of this Tax-Exempt Lease Revenue Commercial Paper Certificate of Participation, [Series 3][Series 4] (the "Certificate" or "Commercial Paper Certificate"), is the owner of a proportionate interest in a Sublease, including the right to receive Base Rental payments payable thereunder (the "Sublease"), dated as of February 1, 2014, between the City and County of San Francisco (the "City"), a charter city and county of the State of California (the "State"), as lessee, and U.S. Bank National Association, a national banking association, as trustee (the "Trustee").

The registered owner of this Certificate is entitled to receive, subject to the terms of the Sublease, on the maturity date identified above, the principal sum specified above representing a portion of the Base Rental payments designated as principal coming due on or prior to such date, and to receive interest, if any, on said principal amount at said maturity date, from the above specified Certificate date to said maturity date at the per annum interest rate shown above (computed on the basis of actual days elapsed and a 365-day or 366-day year); both principal and interest with respect to this Certificate being payable in lawful money of the United States of America at the principal corporate office of U.S. Bank National Association, as paying agent (the "Delivery and Paying Agent") executing the "Certificate of Authentication" endorsed hereon and appearing below, or its successor at the principal corporate office of such successor.

This Commercial Paper Certificate has been executed and delivered under that certain Trust Agreement, dated as of February 1, 2014 (as amended, supplemented and modified from time to time, the "Trust Agreement"), between the City and the Trustee, for the purpose of financing Project Costs (as defined in the Trust Agreement) and to refinance, renew or refund the Certificates (as defined in the Trust Agreement) delivered under the provisions of the Trust Agreement. The City is also authorized under the Trust Agreement to issue its Taxable Lease Revenue Commercial Paper Certificates.



Reference is hereby made to the Trust Agreement (a copy of which is on file at said principal corporate trust office of the Trustee) and all amendments and supplements thereto for a description of the rights thereunder of the bearers of the Commercial Paper Certificates, of the nature and extent of the security, of the rights, duties and immunities of the Trustee and the Delivery and Paying Agent and of the rights and obligations of the City thereunder, to all the provisions of which Trust Agreement the registered holder of this Commercial Paper Certificate, by acceptance hereof, assents and agrees. All capitalized terms herein not otherwise defined will have the meaning ascribed to them in the Trust Agreement.

The City is required under the Sublease to pay Base Rental from any source of legally available funds. The City has covenanted in the Sublease to make the necessary annual appropriations for such purpose. Base Rental is required to be deposited with the Delivery and Paying Agent, as agent for the Trustee, on each August 1, November 1, February 1 and May 1, for application to the Base Rental Account established pursuant to the Trust Agreement. The City has also pledged all amounts on deposit from time to time in the funds and accounts established pursuant to the Trust Agreement (other than in the Rebate Fund) to the payment of all Base Rental.

The obligation of the City to pay Base Rental does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Base Rental does not constitute an indebtedness of the City, the State, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The City's obligation to pay Base Rental will be abated during any period in which, by reason of material damage, destruction, condemnation or title defect, there is substantial interference with the City's right of use and occupancy of the Property or any portion thereof. Failure of the City to pay Base Rental during any such period will not constitute a default under the Sublease, the Trust Agreement or this Certificate.

This Commercial Paper Certificate will not be entitled to any benefit under the Trust Agreement, or become valid or obligatory for any other purpose, until the Delivery and Paying Agent will have authenticated the same by manual signature.

It is hereby certified and recited that all acts, conditions and things required by law and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of this Commercial Paper Certificate, do exist, have happened and have been performed in regular and in due time, form and manner as required by the Constitution and laws of the State of California; and that delivery of this Commercial Paper Certificate, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of California, and is not in excess of the amount of Certificates permitted to be delivered under the Trust Agreement.

**IN WITNESS WHEREOF**, the City and County of San Francisco has caused this Commercial Paper Certificate to be executed in its name by its duly authorized representative and has caused this Commercial Paper Certificate to be dated the Certificate Date set forth above.

