
INDENTURE OF TRUST

by and between

CITY OF FULLERTON PUBLIC FINANCING AUTHORITY,
as the Authority

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as the Trustee

§[PARA]

City of Fullerton Public Financing Authority
Refunding Revenue Bonds
(Marshall B. Ketchum University)
Series 2021A

§[PARB]

City of Fullerton Public Financing Authority
Refunding Revenue Bonds
(Marshall B. Ketchum University)
Series 2021B (Taxable)

Dated as of [September] 1, 2021

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST, made and entered into and dated as of [September] 1, 2021, by and between the **CITY OF FULLERTON PUBLIC FINANCING AUTHORITY**, a joint exercise of powers authority and a public entity of the State of California (the “Authority”), and **WILMINGTON TRUST, NATIONAL ASSOCIATION**, a national banking association organized under the laws of the United States of America, being qualified to accept and administer the trusts hereby created (the “Trustee”),

WITNESSETH:

WHEREAS, Marshall B. Ketchum University, a California nonprofit public benefit corporation (the “Corporation”), previously known as the Southern California College of Optometry, previously financed certain educational facilities, which are presently owned and operated by the Corporation, through the execution and delivery of (a) the City of Fullerton Public Financing Authority Revenue Bonds (Marshall B. Ketchum University) Series 2015A originally issued in the aggregate principal amount of \$25,600,000 and (b) the City of Fullerton Public Financing Authority Revenue Bonds (Marshall B. Ketchum University) Series 2015B (Taxable) originally issued in the aggregate principal amount of \$10,400,000 (the currently outstanding principal amounts thereof, collectively, the “Refunded Bonds”), the proceeds of which were used to (i) finance or refinance all or portion of the costs of the acquisition, construction, improvement, renovation, furnishing and equipping of certain educational facilities for the Corporation and facilities related and appurtenant thereto, consisting of a 80,998 gross square foot, two story building, located at 5460 East La Palma, Anaheim, California (the “Anaheim Facility”); (ii) finance or refinance all or portion of the costs of the acquisition, construction, improvement, renovation, furnishing and equipping of educational facilities of the Corporation located at 2575 Yorba Linda Boulevard, Fullerton, California, including a library and lecture hall, parking and maintenance facilities and lab and clinic renovations for physician assistant and pharmacy programs, and other campus facilities and improvements (the “Fullerton Educational Facilities”); and (iii) finance or refinance all or portion of the costs of the acquisition of student and faculty housing, in the vicinity of the Corporation’s campus located at 2029 Woodbriar Court, 2016 Ravenhill Court and 2025 Ravenhill Court, Fullerton, California (collectively, the “Fullerton Residential Properties,” and together with the Fullerton Educational Facilities, the “Fullerton Facilities,” and together with the Anaheim Facility, the “Facilities”); and

WHEREAS, the Corporation has applied for the financial assistance of the Authority in order to (a) current refund the Refunded Bonds and (b) pay certain costs of issuance in connection with the Bonds (as defined below) (collectively, the “Project”); and

WHEREAS, a portion of the Facilities is located within the territorial limits of the City of Fullerton, California (the “City”), and a portion of the Facilities is located within the territorial limits of the City of Anaheim, and a substantial portion of the persons to be utilizing the services to be provided at the Corporation are expected to be residents of the City and a substantial portion of the persons to be employed by the Corporation are expected to be residents of the City; and

WHEREAS, the financing of the Project (including the current refunding of the Refunded Bonds) will promote significant and growing opportunities for the creation and retention of

employment to the California economy and the enhancement of the quality of life to residents of the City, and will promote opportunities for the creation or retention of employment within the jurisdiction of the City and is within the powers conferred upon the Authority by its Joint Powers Agreement (as amended from time to time, the “Joint Powers Agreement”); and

WHEREAS, the Authority has authorized the issuance of its (a) City of Fullerton Public Financing Authority Refunding Revenue Bonds (Marshall B. Ketchum University) Series 2021A in the aggregate principal amount of \$[PARA]; and (b) City of Fullerton Public Financing Authority Refunding Revenue Bonds (Marshall B. Ketchum University) Series 2021B (Taxable) in the aggregate principal amount of \$[PARB] (collectively, the “Bonds”), to finance the Project; and

WHEREAS, the Authority has duly entered into a loan agreement, dated as of [September] 1, 2021, with the Corporation specifying the terms and conditions of a loan by the Authority to the Corporation of the proceeds of the Bonds to provide for the financing of the Project and of the payment by the Corporation to the Authority of amounts sufficient for the payment of the principal (or redemption price) of and interest on the Bonds when due and certain related expenses; and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal (or redemption price) thereof and interest thereon, the Authority has authorized the execution and delivery of this Indenture; and

WHEREAS, the Bonds, and the Trustee’s certificate of authentication and assignment to appear thereon, shall be in substantially the form attached hereto as Exhibit A, and incorporated into this Indenture by this reference, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal limited obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of the Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH, that in order to secure the payment of the principal (or redemption price) of, and the interest on, all Bonds issued and Outstanding under this Indenture, according to their tenor and further to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and for and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable consideration, the receipt thereof is hereby acknowledged, the Authority covenants and agrees with the Trustee, for the equal and proportionate benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes of this Indenture and of the Agreement and of any indenture supplemental hereto or agreement supplemental thereto, have the meanings herein specified, as follows:

“*Accountant’s Report*” means a written report or certificate signed by an independent certified public accountant of recognized national standing, or a firm of independent certified public accountants of recognized national standing, selected by the Corporation.

“*Act*” means the Joint Exercise of Powers Act, constituting Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State as now in effect and as it may from time to time hereafter be amended or supplemented.

“*Act of Bankruptcy*” means any of the following with respect to any Person: (a) the commencement by such Person of a voluntary case under the federal bankruptcy laws, as now in effect or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar laws; (b) failure by such Person to timely controvert the filing of a petition with a court having jurisdiction over such Person to commence an involuntary case against such Person under the federal bankruptcy laws, as now in effect or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar laws; (c) such Person shall admit in writing its inability to pay its debts generally as they become due; (d) a receiver, trustee, custodian or liquidator of such Person or such Person’s assets shall be appointed in any proceeding brought against the Person or such Person’s assets; (e) assignment by such Person for the benefit of its creditors; or (f) the entry by such Person into an agreement of composition with its creditors.

“*Account Control Agreement*” means that certain Account Control Agreement, dated as of September 1, 2021, among the Corporation, the Trustee, and Western Alliance Bank, an Arizona corporation, as the depository.

“*Additional Payments*” means the amounts payable to the Authority, the Trustee, the Dissemination Agent, if any, or other Persons pursuant to Section 4.02(c) of the Agreement.

“*Affiliate*” means a Person organized under the laws of the United States of America or a state thereof which is directly or indirectly controlled by the Corporation, as appropriate. For purposes of this definition, control means the power to direct the management and policies of a Person (a) through the ownership of at least a majority of its voting securities, (b) through the right to designate or elect at least a majority of the members of its governing body, or (c) by contract or otherwise.

“*Agreement*” means the Loan Agreement, of even date herewith, between the Authority and the Corporation and relating to the loan of the proceeds of the Bonds, as originally executed or as it may from time to time be supplemented or amended.

“*Amendment*” means any amendment or modification of any of the Documents.

“*Authority*” means the City of Fullerton Public Financing Authority, or its successors and assigns.

“*Authorized Denomination*” means \$5,000 and any integral multiple thereof.

“*Authorized Corporation Representative*” means the President and Chief Financial Officer or any other person who at the time and from time to time may be designated, by written certificate furnished to the Authority and the Trustee, as a person authorized to act on behalf of the Corporation. Such certificate shall contain the specimen signature of such person, shall be signed on behalf of the Corporation by any officer of the Corporation and may designate an alternate or alternates.

“*Authorized Signatory*” means any member of the Authority and any other person as may be designated and authorized to sign on behalf of the Authority pursuant to a resolution adopted thereby.

“*Balloon Indebtedness*” means Long-Term Indebtedness 25% or more of the principal of which becomes due (either by maturity or mandatory redemption) or may be tendered for purchase or payment at the option of the holder during any period of 12 consecutive months, which portion of the principal is not required by the documents governing such Indebtedness to be amortized by redemption prior to such date.

“*Bankruptcy Code*” means Title 11 of the United States Code, as amended.

“*Beneficial Owner*” means, with respect to any Book-Entry Bond, the beneficial owner of such Bond as determined, as applicable, in accordance with the applicable rules of DTC or any successor securities depository for Book-Entry Bonds.

“*Bond Counsel*” means any attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the validity of, and exclusion from gross income for federal tax purposes of interest on, bonds issued by states and political subdivisions and duly admitted to practice law before the highest court of any state of the United States and acceptable to the Authority.

“*Bond Debt Service*” means, for any period of time, the sum of (a) the interest payable during such period on all Outstanding Bonds, assuming that all Outstanding Bonds which are Serial Bonds are retired as scheduled and that all Outstanding Bonds which are Term Bonds are redeemed or paid from mandatory Sinking Fund Installments as scheduled; (b) that portion of the principal amount of all Outstanding Bonds which are Serial Bonds maturing on each principal payment date during such period; and (c) that portion of the principal amount of all Outstanding Bonds which are Term Bonds required to be redeemed or paid from mandatory Sinking Fund Installments during such period.