By: \_\_\_\_\_  
Controller

**DELIVERY AND PAYING AGENT'S  
CERTIFICATE OF AUTHENTICATION**

This Commercial Paper Certificate is one of the Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, [Series 3][Series 4] delivered under the within mentioned Trust Agreement.

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

U.S. Bank National Association,  
as Delivery and Paying Agent

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

## ASSIGNMENT

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

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

the within-registered Certificate and hereby irrevocably constitute(s) and appoints(s) \_\_\_\_\_ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

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

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

\_\_\_\_\_  
Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular without alteration or enlargement or any change whatsoever.

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

**EXHIBIT A-2**

**FORM OF COMMERCIAL PAPER CERTIFICATE**

**UNITED STATES OF AMERICA**

**STATE OF CALIFORNIA**

**CITY AND COUNTY OF SAN FRANCISCO**

**TAXABLE LEASE REVENUE**

**COMMERCIAL PAPER CERTIFICATE OF PARTICIPATION, [SERIES 3-T][SERIES 4-T]**

No.:	_____	Certificate Date:	_____
Principal Amount:	_____	Maturity Date:	_____
Interest to Maturity:	_____	Number of Days:	_____
Due at Maturity:	_____	Interest Rate (%):	_____

THIS IS TO CERTIFY THAT the registered owner identified above or registered assigns, as the registered owner of this Taxable Lease Revenue Commercial Paper Certificate of Participation, [Series 3-T][Series 4-T] (the "Certificate" or "Commercial Paper Certificate"), is the owner of a proportionate interest in a Sublease, including the right to receive Base Rental payments payable thereunder (the "Sublease"), dated as of February 1, 2014, between the City and County of San Francisco (the "City"), a charter city and county of the State of California (the "State"), as lessee, and U.S. Bank National Association, a national banking association, as trustee (the "Trustee").

The registered owner of this Certificate is entitled to receive, subject to the terms of the Sublease, on the maturity date identified above, the principal sum specified above representing a portion of the Base Rental payments designated as principal coming due on or prior to such date, and to receive interest, if any, on said principal amount at said maturity date, from the above specified Certificate date to said maturity date at the per annum interest rate shown above (computed on the basis of actual days elapsed and a 360-day year); both principal and interest with respect to this Certificate being payable in lawful money of the United States of America at the principal corporate office of U.S. Bank National Association, as paying agent (the "Delivery and Paying Agent") executing the "Certificate of Authentication" endorsed hereon and appearing below, or its successor at the principal corporate office of such successor.

This Commercial Paper Certificate has been executed and delivered under that certain Trust Agreement, dated as of February 1, 2014 (as amended, supplemented and modified from time to time, the "Trust Agreement"), between the City and the Trustee, for the purpose of financing Project Costs (as defined in the Trust Agreement) and to refinance, renew or refund the Certificates (as defined in the Trust Agreement) delivered under the provisions of the Trust Agreement. The City is also authorized under the Trust Agreement to issue its Tax-Exempt Lease Revenue Commercial Paper Certificates.

Reference is hereby made to the Trust Agreement (a copy of which is on file at said principal corporate trust office of the Trustee) and all amendments and supplements thereto for a description of the rights thereunder of the bearers of the Commercial Paper Certificates, of the nature and extent of the security, of the rights, duties and immunities of the Trustee and the Delivery and Paying Agent and of the rights and obligations of the City thereunder, to all the provisions of which Trust Agreement the registered holder of this Commercial Paper Certificate, by acceptance hereof, assents and agrees. All capitalized terms herein not otherwise defined will have the meaning ascribed to them in the Trust Agreement.

The City is required under the Sublease to pay Base Rental from any source of legally available funds. The City has covenanted in the Sublease to make the necessary annual appropriations for such purpose. Base Rental is required to be deposited with the Delivery and Paying Agent, as agent for the Trustee, on each August 1, November 1, February 1 and May 1, for application to the Base Rental Account established pursuant to the Trust Agreement. The City has also pledged all amounts on deposit from time to time in the funds and accounts established pursuant to the Trust Agreement (other than in the Rebate Fund) to the payment of all Base Rental.

The obligation of the City to pay Base Rental does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Base Rental does not constitute an indebtedness of the City, the State, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The City's obligation to pay Base Rental will be abated during any period in which, by reason of material damage, destruction, condemnation or title defect, there is substantial interference with the City's right of use and occupancy of the Property or any portion thereof. Failure of the City to pay Base Rental during any such period will not constitute a default under the Sublease, the Trust Agreement or this Certificate.

This Commercial Paper Certificate will not be entitled to any benefit under the Trust Agreement, or become valid or obligatory for any other purpose, until the Delivery and Paying Agent will have authenticated the same by manual signature.

It is hereby certified and recited that all acts, conditions and things required by law and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of this Commercial Paper Certificate, do exist, have happened and have been performed in regular and in due time, form and manner as required by the Constitution and laws of the State of California; and that delivery of this Commercial Paper Certificate, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of California, and is not in excess of the amount of Certificates permitted to be delivered under the Trust Agreement.

**IN WITNESS WHEREOF**, the City and County of San Francisco has caused this Commercial Paper Certificate to be executed in its name by its duly authorized representative and has caused this Commercial Paper Certificate to be dated the Certificate Date set forth above.

By: \_\_\_\_\_  
Controller

**DELIVERY AND PAYING AGENT'S  
CERTIFICATE OF AUTHENTICATION**

This Commercial Paper Certificate is one of the Taxable Lease Revenue Commercial Paper Certificates of Participation, [Series 3-T][Series 4-T] delivered under the within mentioned Trust Agreement.

U.S. Bank National Association,  
as Delivery and Paying Agent

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

## ASSIGNMENT

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

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

the within-registered Certificate and hereby irrevocably constitute(s) and appoints(s) \_\_\_\_\_ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

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

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

\_\_\_\_\_  
Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular without alteration or enlargement or any change whatsoever.

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

**EXHIBIT B-1**

**FORM OF MASTER CERTIFICATE**

**- TAX-EXEMPT COMMERCIAL PAPER MASTER CERTIFICATE -  
[SERIES 3][SERIES 4]**

\_\_\_\_\_  
(Date of Issuance)

The City and County of San Francisco ("Issuer") for value received, hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company, or to registered assigns: (i) the principal amount, together with unpaid accrued interest with respect thereto, if any, on the maturity date of each obligation identified on the records of Issuer (the "Underlying Records") as being evidenced by this Master Certificate, which Underlying Records are maintained by U.S. Bank National Association (the "Delivery and Paying Agent"); (ii) interest with respect to the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest will be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments will be made solely from the sources stated on the Underlying Records by wire transfer to the registered owner from the Delivery and Paying Agent without the necessity of presentation and surrender of this Master Certificate.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS MASTER CERTIFICATE SET FORTH BELOW ON AND ANNEX I HERETO.

This Master Certificate is a valid and binding obligation of Issuer.

Not Valid Unless Countersigned for Authentication by the Delivery and Paying Agent.

U.S. BANK NATIONAL ASSOCIATION  
(Delivery and Paying Agent)

CITY AND COUNTY OF SAN FRANCISCO  
(Issuer)

By: \_\_\_\_\_  
(Authorized Countersignature)

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



At the request of the registered owner, Issuer will promptly issue and deliver one or more separate certificates evidencing each obligation evidenced by this Master Certificate. As of the date any such certificate or certificates are issued, the obligations which are evidenced thereby will no longer be evidenced by this Tax-Exempt Commercial Paper Master Certificate of Participation.