“*Bond Fund*” means the Bond Fund established pursuant to Section 5.02.

“*Bond Register*” means the registration books for the ownership of Bonds maintained by the Trustee pursuant to Section 3.07.

“*Bonds*” means the Series 2021A Bonds and the Series 2021B Bonds.

“*Book-Entry Bonds*” means any Bonds which are then held in book-entry form as provided in Section 3.04.

“*Book Value*” means, when used in connection with Property of a Person, the value of such Property, net of accumulated depreciation, as it is carried on the books of such Person and in conformity with generally accepted accounting principles.

“*Business Day*” means a day which is not a Saturday, a Sunday, a day on which banks located in the city in which the Principal Corporate Trust Office of the Trustee is located are required or authorized to be closed or a day on which the New York Stock Exchange is not closed.

“*Certificate of the Corporation*” means a certificate signed by an Authorized Corporation Representative. If and to the extent required by the provisions of Section 1.04, each Certificate of the Corporation shall include the statements provided for in Section 1.04.

“*Certificate of the Authority*” means a certificate signed by an Authorized Signatory. If and to the extent required by the provisions of Section 1.04 hereof, each Certificate of the Authority shall include the statements provided for in Section 1.04.

“*Certified Resolution*” means a copy of a resolution of the Authority certified by an Authorized Signatory to have been duly adopted by the Authority and to be in full force and effect on the date of such certification.

“*City*” means the City of Fullerton, California.

“*Code*” means the Internal Revenue Code of 1986, as amended.

“*Continuing Disclosure Agreement*” means the Continuing Disclosure Agreement entered into among the Dissemination Agent, as dissemination agent, and the Borrower pursuant to Section 5.21 of the Loan Agreement.

“*Corporation*” means (a) Marshall B. Ketchum University, a California nonprofit public benefit corporation, and its successors and assigns; and (b) any surviving, resulting or transferee corporation as provided in Section 5.02 of the Agreement.

“*Costs*” means, with respect to the Project, the sum of the items, or any such item, of the cost of the acquisition, construction, installation, furnishing and equipping of the Project to the extent permitted by the Act, but shall not include any Costs of Issuance.

“*Costs of Issuance*” means all items of expense directly or indirectly payable by or reimbursable to the Authority or the Corporation and related to the authorization, issuance, sale and delivery of the Bonds, including but not limited to costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of the Trustee, and Underwriter fees. Legal fees and charges, fees and disbursements of consultants and professionals, fees and charges for preparation, execution and safekeeping of the Bonds and any

other cost, charge or fee in connection with the original issuance of the Bonds which constitutes a “cost of issuance” within the meaning of Section 147(g) of the Code.

“*Costs of Issuance Fund*” means the fund which is established pursuant to Section 5.04 hereof.

“*Debt Service Coverage Ratio*” means for any Fiscal Year the ratio determined by dividing the Income Available for Debt Service for such Fiscal Year by the Debt Service Requirement for such Fiscal Year.

“*Debt Service Requirement*” means, for any Fiscal Year for which such determination is made, the aggregate of the scheduled payments to be made with respect to principal (or mandatory sinking fund or installment purchase price or lease rental or similar payments) and interest on Outstanding Long-Term Indebtedness of the Corporation during such period, taking into account, at the option of the Corporation, the following:

(a) With respect to Balloon Indebtedness, the amount of principal and interest deemed payable during such period shall be determined as if such Balloon Indebtedness were being repaid in substantially equal annual installments of principal and interest over a term over which the Corporation could reasonably be expected to borrow, not to exceed forty (40) years from the date of incurrence of such Balloon Indebtedness, and bearing interest at an interest rate (determined as of the date of calculation of the Debt Service Requirement) equal to the rate at which the Corporation could reasonably be expected to borrow for such term, by issuing Indebtedness, all as set forth in an Officer’s Certificate accompanied by a letter of a banking or investment banking institution knowledgeable in matters of charter school facility finance, confirming that the borrowing term and interest rate assumptions set forth in such statement comply with the requirements of this subsection.

(b) With respect to Variable Rate Indebtedness, if the actual interest rate on such Variable Rate Indebtedness cannot be determined for the period for which the Debt Service Requirement is being calculated, the amount of interest deemed payable during such period on such Variable Rate Indebtedness shall be assumed to be equal to the average interest rate per annum which was in effect for any twelve (12) consecutive calendar months specified in an Officer’s Certificate during the eighteen (18) calendar months immediately preceding the date of calculation of the Debt Service Requirement (or, if such Variable Rate Indebtedness was not Outstanding during such eighteen month period, the average interest rate per annum which would have been in effect).

(c) With respect to Long-Term Indebtedness incurred to finance or refinance the construction of capital improvements, principal and interest with respect to such Long-Term Indebtedness shall be excluded from the determination of the Debt Service Requirement but only in proportion to the amount of principal and interest on such Long-Term Indebtedness which is payable in the then current Fiscal Year from the proceeds of such Long-Term Indebtedness.

“*Deed of Trust*” means that Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing, dated as of [September] 1, 2021, from the Corporation for the benefit of the Trustee, as the same may be amended and supplemented in accordance with the Loan Agreement and the terms thereof, creating a lien on certain real property of the Corporation for the equal and ratable benefit of the Owners of the Bonds and any Parity Debt.

“*Deed of Trust Property*” has the meaning given to that term in Section 4.06 of the Loan Agreement.

“*Determination of Taxability*” means and shall be deemed to have occurred on the first to occur of the following:

(a) on that date when the Corporation or Authority files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(b) on the date when the Owner or any former Owner notifies the Authority and the Corporation that it has received a written opinion by a nationally recognized attorney or firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within 180 days after receipt by the Corporation of such notification from the Owner or any former Owner, the Corporation shall deliver to the Owner and any former Owner (i) absent any occurrence described in clause (a), (c) or (d) of this definition of “Determination of Taxability, an opinion of a nationally recognized attorney or firm of attorneys of substantial experience on the subject of tax-exempt municipal finance reasonably acceptable to the Owner stating that an Event of Taxability has not occurred; or (ii) a ruling or determination letter issued to or on behalf of the Authority or the Corporation by the Commissioner or any District Director of the Internal Revenue Service (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(c) on the date when the Authority or the Corporation shall be advised in writing by the Commissioner or any District Director of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the Corporation, or upon any review or audit of the Corporation or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(d) on that date when the Corporation or the Authority shall receive notice from the Owner or any former Owner that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Owner or such former Owner the interest on the Series 2021A Bonds due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under clause (c) or (d) hereunder unless the Corporation or the Authority has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; provided further, however, that upon demand from the Owner or former Owner, the Authority shall promptly reimburse, but solely from payments made by the Corporation, such Owner or former Owner for any payments, including any taxes, interest, penalties or other charges, such Owner (or former Owner) shall be obligated to make as a result of the Determination of Taxability.

“*Dissemination Agent*” means [_____], or another dissemination agent appointed pursuant to the Continuing Disclosure Agreement.

“*Documents*” means, collectively, this Indenture, the Agreement, the Deed of Trust and the Account Control Agreement.

“*DTC*” means The Depository Trust Company and its successors and assigns.

“*DTC Participants*” means those broker-dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository.

“*Electronic Notice*” means notice given through means of telegraph, telegram, telex, facsimile transmission, e-mail or other similar electronic means of communication confirmed by writing or written transmission.

“*Environmental Regulations*” means any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, Hazardous Substances, chemical waste, materials or substances.

“*Event of Default*” as used with respect to this Indenture has the meaning specified in Section 7.01, and as used with respect to the Agreement has the meaning specified in Section 7.01 thereof.

“*Event of Taxability*” means (a) the taking of any action by the Corporation or the Authority, or the failure to take any action by the Corporation or the Authority, or the making by the Corporation or the Authority of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Series 2021A Bonds, which has the effect of causing interest paid or payable on the Series 2021A Bonds to become includable, in whole or in part, in the gross income of the Owner or any former Owner for federal income tax purposes; or (b) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on the Series 2021A Bonds to become includable, in whole or in part, in the gross income of the Owner or any former Owner for federal income tax purposes with respect to the Series 2021A Bonds.

“*Facilities*” has the meaning given to that term in Recitals hereto and includes all materials, supplies, equipment, apparatus and other items of personal property owned by Corporation and attached to, installed in or used in connection with such Facilities, including (without limitation)

water, gas, electrical, storm and sanitary sewer facilities and all other utilities whether or not situated in easements.

“*Fiscal Year*” means the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other 12-month period selected and designated as the official Fiscal Year of the Corporation.

“*Fitch*” means Fitch Ratings, Inc., a corporation organized and existing under the laws of the state of Delaware, its successors and their assigns.

“*501(c)(3) Organization*” means an organization described in Section 501(c)(3) of the Code.

“*Generally Accepted Accounting Principles*” or “*GAAP*” means the uniform accounting and reporting procedures set forth in the opinions, pronouncements and publications of the Accounting Principles Board, the American Institute of Certified Public Accountants and the Financial Accounting Standards Board or in such other statements by such other entity as may be of general use by significant segments of the accounting profession as in effect on the date hereof.