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### **ASSIGNMENT**

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

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

the within-registered Tax-Exempt Commercial Paper Master Certificate and hereby irrevocably constitute(s) and appoints(s) \_\_\_\_\_ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

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

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

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

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

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

**ANNEX I TO**  
**CITY AND COUNTY OF SAN FRANCISCO**  
**TAX-EXEMPT COMMERCIAL PAPER MASTER CERTIFICATE**  
**[SERIES 3][SERIES 4]**

THIS IS TO CERTIFY THAT Cede & Co., as the registered owner of this Certificate of Participation (the "Master Certificate"), is the owner of a proportionate interest in a Sublease, including the right to receive Base Rental payments payable thereunder (the "Sublease"), dated as of February 1, 2014, between the City and County of San Francisco (the "City"), a charter city and county of the State of California (the "State"), as lessee, and U.S. Bank National Association, a national banking association, as trustee (the "Trustee").

The registered owner of this Master Certificate is entitled to receive, subject to the terms of the Sublease, the principal amount of each portion of indebtedness represented by this Master Certificate as identified in the records of U.S. Bank National Association (the "Delivery and Paying Agent") on the due date set forth in such records, together with unpaid interest with respect thereto, if any, from the delivery date specified in such records at the per annum interest rate shown therein (computed on the basis of actual days elapsed and on a 365-day or 366-day year); both principal and interest of each portion of indebtedness represented by this Master Certificate being payable in lawful money of the United States of America by wire transfer at the principal corporate office of the Delivery and Paying Agent, or its successor, by wire transfer at the principal corporate office of such successor.

This Master Certificate has been executed and delivered under that certain Trust Agreement, dated as of February 1, 2014 (as amended, supplemented and modified from time to time, the "Trust Agreement"), between the City and the Trustee, for the purpose of financing Project Costs (as defined in the Trust Agreement) and to refinance, renew or refund the Certificates (as defined in the Trust Agreement) delivered under the provisions of the Trust Agreement.

Reference is hereby made to the Trust Agreement (a copy of which is on file at said principal corporate trust office of the Trustee) and all supplements thereto for a description of the rights thereunder of the registered owners of the Commercial Paper Certificates, of the nature and extent of the security, of the rights, duties and immunities of the Trustee and the Delivery and Paying Agent and of the rights and obligations of the City thereunder, to all the provisions of which Trust Agreement the registered owner of this Master Certificate, by acceptance hereof, assents and agrees. All capitalized terms herein not otherwise defined will have the meaning ascribed to them in the Trust Agreement.

The City is required under the Sublease to pay Base Rental from any source of legally available funds. The City has covenanted in the Sublease to make the necessary annual appropriations for such purpose. Base Rental is required to be deposited with the Delivery and Paying Agent, as agent for the Trustee, on each May 1, August 1, November 1 and February 1, for application to the Base Rental Account established pursuant to the Trust Agreement. The City has also pledged all amounts on deposit from time to time in the funds and accounts established pursuant to the Trust Agreement (other than in the Rebate Fund) to the payment of all Base Rental.

The obligation of the City to pay Base Rental does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Base Rental does not constitute an indebtedness of the City, the State, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The City's obligation to pay Base Rental will be abated during any period in which, by reason of material damage, destruction, condemnation or title defect, there is substantial interference with the City's right of use and occupancy of the Property or any portion thereof. Failure of the City to pay Base Rental during any such period will not constitute a default under the Sublease, the Trust Agreement or this Master Certificate.

This Master Certificate will not be entitled to any benefit under the Trust Agreement, or become valid or obligatory for any other purpose, until the Delivery and Paying Agent will have authenticated the same by manual signature.

It is hereby certified and recited that all acts, conditions and things required by law and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of this Master Certificate, do exist, have happened and have been performed in regular and in due time, form and manner as required by the Constitution and laws of the State of California; and that delivery of this Master Certificate, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of California, and is not in excess of the amount of Certificates permitted to be issued under the Trust Agreement.