“*Government Obligations*” means any of the following:

(a) cash (insured at all times by the Federal Deposit Insurance Corporation);
and

(b) obligations of, or obligations guaranteed as to principal and interest by, the United States of America, or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the United States of America including:

- (i) United States of America treasury obligations;
- (ii) all direct or fully guaranteed obligations;
- (iii) Farmers Home Administration;
- (iv) General Services Administration;
- (v) Guaranteed Title XI financing;
- (vi) Government National Mortgage Association (GNMA); and
- (vii) State and Local Government Series.

“*Governmental Unit*” has the meaning set forth in Section 150 of the Code.

“*Gross Revenues*” means all present and future accounts, general intangibles and all revenues, income, receipts and money received by or on behalf of the Corporation with respect to, in connection with, or derived in any way from, the Facilities, including:

- (a) tuition and fee revenues;

(b) other gross revenues derived from the operation and possession of the Facilities;

(c) gifts, grants, bequests, donations and contributions, exclusive of any gifts, grants, bequests, donations and contributions to the extent specifically restricted by the donor to a particular purpose inconsistent with their use for the payment of Loan Payments, Additional Payments or any payments with respect to Parity Debt;

(d) proceeds derived from (i) condemnation proceeds, (ii) accounts receivable, (iii) securities and other investments, (iv) inventory and other tangible and intangible property, (v) insurance proceeds, and (vi) contract rights and other rights and assets now or hereafter owned by the Corporation;

(e) rentals received from the lease of office space in the Facilities; and

(f) amounts derived from a foreclosure under the Deed of Trust.

Notwithstanding the foregoing, “Gross Revenues” shall not include amounts received by or on behalf of, or moneys due to the Corporation in connection with any government issued student loan programs, subject to refund under regulations, in which the Corporation participates or may hereafter participate; provided that for purposes of the computation of the tuition revenues component of Gross Revenues under Sections 5.13 and 5.14 of the Loan Agreement, the Corporation may include such amounts.

“*Guaranty*” means all loan commitments and all obligations of the Corporation guaranteeing in any manner whatever, whether directly or indirectly, any obligation of any other Person which would, if such other Person were the Corporation, constitute Indebtedness.

“*Hazardous Substances*” means (a) any oil, flammable substance, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which (i) pose a hazard to the Project or to Persons on or about the Project, or (ii) cause the Project to be in violation of any Environmental Regulations; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material or substance defined as or included in the definition of “waste,” “hazardous substances,” “hazardous wastes,” “hazardous materials,” extremely hazardous waste,” “restricted hazardous waste,” or “toxic substances” or words of similar import under any Environmental Regulations including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 USC §§ 9601 et seq.; the Resource Conservation and Recovery Act (“RCRA”), 42 USC §§ 6901 et seq.; the Hazardous Materials Transportation Act, 49 USC §§ 1801 et seq.; the Federal Water Pollution Control Act, 33 USC §§ 1251 et seq.; the California Environmental Quality Act (“CEQA”), Cal. Public Resources Code § 21000 et seq.; the California Hazardous Waste Control Law (“HWCL”), Cal. Health & Safety Code §§ 25100 et seq.; the Hazardous Substance Account Act (“HSAA”), Cal. Health & Safety Code §§ 25300 et seq.; the Underground Storage of Hazardous Substances Act, Cal. Health & Safety Code §§ 25280 et seq.; the Porter-Cologne Water Quality Control Act (the “Porter-Cologne Act”), Cal. Water Code §§ 13000 et seq., the Safe Drinking Water and Toxic

Enforcement Act of 1986 (Proposition 65); and Title 22 of the California Code of Regulations, Division 4, Chapter 30; (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or agency or may or could pose a hazard to the health and safety of the occupants of the Project or the owners and/or occupants of property adjacent to or surrounding the Project, or any other Person coming upon the Project or adjacent property; or (e) any other chemical, materials or substance which may or could pose a hazard to the environment.

“*Improvements*” has the meaning given to that term in the granting clauses of the Deed of Trust.

“*Income Available For Debt Service*” means, unless the context provides otherwise, as to any period of time, the Gross Revenues less expenses of the Corporation relating to the operation and management of the Facilities; provided that no determination thereof shall take into account: (a) any gain or loss resulting from either the early extinguishment or refinancing of Indebtedness or the sale, exchange or other disposition of capital assets not made in the ordinary course of business; (b) gifts, grants, bequests, donations and contributions, exclusive of any gifts, grants, bequests, donations and contributions to the extent specifically restricted by the donor to a particular purpose inconsistent with their use for the payment of Debt Service Requirement; (c) the net proceeds of insurance (other than business interruption insurance) and condemnation awards; (d) adjustments to the value of assets or liabilities resulting from changes in generally accepted accounting principles; (e) unrealized gains or losses that do not result in the receipt or expenditure of cash, including the extinguishment of debt; (f) nonrecurring items which do not involve the receipt, expenditure or transfer of assets; and (g) interest expense on Long-Term Indebtedness.

“*Indebtedness*” means all obligations for borrowed money, installment sales and capitalized lease obligations, incurred or assumed by the Corporation including Long-Term Indebtedness, Short-Term Indebtedness, Nonrecourse Indebtedness, or any other obligation for payments of principal and interest with respect to money borrowed. Any real property lease longer than 36 months will be considered Long-Term Indebtedness, but real property leases 36 months or shorter will not be consider Indebtedness.

“*Indenture*” means this Indenture of Trust, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture entered into pursuant to the provisions hereof.

“*Independent Consultant*” means a Person which (1) does not have any direct financial interest or any material indirect financial interest in the Corporation or an Affiliate of either of them, and (2) is not connected with the Corporation or an Affiliate of either of them as an officer, employee, promoter, trustee, partner, director or Person performing similar functions, and designated by the Corporation, qualified to pass upon questions relating to the financial affairs of facilities of the type or types operated by the Corporation and having a favorable reputation for skill and experience in the financial affairs of such facilities.

“*Interest Payment Date*” means each [February] 1 and [August] 1, commencing [February] 1, 2022.

“*Issue Date*” means [September __], 2021.

“*Joint Powers Agreement*” means the Joint Exercise of Powers Agreement, dated as of June 2, 1998, relating to the formation of the Authority, among the City and the former Fullerton Redevelopment Agency, as the same shall be amended from time to time.

“*Loan Payment*” means any amount that the Corporation is required to pay to the Trustee pursuant to Section 4.02(a) of the Agreement as a repayment of the loan of the Bond proceeds made by the Authority under the Agreement.

“*Long-Term Indebtedness*” means Indebtedness having an original maturity greater than one year or renewable at the option of the Corporation for a period greater than one year from the date of original incurrence or issuance thereof unless, by the terms of such Indebtedness, no Indebtedness is permitted to be outstanding thereunder for a period of at least twenty (20) consecutive days during each calendar year.

“*Maximum Annual Debt Service*” means as of any date of calculation, the highest Debt Service Requirements with respect to all Long-Term Indebtedness of the Borrower outstanding for any succeeding Fiscal Year, excluding the Fiscal Year in which the final maturity date of the Bonds occurs.

“*Moody’s*” means Moody’s Investor’s Service, Inc., a corporation organized and existing under the laws of the state of New York, its successors and their assigns.

“*MSRB*” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (“EMMA”) website of the MSRB, currently located at <http://emma.msrb.org>.

“*Net Proceeds*” means the proceeds from insurance or from actual or threatened condemnation or eminent domain actions with respect to the Project or any part thereof, less any costs reasonably expended by the Corporation to receive such proceeds.

“*Nominee*” has the meaning specified in Section 3.04.

“*Nonrecourse Indebtedness*” means all Indebtedness with respect to which the obligee is prevented by applicable law or contractual arrangement from exercising recourse, or any other right or remedy exercisable by a creditor, against all or any part of the Facilities or the Improvements in order to pay, satisfy or discharge all or any part of the Indebtedness.

“*Notice by Mail*” or “*notice*” of any action or condition “*by Mail*” means a written notice meeting the requirements of this Indenture mailed by first-class mail, postage prepaid, to the Owners of specified Bonds, at the addresses shown on the Bond Register.

“*Offering Document*” means the Official Statement dated [_____], 2021, prepared in connection with the sale of Bonds.

“*Officer’s Certificate*” means a certificate signed by the Authorized Corporation Representative.

“*Operating Expenses*” means all reasonable and necessary current expenses of the Corporation related solely to and arising solely from the operations of the Corporation and provision of educational services related to the Corporation, both paid or accrued, and as included in the annual budget of the Corporation, including without limitation (a) salaries and administrative expenses, (b) the cost of instructional supplies and materials, (c) insurance premiums, and (d) professional services; provided however, there shall be excluded from Operating Expenses (i) any allowance for depreciation or amortization, (ii) expenses incurred in connection with capital improvements, (iii) expenses paid from grants from state, federal or local sources, or from any Person, which were not included as part of Gross Revenues, and (v) payments of principal under Debt Service Requirements and any similar rental or other payments made for the lease-purchase or financing of capital improvements.

“*Opinion of Bond Counsel*” means an Opinion of Counsel from a Bond Counsel.