**EXHIBIT B-2**

**FORM OF MASTER CERTIFICATE**

**- TAXABLE COMMERCIAL PAPER MASTER CERTIFICATE -  
[SERIES 3-T][SERIES 4-T]**

\_\_\_\_\_  
(Date of Issuance)

The City and County of San Francisco ("Issuer") for value received, hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company, or to registered assigns: (i) the principal amount, together with unpaid accrued interest with respect thereto, if any, on the maturity date of each obligation identified on the records of Issuer (the "Underlying Records") as being evidenced by this Master Certificate, which Underlying Records are maintained by U.S. Bank National Association (the "Delivery and Paying Agent"); (ii) interest with respect to the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest will be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments will be made solely from the sources stated on the Underlying Records by wire transfer to the registered owner from the Delivery and Paying Agent without the necessity of presentation and surrender of this Master Certificate.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS MASTER CERTIFICATE SET FORTH BELOW ON AND ANNEX I HERETO.

This Master Certificate is a valid and binding obligation of Issuer.

Not Valid Unless Countersigned for Authentication by the Delivery and Paying Agent.

U.S. BANK NATIONAL ASSOCIATION  
(Delivery and Paying Agent)

CITY AND COUNTY OF SAN FRANCISCO  
(Issuer)

By: \_\_\_\_\_  
(Authorized Countersignature)

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

At the request of the registered owner, Issuer will promptly issue and deliver one or more separate certificates evidencing each obligation evidenced by this Master Certificate. As of the date any such certificate or certificates are issued, the obligations which are evidenced thereby will no longer be evidenced by this Taxable Commercial Paper Master Certificate of Participation.

---

### **ASSIGNMENT**

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

---

---

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

the within-registered Taxable Commercial Paper Master Certificate and hereby irrevocably constitute(s) and appoints(s) \_\_\_\_\_ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

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

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

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

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

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

**ANNEX I TO**  
**CITY AND COUNTY OF SAN FRANCISCO**  
**TAXABLE COMMERCIAL PAPER MASTER CERTIFICATE**  
**[SERIES 3-T][SERIES 4-T]**

THIS IS TO CERTIFY THAT Cede & Co., as the registered owner of this Certificate of Participation (the "Master Certificate"), is the owner of a proportionate interest in a Sublease, including the right to receive Base Rental payments payable thereunder (the "Sublease"), dated as of February 1, 2014, between the City and County of San Francisco (the "City"), a charter city and county of the State of California (the "State"), as lessee, and U.S. Bank National Association, a national banking association, as trustee (the "Trustee").

The registered owner of this Master Certificate is entitled to receive, subject to the terms of the Sublease, the principal amount of each portion of indebtedness represented by this Master Certificate as identified in the records of U.S. Bank National Association (the "Delivery and Paying Agent") on the due date set forth in such records, together with unpaid interest with respect thereto, if any, from the delivery date specified in such records at the per annum interest rate shown therein (computed on the basis of actual days elapsed and on a 360-day year); both principal and interest of each portion of indebtedness represented by this Master Certificate being payable in lawful money of the United States of America by wire transfer at the principal corporate office of the Delivery and Paying Agent, or its successor, by wire transfer at the principal corporate office of such successor.

This Master Certificate has been executed and delivered under that certain Trust Agreement, dated as of February 1, 2014 (as amended, supplemented and modified from time to time, the "Trust Agreement"), between the City and the Trustee, for the purpose of financing Project Costs (as defined in the Trust Agreement) and to refinance, renew or refund the Certificates (as defined in the Trust Agreement) delivered under the provisions of the Trust Agreement.

Reference is hereby made to the Trust Agreement (a copy of which is on file at said principal corporate trust office of the Trustee) and all supplements thereto for a description of the rights thereunder of the registered owners of the Commercial Paper Certificates, of the nature and extent of the security, of the rights, duties and immunities of the Trustee and the Delivery and Paying Agent and of the rights and obligations of the City thereunder, to all the provisions of which Trust Agreement the registered owner of this Master Certificate, by acceptance hereof, assents and agrees. All capitalized terms herein not otherwise defined will have the meaning ascribed to them in the Trust Agreement.

The City is required under the Sublease to pay Base Rental from any source of legally available funds. The City has covenanted in the Sublease to make the necessary annual appropriations for such purpose. Base Rental is required to be deposited with the Delivery and Paying Agent, as agent for the Trustee, on each August 1, November 1, February 1 and May 1, for application to the Base Rental Account established pursuant to the Trust Agreement. The City has also pledged all amounts on deposit from time to time in the funds and accounts established pursuant to the Trust Agreement (other than in the Rebate Fund) to the payment of all Base Rental.

The obligation of the City to pay Base Rental does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Base Rental does not constitute an indebtedness of the City, the State, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The City's obligation to pay Base Rental will be abated during any period in which, by reason of material damage, destruction, condemnation or title defect, there is substantial interference with the City's right of use and occupancy of the Property or any portion thereof. Failure of the City to pay Base Rental during any such period will not constitute a default under the Sublease, the Trust Agreement or this Master Certificate.

This Master Certificate will not be entitled to any benefit under the Trust Agreement, or become valid or obligatory for any other purpose, until the Delivery and Paying Agent will have authenticated the same by manual signature.

It is hereby certified and recited that all acts, conditions and things required by law and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of this Master Certificate, do exist, have happened and have been performed in regular and in due time, form and manner as required by the Constitution and laws of the State of California; and that delivery of this Master Certificate, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of California, and is not in excess of the amount of Certificates permitted to be issued under the Trust Agreement.

**EXHIBIT C**  
**FORM OF DEALER AGREEMENT**



**EXHIBIT D**

**FORM OF PAYMENT REQUEST**

[Letterhead of City]

PAYMENT REQUEST NO. \_\_\_\_\_

U.S. Bank National Association  
One California Street, Suite 1000  
San Francisco, CA 94111  
Attention: Corporate Trust Department

Re: City and County of San Francisco Tax-Exempt Lease Revenue Commercial  
Paper Certificates

and

City and County of San Francisco Taxable Lease Revenue Commercial Paper  
Certificates

Ladies and Gentlemen:

Under [Section 3.05] [Section 3.07] of the Trust Agreement, dated as of February 1, 2014 (the "Trust Agreement"), between the City and County of San Francisco and U.S. Bank National Association, the Trustee, you are hereby instructed to disburse the sum of \$\_\_\_\_\_ from the [Administrative Expense Account of the Delivery and Paying Agent Fund][\_\_\_\_\_ Account of the Costs of Issuance Fund] established under the [Delivery and Paying Agent Agreement][Trust Agreement]. You are instructed to pay such disbursement to the order of the following payee, and for the following cost(s) or expense(s).

Payee: \_\_\_\_\_

Cost(s) or expense(s) for which disbursement is requested:

\_\_\_\_\_

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

City and County of San Francisco

By \_\_\_\_\_  
Authorized Representative

**EXHIBIT E**

**FORM OF DISBURSEMENT REQUEST  
(Project Fund)**

[Letterhead of City]

U.S. Bank National Association  
One California Street, Suite 1000  
San Francisco, CA 94111  
Attention: Corporate Trust Department

Re: City and County of San Francisco Tax-Exempt Lease Revenue Commercial  
Paper Certificates

and

City and County of San Francisco Taxable Lease Revenue Commercial Paper  
Certificates

Request No. \_\_\_\_ for Disbursement From Project Fund

Dear Madams and Sirs:

In accordance with the terms of a Trust Agreement, by and between you and the City and County of San Francisco (the "City"), dated as of February 1, 2014 (the "Trust Agreement"), you are hereby authorized and requested to make immediate disbursement of funds held by you for Project Costs (capitalized terms used herein and not otherwise defined will have the meanings given such terms in the Trust Agreement) from the \_\_\_\_\_ Account of the Project Fund.