“*Opinion of Counsel*” means a written opinion of counsel (who may be counsel for the Corporation) acceptable to the Authority and the Corporation. If and to the extent required by the provisions of Section 1.04, each Opinion of Counsel shall include the statements provided for in Section 1.04.

“*Outstanding*” means, when used as of any particular time with reference to the Bonds (subject to the provisions of Section 11.06(e)), all such Bonds theretofore authenticated and delivered by the Trustee under this Indenture, including Bonds deemed Outstanding pursuant to Section 11.06(e), except:

- (a) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;
- (b) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture; and
- (c) Bonds with respect to which the liability of the Authority and the Corporation have been discharged to the extent provided in, and pursuant to the requirements of, Section 10.02.

“*Owner*” means, as of any time, the registered owner of any Bond as set forth in the Bond Register.

“*Parity Debt*” means indebtedness (a) incurred by the Corporation in accordance with Section 5.14 of the Agreement, and (b) secured by a lien on or security interest in Gross Revenues in the Gross Revenue Fund or other collateral equally and ratably with the obligations of the Corporation under the Agreement. The terms of such indebtedness described in clauses (a) and (b) above shall require that (i) the trustee, if any, for such indebtedness be the Trustee; and (ii) an event of default for such indebtedness shall include an Event of Default.

“*Person*” means an individual, a corporation, a partnership, a limited liability company, a trust, an unincorporated organization or a government or any agency or political subdivision thereof.

“*Permitted Encumbrances*” means and includes: (a) liens for taxes, assessments and other governmental charges due but not yet payable unless contested to in good faith by appropriate proceedings which are being diligently pursued; (b) landlord’s, warehouseman’s, carrier’s, worker’s, vendor’s, mechanics’ and materialmen’s liens and similar liens incurred in the ordinary course of business remaining undischarged for not longer than 60 days from the filing thereof unless contested to in good faith by appropriate proceedings which are being diligently pursued; (c) attachments remaining undischarged for not longer than 60 days from the making thereof unless contested to in good faith by appropriate proceedings which are being diligently pursued; (d) liens in respect of pledges or deposits under workers’ compensation laws, unemployment insurance or similar legislation and in respect of pledges or deposits to secure bids, tenders, contracts (other than contracts for the payment of money), leases or statutory obligations, or in connection with surety, appeal and similar bonds incidental to the conduct of litigation; (e) all leases which have been or should be capitalized in accordance with Generally Accepted Accounting Principles with respect to property (i) not previously owned by the Corporation or an affiliate, and (ii) not otherwise acquired in whole or in part with proceeds of the Bonds; (f) purchase money security interests in property of the Corporation which property was not acquired in whole or in part with the proceeds of the Bonds; (g) the rights of the Authority and the Trustee under the Loan Agreement; (h) liens on any property or assets owned by the Corporation existing on the date of the Indenture; (i) liens created by the Indenture, the Loan Agreement, the Deed of Trust and the Account Control Agreement; (j) liens on property received by the Corporation through gifts, grants or bequests, (k) any lien arising by reason of an escrow established to pay debt service on the Bonds, (l) security interests and other encumbrances placed upon personal property being acquired by the Corporation to secure a portion of the purchase price thereof, or lessor or vendor interests in leases required to be capitalized in accordance with generally accepted accounting principles in a principal amount not exceeding in the aggregate \$5,000,000 per Fiscal Year, but only to the extent the principal amounts secured by any such interests or encumbrances do not exceed the lesser of the cost or fair market value of the property so acquired as determined in good faith by the Corporation; (m) liens (e.g., deeds of trust) securing any Nonrecourse Indebtedness of the Corporation; and (n) security interests and other encumbrances existing on any property prior to the time of its acquisition by the Corporation through purchase, merger, consolidation or otherwise, whether or not assumed by the Corporation, but only to the extent the principal amounts secured by any such encumbrances do not exceed the lesser of the cost or fair market value of the property so acquired as determined in good faith by the Corporation.

“*Permitted Investments*” means any of the following obligations as and to the extent that such obligations are at the time legal investments under the Act for moneys held hereunder and then proposed to be invested therein (provided that the Trustee shall be entitled to rely upon a written request of an Authorized Corporation Representative as conclusive evidence that the investments described therein are so authorized under the laws of the State) and shall be the sole investments in which amounts on deposit in any fund or account created hereunder or under the Loan Agreement shall be invested:

(a) 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 of the United States of America or any Federal Reserve Bank and CATS and TIGRS) or obligations the timely payment of the principal of and interest on which are fully and unconditionally guaranteed by the United States of America;

(b) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies, provided that such obligations are backed by the full faith and credit of the United States of America (stripped securities shall constitute Permitted Investments only if they have been stripped by the agency itself); U.S. Export-Import Bank, Farmers Home Administration, Federal Financing Bank, General Services Administration, U.S. Maritime Administration, U.S. Department of Housing and Urban Development, Government National Mortgage Association, and Federal Housing Administration;

(c) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities shall constitute Permitted Investments only if they have been stripped by the agency itself): Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (“FHLMC”), Federal National Mortgage Association (“FNMA”), Student Loan Marketing Association, Resolution Funding Corporation or Farm Credit System;

(d) bonds or notes issued by any state or municipality which are rated by S&P, Fitch and Moody’s in one of the three highest rating categories assigned by such agencies;

(e) repurchase agreements with either a primary dealer on the reporting dealer list of the Federal Reserve or any bank (including an affiliate of the Trustee), which, in either case, is rated (at the time the investment is entered into) “A” or better by S&P and Moody’s, provided that (i) the term of such repurchase agreement is not greater than thirty days; (ii) the Trustee or third party acting solely as agent for the Trustee has possession of the collateral; (iii) the collateral is valued weekly and the market value of the collateral is maintained at an amount equal to at least 104% (or, if the collateral consists of obligations of FHLMC or FNMA, 105%) of the amount of cash transferred by the Trustee to the dealer bank or securities firm under the repurchase agreement plus interest; (iv) failure to maintain the requisite collateral levels will require the Trustee to liquidate the collateral immediately; (v) the repurchase securities are either obligations of, or fully guaranteed as to principal and interest by, the United States or any federal agency backed by the full faith and credit of the United States; (vi) the repurchase securities are free and clear of any third-party lien or claim; and (vii) there shall have been delivered to the Trustee, the Authority and the Corporation an Opinion of Counsel to the effect that such repurchase agreement meets all guidelines under State law for legal investment of public funds;

(f) investment agreements, including guaranteed investment contracts (“GICs”) with providers in one of the two highest rating categories of Moody’s and S&P;

(g) money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having

a rating (at the time the investment is entered into) by S&P of “AAAm-G”, “AAA-m”, or “AA-m” and if rated by Moody’s rated “Aaa”, “Aa1” or “Aa2”, including such funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services or for which the Trustee or an affiliate of the Trustee serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from funds for services rendered, (ii) the Trustee collects fees for services rendered pursuant to this Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee;

(h) certificates of deposit secured at all times by collateral described in (a) and/or (b) above, issued by commercial banks, savings and loan associations or mutual savings banks relating to collateral held by a third party, and in which collateral the Trustee on behalf of the Owners has a perfected first security interest;

(i) certificates of deposit, savings accounts, deposit accounts or money market deposits that are fully insured by FDIC, including BIF and SAIF;

(j) commercial paper rated, at the time of purchase, “Prime-1” by Moody’s and “A-1” or better by S&P;

(k) federal funds or bankers acceptances with a maximum term of one year of any bank which has (at the time the investment is entered into) an unsecured, uninsured and unguaranteed obligation rating of “Prime-1” or “A-3” or better by Moody’s and “A-1” or “A” or better by S&P;

(l) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State which invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the Government Code of the State as it may be amended; and

(m) obligations of a bank or other financial institution rated (at the time the investment is entered into) at least “Aa3” by Moody’s or “AA-” by S&P.

“*Principal Corporate Trust Office*” means the corporate trust office of the Trustee as designated in Section 11.05 or such other office designated by the Trustee from time to time.

“*Principal Installment*” means, with respect to any Principal Installment Date, the sum of (a) the aggregate amount of principal due with respect to Bonds that mature on such Principal Installment Date, plus (b) the aggregate amount of Sinking Fund Installments due on such Principal Installment Date.

“*Principal Installment Date*” means any date on which any Bonds mature or any date on which any of the Bonds are subject to redemption from mandatory Sinking Fund Installments.

“*Project*” has the meaning set forth in Exhibit A to the Agreement.

“*Property*” means any and all rights, titles and interests in and to any and all property of the Corporation whether real or personal, tangible or intangible and wherever situated.

“*Rebate Fund*” means the Rebate Fund which is established in accordance with Section 6.05.

“*Rebate Requirement*” means the amounts required to be rebated to the United States Treasury determined in accordance with the Tax Agreement.

“*Record Date*” means, with respect to each Interest Payment Date, the fifteenth day (whether or not a Business Day) of the month preceding such Interest Payment Date.

“*Refunded Bonds*” has the meaning given to that term in Recitals hereto.

“*Refunded Bonds Indenture*” means the Indenture of Trust, dated as of January 1, 2015, by and between the Authority and the Refunded Bonds Trustee.

“*Refunded Bonds Trustee*” means The Bank of New York Mellon Trust Company, N.A.