You are hereby requested to pay from the \_\_\_\_\_ Account of the Project Fund, to the Person designated on Schedule A attached as payee(s), the sum set forth on said Schedule, in payment of all or a portion of the Project Costs described on said Schedule.

The undersigned hereby certifies that (i) no part of the amount requested herein has been included in any other request previously filed with you; (ii) to the knowledge of the undersigned, there has not been filed with or served upon the City any notice of any lien or attachment upon or claim (except for any preliminary notice of lien as may be filed in accordance with law) affecting the right of the person, corporation or other entity stated below to receive payment of the amount stated below, which lien has not been released or will not be released simultaneously with the payment requested hereunder; (iii) the labor, services or materials covered hereby have been performed upon or furnished and the payment requested herein is due and payable under a purchase order, contract or other authorization; (iv) not more than 5% of the amount disbursed to date from the Project Fund, including the amount disbursed hereby, will be used to provide for property that will be used in any trade or business of any non-governmental person (i.e., any entity or person other than a state or a political subdivision thereof), other than as a member of the general public; and (v) not more than 5% of the amount

disbursed to date from the Project Fund, including the amount disbursed hereby, will be used to pay working capital expenses relating to the start-up of the Project.

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

CITY AND COUNTY OF SAN FRANCISCO

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

**Schedule A**

<b>Payee</b> <b>(include address)</b>	<b>Description</b> <b><u>of Costs</u></b>	<b><u>Amount</u></b>
--	--	----------------------

**EXHIBIT F**

**FORM OF DELIVERY REQUEST TO PAYING AGENT\***

REQUEST NO. \_\_\_\_

[This is to confirm the instructions previously given by telephone on this date.]\*

Under Section 3.01 of the Trust Agreement, dated as of February 1, 2014 (the "Trust Agreement"), between the City and County of San Francisco (the "City") and U.S. Bank National Association, as trustee (the "Trustee") the undersigned, an Authorized Representative of the City does hereby request U.S. Bank National Association, as Delivery and Paying Agent (the "Delivery and Paying Agent") under the Delivery and Paying Agent Agreement dated as of February 1, 2014 between the City and the Delivery and Paying Agent, to issue Commercial Paper Certificates, as follows:

1. Designation of Commercial Paper: \_\_\_\_\_  
(Including Tax-Exempt or Taxable)
2. Date of Requested Issuance: \_\_\_\_\_
3. Total Principal Amount: \$ \_\_\_\_\_  
Renewal Certificates: \$ \_\_\_\_\_  
Original Issue Certificates \$ \_\_\_\_\_
4. Total Purchase Price for Certificates\*\*: \$ \_\_\_\_\_

The maturity dates and principal amounts for the Commercial Paper Certificates and instructions for the deposit by the Trustee of the proceeds of the Commercial Paper Certificates are set forth in Exhibit A.

[Select one of the following paragraphs]

[The City is using the book-entry system with respect to the Commercial Paper Certificates and, accordingly, the Delivery and Paying Agent will debit the purchaser's account at the Depository against credit to the Delivery and Paying Agent's account at the Depository, which purchase will then be recorded on the books and records of the Delivery and Paying Agent maintained with respect to each Master Certificate.]

or

\_\_\_\_\_  
\*To promptly follow telephone delivery request, given no later than 1:00 p.m. (New York City time) on the [date prior to] the Date of Requested Issuance specified in Paragraph I herein.

\*\*If the Purchase Price is other than the Principal Amount, the Dealer will certify, in writing, as to the Purchase Price of such Certificates.

[The City is no longer using the book-entry system with respect to the Commercial Paper Certificates and, accordingly, the Delivery and Paying Agent will authenticate the Commercial Paper Certificates by countersignature of its authorized officer or employee and deliver them to the named purchaser or purchasers thereof upon receipt of payment in accordance with the custom then prevailing in the New York financial market in regard to such Commercial Paper Certificates, and the rules of the New York Clearinghouse will apply thereto.]

Under Section 3.01 of the Trust Agreement, the undersigned hereby certifies that all action on the part of the City necessary for the valid delivery of the Commercial Paper Certificates being issued under this request has been taken, that all provisions of California law necessary for the valid delivery of such Commercial Paper Certificates with provision for interest exemption from California personal income taxation have been complied with[, that all provisions of federal law for the valid delivery of Tax-Exempt Commercial Paper Certificates with provision for the exclusion of interest from gross income for federal income tax purposes have been complied with,] and that such Commercial Paper Certificates in the possession of the Holders thereof will be valid and enforceable obligations of the City according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

[The City further certifies that it is in compliance with the conditions to the delivery of Tax-Exempt Commercial Paper Certificates specified in Section 3.01(e) of the Trust Agreement, and hereby reconfirms all of its expectations set forth in the Nonarbitrage Certificate as of the date of this Issuance Request.]

All capitalized terms used but not defined herein will have the meanings ascribed thereto in the Trust Agreement.

Date: \_\_\_\_\_  
Request Number: \_\_\_\_\_

CITY AND COUNTY OF SAN FRANCISCO

By: \_\_\_\_\_  
Authorized Representative

cc: U.S. Bank National Association,  
as trustee

Exhibit A

Term of Commercial Paper Certificates:

Renewal Certificates

Maturity Date

Principal Amount

Original Issue Certificates

Maturity Date

Principal Amount

The proceeds of Renewal Certificates will be deposited in the [Series 3][Series 3-T][Series 4][Series 4-T] Subaccount of Bank Reimbursement Account of the Delivery and Paying Agent Fund. The proceeds of Original Issue Certificates will be deposited as follows:

Project Fund (Taxable or Tax-Exempt Account)	\$ _____
Capitalized Interest Account of the Project Fund (Taxable or Tax-Exempt Account)	\$ _____
Capitalized Fees Account of the Project Fund (Taxable or Tax-Exempt Account)	\$ _____
Costs of Issuance Fund (Taxable or Tax-Exempt Account)	\$ _____

**EXHIBIT G**

**FORM OF DISBURSEMENT REQUEST  
(Capitalized Fees Account)**

[Letterhead of City]

U.S. Bank National Association  
One California Street, Suite 1000  
San Francisco, CA 94111  
Attention: Corporate Trust Department

Re: City and County of San Francisco Tax-Exempt Lease Revenue Commercial  
Paper Certificates

and

City and County of San Francisco Taxable Lease Revenue Commercial Paper  
Certificates

Request No. \_\_\_ for Disbursement From \_\_\_\_\_ Subaccount of the Capitalized Fees Account

In accordance with the terms of a Trust Agreement, by and between you and the City and County of San Francisco (the "City"), dated as of February 1, 2014 (the "Trust Agreement"), you are hereby authorized and requested to make immediate disbursement of funds held by you for the Capitalized Fees and Expenses set forth below (capitalized terms used herein and not otherwise defined will have the meanings given such terms in the Trust Agreement) from the \_\_\_\_\_ Subaccount of the Capitalized Fees Account:

<u>Item No.</u>	<u>To</u>	<u>Amount</u>	<u>Purpose</u>
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The City hereby certifies that obligations in the stated amounts have been incurred by the City and are presently due and payable. Each item is a proper charge against the \_\_\_\_\_ Subaccount of the Capitalized Fees Account within the Project Fund and has not been previously paid from such account or from any other funds in the Project Fund.

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

CITY AND COUNTY OF SAN FRANCISCO

By: \_\_\_\_\_  
Authorized Representative