“*Representation Letter*” has the meaning specified in Section 3.04.

“*Reserved Rights*” means the Authority’s rights under the Agreement to Additional Payments and to notices, indemnities, consultations, approvals, consents and opinions.

“*Responsible Officer*” means and includes, of the Trustee, the chairman of the board of directors, the president, every vice president, every assistant vice president, every trust officer, and every officer and assistant officer of the Trustee other than those specifically above mentioned, to whom any corporate trust matter is referred because of his or her knowledge of, and familiarity with, a particular subject.

“*Revenues*” means all receipts, installment payments and other income derived by the Authority or the Trustee under the Agreement or otherwise in respect of the financing of the Project as contemplated by the Agreement, and any income or revenue derived from the investment of any money in any fund or account established pursuant to this Indenture (other than the Rebate Fund and any account therein), including all Loan Payments and any other payments made by the Corporation with respect to the principal of and interest on the Bonds pursuant to the Agreement.

“*Rule 15c2-12*” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

“*Serial Bonds*” means Bonds for which no Sinking Fund Installments are established.

“*Series*” means, when used with reference to the Bonds, all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Indenture or a Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Indenture.

“*Series 2021A Bonds*” means City of Fullerton Public Financing Authority Refunding Revenue Bonds (Marshall B. Ketchum University) Series 2021A issued hereunder.

“*Series 2021B Bonds*” means City of Fullerton Public Financing Authority Refunding Revenue Bonds (Marshall B. Ketchum University) Series 2021B (Taxable) issued hereunder.

“*Short-Term Indebtedness*” means all Indebtedness having an original maturity less than or equal to 13 months and not renewable at the option of the Corporation for a term greater than 13 months from the date of original incurrence or issuance.

“*Sinking Fund Installments*” means the amounts set forth in Section 2.03(c), subject to the credits provided in such Section.

“*S&P*” means S&P Global Ratings, a division of Standard & Poor’s Financial Services LLC, and any successors thereto.

“*State*” means the State of California.

“*Subordinated Indebtedness*” means Indebtedness that is subordinate as to payment and security to all Bonds and Parity Debt.

“*Supplemental Indenture*” means any indenture amendatory hereof or supplemental hereto duly authorized and entered into between the Authority and the Trustee in accordance with the provisions of this Indenture.

“*Tax Agreement*” means the Tax Certificate and Agreement related to the Bonds, dated as of the Issue Date, by and between the Authority and the Corporation, as the same may be amended from time to time.

“*Tax-Exempt*” means, with respect to interest on any obligations of a state or local government, including the Series 2021A Bonds, that such interest is excluded from the gross income of the owners thereof (other than any owner who is a “substantial user” of facilities financed with such obligations or a “related person” within the meaning of Section 147(a) of the Code) for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Code.

“*Term Bonds*” means Bonds which are payable on or before their specified maturity dates from Sinking Fund Installments.

“*Total Revenues*” means the sum of total net operating revenues, plus net non-operating revenues, as shown on the financial statements of the Corporation, determined in accordance with generally accepted accounting principles, plus any investment income which is offset against interest expense in accordance with generally accepted accounting principles and as a result is not included in total operating revenues or non-operating revenues.

“*Trustee*” means Wilmington Trust, National Association, a national banking association organized under the laws of the United States of America, and its successors and assigns or any successor Trustee appointed pursuant to Section 7.08 hereof.

“*Underwriter*” means Stifel Nicolaus & Company, Incorporated, as underwriter of the Bonds.

“*University*” means Marshall B. Ketchum University, the educational institution located in Fullerton, California with a principal street address of 2575 Yorba Linda Boulevard, Fullerton, California 92831, as the same may be expanded from time to time, owned and operated by the Corporation.

“*Variable Rate Indebtedness*” means Indebtedness the interest on which is payable pursuant to a variable interest rate formula or other determination method rather than at a fixed rate of interest per annum to maturity.

“*WASC*” means the Western Association of Schools and Colleges, its successors and assigns.

“*Written Order of the Authority*” and “*Written Request of the Authority*” mean, respectively, a written order or request signed by or on behalf of the Authority by an Authorized Signatory.

“*Yield*” shall have the meaning ascribed to such term by Section 148(h) of the Code.

Section 1.02. Number, Gender and Variants. The singular form of any word used herein, including the terms defined in Section 1.01, shall include the plural, and vice versa. The use herein of a word of any gender shall include all genders. The terms defined in Section 1.01 shall include all variants of the defined terms.

Section 1.03. Articles, Sections, Etc. All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Indenture.

Section 1.04. Content of Certificates and Opinions. Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture or the Agreement (except for the certificate of cancelled Bonds provided for in Sections 3.09, 3.10, 4.05 and 6.01 hereof) shall include (a) a statement that the person or persons making or giving such certificate or opinion have read such covenant or condition and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant

or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate or opinion made or given by the Authority or the Corporation may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless the person executing such certificate or opinion knows that the certificate or opinion or representations with respect to the matters upon which his or her certificate or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion made or given by counsel may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Authority or the Corporation), upon the certificate or opinion of or representations by an official of the Authority or the Corporation, as applicable, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his or her opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

ARTICLE II

THE BONDS

Section 2.01. Authorization of Bonds. The Bonds consist of two Series of Bonds as follows: the Series 2021A Bonds designated as “City of Fullerton Public Financing Authority Refunding Revenue Bonds (Marshall B. Ketchum University) Series 2021A” which may be issued under this Indenture in the aggregate principal amount of \$[PARA]; and the Series 2021B Bonds designated as “City of Fullerton Public Financing Authority Refunding Revenue Bonds (Marshall B. Ketchum University) Series 2021B (Taxable)” which may be issued under this Indenture in the aggregate principal amount of \$[PARB]. Additional debt, which may constitute Parity Debt, may be issued under this Indenture in accordance with the provisions hereof and of the Loan Agreement.

Section 2.02. General Terms. The Bonds shall be issued as fully registered bonds, without coupons, in Authorized Denominations and shall all be dated as of the Issue Date. The Bonds shall bear the letter prefix “RA-” with appropriate series designation and be numbered consecutively from one upward.

(a) The Series 2021A Bonds shall be evidenced by one Series 2021A Bond in the principal amount of \$[PARA] and shall mature on [February] 1 in the years and in the principal amounts, and shall bear interest, as follows:

<u>Maturity Date</u> <u>([February] 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>
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(b) The Series 2021B Bonds shall be evidenced by one Series 2021B Bond in the principal amount of \$[PARB] and shall mature on [February] 1 in the years and in the principal amounts, and shall bear interest, as follows:

<u>Maturity Date</u> <u>([February] 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>
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Section 2.03. Terms of Redemption.

(a) ***Optional Redemption.***

(i) [The Series 2021A Bonds maturing on or after [February] 1, [2030] are subject to redemption prior to their respective stated maturities, at the option of the Corporation from any amounts in the Redemption Fund, in whole or in part on any date on or after [February] 1, [2029], at a redemption price equal to 100% of the principal amount of the Bonds called for redemption, plus accrued interest to the date fixed for redemption, without premium.]

(ii) [The Series 2021B Bonds shall not be subject to optional redemption.]

(a) ***Extraordinary Redemption.*** The Bonds are subject to redemption prior to their stated maturity, at the option of the Corporation, as a whole or in part on any date from moneys required to be transferred from the Insurance and Condemnation Proceeds Fund to the Redemption Fund at a redemption price equal to the principal amount thereof together with interest accrued thereon to the date fixed for redemption, without premium, plus an amount equal to the unamortized portion of the net original issue premium thereon interpolated on a straight-line basis.

(b) ***Extraordinary Mandatory Redemption Due to Change of Use.*** The Bonds are subject to redemption prior to their stated maturity, as a whole or in part, on any date from Loan prepayments made by the Corporation in the event the Project is used or operated in any manner that violates the provisions of the Act, at a redemption price equal to the principal amount thereof together with interest accrued thereon to the date fixed for redemption, without premium, plus an amount equal to the unamortized portion of the net original issue premium thereon interpolated on a straight-line basis.

(c) ***Extraordinary Mandatory Redemption Due to Determination of Taxability.*** The Series 2021A Bonds are subject to mandatory redemption as a whole and

not in part at the principal amount thereof, plus accrued interest thereon to the date of redemption, plus an amount equal to the unamortized portion of the net original issue premium thereon interpolated on a straight-line basis, upon the occurrence of a Determination of Taxability related to such Series 2021A Bonds. The redemption date shall be the earliest practicable date selected by the Trustee, after consultation with the Corporation, but in no event later than six (6) months following the finalization of the Determination of Taxability.

(d) ***Mandatory Redemption From Sinking Fund Installments.***

(i) Subject to the terms and conditions set forth in this Section, the Series 2021A Bonds maturing on [February] 1, 20[___] shall be redeemed (or paid at maturity, as the case may be) by application of mandatory Sinking Fund Installments in the following amounts and on the following dates:

**Series 2021A Term Bond Maturing
[[February] 1, 20__]**

**Mandatory Sinking
Fund Installment Dates
([February] 1)**

**Sinking
Fund Installment**

* Maturity

Subject to the terms and conditions set forth in this Section, the Series 2021A Term Bonds maturing on [February] 1, 20[___] shall be redeemed (or paid at maturity, as the case may be) by application of mandatory Sinking Fund Installments in the following amounts and on the following dates:

**Series 2021A Term Bond Maturing
[February] 1, 20[___]**

**Mandatory Sinking
Fund Installment Dates
([February] 1)**

**Sinking
Fund Installment**

* Maturity

Subject to the terms and conditions set forth in this Section, the Series 2021A Term Bonds maturing on [February] 1, 20[___] shall be redeemed (or paid at maturity, as the case may be) by application of mandatory Sinking Fund Installments in the following amounts and on the following dates:

**Series 2021A Term Bond Maturing
[February] 1, 20[___]**

**Mandatory Sinking
Fund Installment Dates
([February] 1)**

**Sinking
Fund Installment**

* Maturity

Subject to the terms and conditions set forth in this Section, the Series 2021A Term Bonds maturing on [February] 1, 20[___] shall be redeemed (or paid at maturity, as the case may be) by application of mandatory Sinking Fund Installments in the following amounts and on the following dates:

**Series 2021A Term Bond Maturing
[February] 1, 20[___]**

**Mandatory Sinking
Fund Installment Dates
([February] 1)**

**Sinking
Fund Installment**

* Maturity

(e) Subject to the terms and conditions set forth in this Section, the Series 2021B Term Bonds maturing on [February] 1, 20[___] shall be redeemed (or paid at maturity, as the case may be) by application of mandatory Sinking Fund Installments in the following amounts and on the following dates:

**2021B Term Bond Maturing
[February] 1, 20[___]**

**Mandatory Sinking
Fund Installment Dates
([February] 1)**

**Sinking
Fund Installment**

* Maturity

Section 2.04. Authentication and Delivery of Bonds. Forthwith upon the execution and delivery of this Indenture, upon the execution of the Bonds by the Authority and delivery thereof to the Trustee, as hereinabove provided, without any further action on the part of the Authority, the Trustee shall authenticate the Bonds in the aggregate principal amounts as stated in Section 2.01 and shall deliver such Bonds to or upon the Written Order of the Authority.

Section 2.05. Application of Proceeds of Bonds. Upon receipt by the Trustee of proceeds of the sale of the Series 2021A Bonds in the amount of \$[PARA].00, the Trustee shall set aside and deposit net proceeds of the Series 2021A Bonds together with amounts in the Refunded Bonds Indenture in the following respective funds and accounts:

(a) the Trustee shall deposit in the Costs of Issuance Fund the sum of \$[_____]; and

(b) the Trustee shall transfer to the Refunded Bonds Trustee to redeem the Refunded Bonds the sum of \$[_____].

Upon receipt by the Trustee of proceeds of the sale of the Series 2021B Bonds together with amounts in the Refunded Bonds Indenture in the amount of \$[PARB].00, the Trustee shall set aside and deposit net proceeds of the Series 2021B Bonds in the following respective funds and accounts:

(a) the Trustee shall deposit in the Costs of Issuance Fund the sum of \$[_____]; and

(b) the Trustee shall transfer to the Refunded Bonds Trustee to redeem the Refunded Bonds the amount of \$[_____].

ARTICLE III

GENERAL PROVISIONS OF BONDS

Section 3.01. Payment of Bonds. The principal of each Bond is payable in lawful money of the United States of America upon surrender thereof at the Principal Corporate Trust Office of the Trustee. Interest payments on each Bond shall be made by the Trustee to the Person appearing on the Bond Register as the Owner thereof as of the close of business on the Record Date, such interest to be paid by the Trustee to such Owner (i) in the event the Bond is a Book-Entry Bond, in immediately available funds on the Interest Payment Date in accordance with the Representation Letter; and (ii) in the event the Bond is not a Book-Entry Bond, (A) in immediately available funds (by wire transfer or by deposit to the account of the Owner if such account is maintained with the Trustee), according to the instructions given by such Owner to the Trustee; or (B) in all other cases, by check mailed by first-class mail to the Owner at such Owner's address as it appears as of the Record Date on the Bond Register; except, in each case, that, if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the Owner in whose name the Bond is registered as of a special record date to be fixed by the Trustee.

Section 3.02. Accrual of Interest. Interest on each Bond shall be payable on each Interest Payment Date until the principal sum of such Bond has been paid; provided, however, that if at the maturity date of any Bond (or if the same is redeemable and shall be duly called for redemption, then at the date fixed for redemption) funds are available for the payment or redemption thereof, in full accordance with the terms of this Indenture, such Bonds shall then cease to bear interest. Interest on each Bond shall be computed from the Interest Payment Date to which interest has been paid (or duly provided for) next preceding the date of authentication thereof, unless (a) such date of authentication shall be prior to the first Interest Payment Date, in which case interest shall be computed from the Issue Date; or (b) such date of authentication shall be an Interest Payment Date, in which case interest shall be computed from such date of authentication; provided, that if interest on any Bond shall be in default, the Bond or Bonds issued in exchange for such Bond surrendered for transfer or exchange shall bear interest from the last date to which interest has been paid in full (or duly provided for) on such Bond or, if no interest has been paid (or duly provided for) on such Bond, from the Issue Date. Interest accrued on any Bond shall be paid on each Interest Payment Date for the period from and including the date described in the preceding sentence to and including the day before such Interest Payment Date (whether or not the day before such Interest Payment Date is a Business Day).

The Bonds shall bear interest as provided herein from and including the Issue Date to but excluding the date of payment in full of such Bonds computed on the basis of a 360-day year of twelve 30-day months.

Section 3.03. Form of Bonds. The Bonds may be engraved, printed, lithographed or typewritten, shall be in Authorized Denominations and may contain such references to any of the provisions of this Indenture as may be appropriate. The Bonds and the certificate of authentication to be executed thereon shall be in substantially the form attached hereto as Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, “CUSIP” numbers may be printed on the Bonds. The Bonds may bear such endorsement or legend relating thereto as may be required to conform to usage or law with respect thereto.

Section 3.04. Book-Entry System. The Bonds shall be registered in book-entry form and in such event the ownership of such Bond shall be registered in the registration books kept by the Trustee, registered in the name of Cede & Co., as nominee of DTC, or any successor nominee (the “Nominee”). In such event, except as provided in paragraph (d) below, all of the Outstanding Bonds shall be so registered in the Bond Register, and the provisions of this Article III shall apply thereto.

(a) The Authority, the Corporation and the Trustee shall have no responsibility or obligation to any DTC Participant or to any Beneficial Owner, except as otherwise expressly provided herein. Without limiting the immediately preceding sentence, the Authority, the Corporation and the Trustee shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, the Nominee or any DTC Participant with respect to any ownership interest in the Bonds; (B) the delivery to any DTC Participant or any other Person, other than the Owner as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption; or (C) the payment to any DTC Participant or any other Person, other than the Owner as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds. The Trustee shall pay all principal of and interest on the Bonds only to or upon the order of the respective Owners, as shown on the applicable Record Date in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Trustee, as assignee of the Authority’s obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. The Authority, the Corporation, and the Trustee may treat and consider the Person in whose name each Bond is registered in the Bond Register as the Owner and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever.

(b) No Person other than an Owner, as shown in the Bond Register, shall receive a certificated Bond evidencing the obligation of the Authority to make payments of principal and interest pursuant to this Indenture.

(c) The Authority and the Trustee shall, if not previously on file, execute and deliver to DTC a letter of representation in customary form with respect to the Bonds (the “Representation Letter”), but such Representation Letter shall not in any way limit the provisions of Section 3.04(a) above or in any other way impose upon the Authority any

obligation whatsoever with respect to Persons having interests in the Bonds other than the Owners as shown in the Bond Register. The Trustee shall take all action necessary for all representations of such party in the Representation Letter with respect to the Trustee to be complied with at all times.

(d) The Authority, at the direction of the Corporation, may terminate the services of DTC with respect to the Bonds. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice and all relevant information on the Beneficial Owners of the Bonds to the Authority, the Corporation, and the Trustee and discharging its responsibilities with respect thereto under applicable law. Upon the discontinuance or termination of the services of DTC with respect to the Bonds, unless a substitute securities depository is appointed by the Authority (with the consent of the Corporation) to undertake the functions of DTC hereunder, the Authority, at the expense of the Corporation, is obligated to deliver Bond certificates to or upon the order of the Beneficial Owners of such Bonds, as described in this Indenture, and such Bonds shall no longer be restricted to being registered in the Bond Register in the name of the Nominee, but may be registered in whatever name or names Owners transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Indenture.

(e) So long as any Bond is registered in the name of the Nominee, all payments with respect to principal and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter. Owners shall have no lien or security interest in any rebate or refund paid by DTC to the Trustee which arises from the payment by the Trustee of principal of or interest on the Bonds in immediately available funds to DTC.

Section 3.05. Execution of Bonds. The Bonds shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory, and attested by the facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority or the manual signature of any Authorized Signatory. The Bonds shall then be delivered to the Trustee for authentication by it. In case any officer of the Authority or Authorized Signatory who shall have signed or attested any of the Bonds shall cease to be such officer or Authorized Signatory before the Bonds so signed or attested shall have been authenticated or delivered by the Trustee or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though those who signed and attested the same had continued to be such officers of the Authority or Authorized Signatory, and also any Bond may be signed and attested on behalf of the Authority by such persons as at the actual date of execution of such Bond shall be the proper officers of the Authority or Authorized Signatory although at the nominal date of such Bond any such person shall not have been such officers of the Authority or Authorized Signatory.

Only such of the Bonds as shall bear thereon a certificate of authentication in the form recited in Exhibit A, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder

and are entitled to the benefits of this Indenture. Upon authentication of any Bond, the Trustee shall set forth on such Bond the date of such authentication.

Section 3.06. [Reserved].

Section 3.07. Transfer and Exchange of Bonds. Registration of any Bond may, in accordance with the terms of this Indenture, be transferred, upon the books of the Trustee required to be kept pursuant to the provisions of Section 3.08, by the Person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Bond shall be surrendered for registration of transfer, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds of the same tenor and in Authorized Denominations. The Trustee shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer, and there shall be no other charge to any Owners for any such transfer. No registration of transfer of Bonds shall be required to be made during the period after any Record Date and prior to the related Interest Payment Date or during the period of 15 days next preceding the date on which the Trustee gives any notice of redemption, nor shall any registration of transfer of Bonds called for redemption be required.

Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of the same tenor and in Authorized Denominations. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange, and there shall be no other charge to any Owners for any such exchange. No exchange of Bonds shall be required to be made during the period after any Record Date and prior to the related Interest Payment Date or during the period of 15 days next preceding the date on which the Trustee gives notice of redemption, nor shall any exchange of Bonds called for redemption be required.

Section 3.08. Bond Register. The Trustee will keep or cause to be kept at its Principal Corporate Trust Office the Bond Register which shall be sufficient for the registration of ownership and the registration of transfer of ownership of the Bonds. The Bond Register shall at all times, during regular business hours, be open to inspection by the Authority, the Trustee and the Corporation; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register the transfer or cause to be registered the transfer, on the Bond Register, of ownership of the Bonds as herein provided.

Section 3.09. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Authority, upon the request and at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and number in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bonds so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by it and destroyed and, upon the written request of the Authority, a certificate evidencing such destruction shall be delivered to the Authority, with a copy to the Corporation. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Authority, the Corporation and the Trustee, and if such evidence be satisfactory to them and indemnity satisfactory to them shall be given by or on behalf of the Owner

of such lost, destroyed or stolen Bond, the Authority, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured, instead of issuing a substitute Bond the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to it). The Authority may require payment of a reasonable fee for each new Bond issued under this Section and payment of the expenses which may be incurred by the Authority and the Trustee. Any Bond issued under the provisions of this Section in lieu of any Bond mutilated or alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Authority whether or not the Bond mutilated or so alleged to be lost, destroyed or stolen shall be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

Section 3.10. Disposition of Cancelled Bonds. When and as paid in full, all Bonds shall be delivered to the Trustee, who shall forthwith cancel such Bonds and deliver a certificate evidencing such cancellation to the Authority and the Corporation. The Trustee may destroy or retain such cancelled Bonds.

Section 3.11. CUSIP Numbers. As provided in Section 3.03, the Authority in issuing the Bonds may use “CUSIP” numbers (if then generally in use), and, if so, the Trustee shall use “CUSIP” numbers in notices of redemption as a convenience to Owners; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Bonds, and any such redemption shall not be affected by any defect in or omission of such CUSIP numbers.

Section 3.12. Validity of Bonds. The validity of the authorization and issuance of the Bonds is not dependent on and shall not be affected in any way by any proceedings taken by the Authority or the Trustee with respect to or in connection with the Agreement. The recital contained in the Bonds that the same are issued pursuant to the Act and the Constitution and laws of the State of California shall be conclusive evidence of their validity and of compliance with the provisions of law in their issuance.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01. Redemption of Bonds. The Bonds are subject to redemption as provided in Section 2.03 hereof. The Trustee shall not give notice of any optional redemption unless the Corporation has so directed in accordance with Section 8.03 of the Agreement. The Trustee shall give notice of the redemption of Bonds pursuant to Section 2.03(c) hereof without any requirement for notice or direction from the Authority or the Corporation.

Section 4.02. Selection of Bonds for Redemption. The principal amount of Bonds and maturity to be redeemed with prepayments by the Corporation pursuant to Section 8.02 of the Agreement shall be as specified by the Corporation pursuant to such Section 8.02. If less than all of the Bonds of any maturity are called for redemption, the Trustee, at the written direction of the

Corporation, shall select the Bonds of such maturities, or any given portion thereof, to be redeemed, by lot in such manner as it may determine. For the purpose of any such selection the Trustee shall assign a separate number for each minimum Authorized Denomination of each Bond of a denomination of more than such minimum; provided that following any such selection, both the portion of such Bond to be redeemed and the portion remaining shall be in Authorized Denominations. The Trustee shall promptly notify the Authority and the Corporation in writing of the numbers of the Bonds or portions thereof so selected for redemption. Notwithstanding the foregoing, so long as the Bonds are in book-entry form, if less than all of the Bonds of any maturity are to be redeemed, the selection of the Bonds to be redeemed by DTC in the records of DTC among DTC Participants shall be made in accordance with customary practices of DTC.

Section 4.03. Notice of Redemption. The Trustee, for and on behalf of the Authority, shall give notice of any redemption by first-class mail, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date to the Owner of such Bond at the address shown on the Bond Register on the date such notice is mailed; provided the time period for providing such notice may be waived by the Owners of all of the Outstanding Bonds proposed to be redeemed. The Trustee shall also provide such additional notice of redemption of bonds at the time and in the manner required by the MSRB. Each notice of redemption shall state the date of such notice, the date of issue of the Bonds to be redeemed, the redemption date, the redemption price, the place of redemption (including the name and appropriate address of the Trustee), the principal amount, the CUSIP numbers, if any, of the Bonds to be redeemed and, if less than all of Bonds, the distinctive certificate numbers of the Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that the interest on the Bonds designated for redemption shall cease to accrue from and after such redemption date and that on said date there will become due and payable on each of said Bonds the principal amount thereof to be redeemed and any unpaid interest accrued thereon to the redemption date) and shall require that such Bonds be then surrendered at the address of the Trustee specified in the redemption notice. Notwithstanding the foregoing, failure by the Trustee to give notice pursuant to this paragraph or the insufficiency of any such notices shall not affect the sufficiency of the proceedings for redemption.

With respect to any notice of optional redemption of Bonds pursuant to Section 2.03(a), unless upon the giving of such notice such Bonds shall be deemed to have been paid within the meaning of Article X hereof, such notice shall state that such redemption shall be conditioned upon the receipt by the Trustee on or prior to the date fixed for such redemption of amounts sufficient to pay the redemption price of the Bonds to be redeemed, and that if such amounts shall not have been so received said notice shall be of no force and effect and the Authority shall not be required to redeem such Bonds. In the event that such notice of redemption contains such a condition and such amounts are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, to the Persons and in the manner in which the notice of redemption was given, that such amounts were not so received.

If upon the expiration of 60 days succeeding any redemption date, any Bonds called for redemption shall not have been presented to the Trustee for payment, the Trustee shall no later than 90 days following such redemption date send Notice by Mail to the Owner of each Bond not so presented. Failure to mail the notices required by this paragraph to any Owner, or any defect

in any notice so mailed, shall not affect the validity of the proceedings for redemption of any Bonds nor impose any liability on the Trustee.

Section 4.04. Partial Redemption of Bonds. Upon surrender of any Bond redeemed in part only, the Trustee shall exchange the Bond redeemed for a new Bond of like tenor and in an Authorized Denomination without charge to the Owner in the principal amount of the portion of the Bond not redeemed. In the event of any partial redemption of a Bond which is registered in the name of the Nominee, DTC may elect to make a notation on the Bond certificate which reflects the date and amount of the reduction in principal amount of said Bond in lieu of surrendering the Bond certificate to the Trustee for exchange. The Authority, the Corporation and the Trustee shall be fully released and discharged from all liability upon, and to the extent of, payment of the redemption price for any partial redemption and upon the taking of all other actions required hereunder in connection with such redemption.

Section 4.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price being held by the Trustee, the Bonds so called for redemption shall, on the redemption date designated in such notice, become due and payable at the redemption price specified in such notice, interest on the Bonds so called for redemption shall cease to accrue, said Bonds shall cease to be entitled to any lien, benefit or security under this Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof (including interest, if any, accrued to the redemption date), without interest accrued on any funds held after the redemption date to pay such redemption price.

All Bonds fully redeemed pursuant to the provisions of this Article IV shall upon surrender thereof be cancelled by the Trustee, who shall deliver a certificate evidencing such cancellation to the Authority and the Corporation. The Trustee shall retain or destroy such Bonds.

ARTICLE V

REVENUES AND FUNDS

Section 5.01. Pledge of Revenues and Other Security for the Bonds.

(a) Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Revenues, and all amounts and securities in the funds held by the Trustee under this Indenture (excepting only moneys held in the Rebate Fund, Additional Payments paid by the Corporation pursuant to the Loan Agreement and any amounts paid by the Corporation pursuant to Sections 7.03, 9.02 and 9.03 of the Loan Agreement), are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds. Said pledge shall constitute a first lien on and security interest in the Revenues and the other assets pledged therefor pursuant to this Indenture for the payment of the Bonds in accordance with the terms hereof and shall attach, be perfected and be valid and binding from and after authentication and delivery of the Bonds, without any physical delivery thereof or further act. All Revenues and the other assets pledged hereunder shall be held in trust for the

benefit of the Owners from time to time of the Bonds but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes set forth in this Article V.

(b) The Authority hereby transfers, assigns, grants a security interest in and sets over to the Trustee all of the Revenues and any and all rights and privileges, other than the Reserved Rights it has under the Agreement, including, without limitation, the right to collect and receive directly all of the Revenues and the right to hold and enforce any security interest; and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee. No rights of the Authority under the Tax Agreement, including those referenced in the Agreement, are assigned to the Trustee. The assignment hereunder is to the Trustee solely in its capacity as Trustee hereunder and subject to the provisions of this Indenture and in taking or refraining from taking any action under the Agreement pursuant to such assignment, the Trustee shall be entitled to the protections and limitations from liability afforded it as Trustee under this Indenture. The Trustee also shall be entitled to take all steps, actions and proceedings reasonably necessary in its judgment (i) to enforce the terms, covenants and conditions of, and preserve and protect the priority of its interest in and under, the Agreement and any other security agreement with respect to the Agreement, the Project, or the Bonds, other than the Tax Agreement; and (ii) to assure compliance with all covenants, agreements and conditions on the part of the Authority contained in this Indenture with respect to the Revenues.

(c) The Corporation may at its sole discretion from time to time deliver to the Trustee such additional or other security which is permitted by this Indenture to secure the payment of the principal of and interest on the Bonds, and any such additional or other security delivered by the Corporation shall be pledged to such payment; provided that there is delivered to the Trustee and the Authority an Opinion of Bond Counsel to the effect that the delivery of such additional or other security does not, in and of itself, adversely affect the Tax-Exempt status of interest on any of the Series 2021A Bonds.

(d) The Bonds do not constitute a debt or liability of the State or of any political subdivision thereof, other than the Authority, but shall be payable solely from the funds provided therefor in the Indenture. The Authority shall not be obligated to pay the principal of the Bonds, or the redemption premium or interest thereon, except from the funds provided under the Indenture and neither the faith and credit nor the taxing power of the State or of any political subdivision thereof, including the Authority, is pledged to the payment of the principal of or the redemption premium or interest on the Bonds. The issuance of the Bonds shall not directly or indirectly or contingently obligate the State or any political subdivision thereof to levy or to pledge any form of taxation or to make any appropriation for their payment. The Authority has no taxing power.

Notwithstanding anything in this Indenture contained, the Authority is not required to advance any moneys derived from any source of income of any governmental body or political subdivision of the State or the Authority other than the Revenues and Additional Payments, for any of the purposes in this Indenture mentioned, whether for the payment of the principal of or interest on the Bonds or for any other purpose of this Indenture. The Bonds are not general

obligations of the Authority, and are payable from and secured only by the Revenues and the other assets pledged for such payment under this Indenture.

Section 5.02. Bond Fund. Upon the receipt thereof, the Trustee shall deposit all Revenues in the “Marshall B. Ketchum University Bond Fund” (the “Bond Fund”), which the Trustee shall establish and maintain and hold in trust, and which shall be disbursed and applied only as hereinafter authorized. Except as provided in this Section 5.02 and Section 10.03 hereof, moneys in the Bond Fund shall be used solely for the payment of the principal of and interest on the Bonds as the same shall become due whether at maturity or upon redemption or acceleration.

The Trustee shall deposit in the Bond Fund from time to time, upon receipt thereof, all Loan Payments received by the Trustee from the Corporation for deposit in the Bond Fund, any income received from the investment of moneys on deposit in the Bond Fund and any other Revenues, including any prepayment amounts received under the Agreement from or for the account of the Corporation.

In making payments of principal of and interest on the Bonds, the Trustee shall use any Revenues received by the Trustee.

Except to the extent such moneys are required to be held for the payment of principal of or interest on the Bonds then due and payable or to effect the defeasance of Bonds pursuant to Article X hereof, so long as no Event of Default (or any event which would be an Event of Default hereunder with the passage of time or the giving of notice or both) exists hereunder, on the fifth day after each Interest Payment Date, the Trustee, unless otherwise instructed by the Corporation, shall return to the Corporation (free and clear of the pledge and lien of this Indenture) any moneys then on deposit in the Bond Fund or shall deposit such funds in the Rebate Fund if so instructed by the Corporation.

Section 5.03. Reserved.

Section 5.04. Costs of Issuance Fund. The Trustee shall establish the “Marshall B. Ketchum University Costs of Issuance Fund” (the “Costs of Issuance Fund”). The moneys in the Costs of Issuance Fund shall be held by the Trustee in trust and applied to the payment of Costs of Issuance of the Bonds, upon a requisition filed with the Trustee in the form attached hereto as Exhibit B, signed by an Authorized Corporation Representative. Each such requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. All payments from the Costs of Issuance Fund shall be reflected in the Trustee’s regular accounting statements. Any amounts remaining in an account of the Costs of Issuance Fund six months following the Issue Date shall be transferred to the Bond Fund.

Section 5.05. Insurance and Condemnation Proceeds Fund.

(a) As and when needed, the Trustee shall establish, maintain and hold in trust a separate fund designated as the “Insurance and Condemnation Proceeds Fund,” and administer said fund as set forth in Section 6.02 of the Loan Agreement.

(b) Before any payment from the Insurance and Condemnation Proceeds Fund shall be made, the Corporation shall file or cause to be filed with the Trustee a requisition of the Corporation stating: (i) the item number of such payment; (ii) the name of the Person to whom each such payment is due, which may be the Corporation in the case of reimbursement for costs of such repair or replacement theretofore paid by the Corporation; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; (v) that obligations in the stated amounts have been incurred by the Corporation and are presently due and payable and that each item thereof is a proper charge against the Insurance and Condemnation Proceeds Fund and has not been previously paid from the Insurance and Condemnation Proceeds Fund; and (vi) that there has not been filed with or served upon the Corporation any notice of claim of lien, or attachment upon, or claim affecting the right to receive payment of, any of the amounts payable to any of the persons named in such requisition, for which adequate security for the payment of such obligation has been posted, or which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

Upon receipt of a requisition, the Trustee shall pay the amount set forth in such requisition as directed by the terms thereof out of the Insurance and Condemnation Proceeds Fund. The Trustee may conclusively rely upon such requisition and shall have no responsibility or duty to investigate any of the matters set forth therein. The Trustee shall not make any such payment if it has received any written notice of claim of lien, attachment upon, or claim affecting the right to receive payment of, any of the moneys to be so paid, that has not been released or will not be released simultaneously with such payment, other than materialmen's or mechanics' liens accruing by mere operation of law, unless adequate security for the payment of such obligation has been posted.

(c) When the repair or replacement of damaged, destroyed or taken property shall have been completed and the Trustee shall have received a certificate of the Corporation stating the fact and date of such completion and stating that all of the costs thereof have been determined and paid (or that all of such costs have been paid less specified claims that are subject to dispute and for which a retention in the Insurance and Condemnation Proceeds Fund is to be maintained in the full amount of such claims until such dispute is resolved), subject to Section 6.02 of the Loan Agreement, the Trustee shall transfer any remaining balance in the Insurance and Condemnation Proceeds Fund, less the amount of any such retention, to the Special Redemption Account of the Redemption Fund or, at the election of the Corporation, to the Bond Fund. Upon the disbursement of all moneys in the Insurance and Condemnation Proceeds Fund, such fund shall thereafter be closed until such time as such fund is again required to be established pursuant to paragraph (a) of this Section.

Section 5.06. Trustee Authorized To Take Actions Under the Agreement. The Authority hereby authorizes and directs the Trustee, and the Trustee hereby agrees, subject to Section 7.02, to take such actions as the Trustee deems necessary to enforce the Corporation's obligation under the Agreement to make payments at such times and in such amounts as are necessary in order for the Trustee to make timely payment of principal of and interest on the Bonds

to the extent that moneys in the Bond Fund are not available for such payment in accordance with the provisions of Section 5.02 hereof.

Section 5.07. Investment of Moneys. Subject to Section 6.05, any moneys in any of the funds and accounts established pursuant to this Indenture shall be invested upon the written direction of the Corporation signed by an Authorized Corporation Representative (such direction to specify the particular investment to be made), by the Trustee, if and to the extent then permitted by law, in Permitted Investments. In the absence of such written direction, the Trustee shall invest solely in units of a money-market fund or portfolio restricted to Government Obligations; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a written direction of the Corporation specifying a specific money market fund and, if no such written direction of the Corporation is so received, the Trustee shall hold such moneys uninvested. Moneys in any fund or account established pursuant to this Indenture shall be invested in Permitted Investments with respect to which payments of principal thereof and interest thereon are scheduled to be paid or are otherwise payable (including Permitted Investments payable at the option of the Owner) not later than the date on which such moneys will be required by the Trustee.

Any interest, profit or loss on any investments of moneys in any fund or account established under this Indenture shall be credited or charged to the respective fund or account from which such investments are made. The Trustee may sell or present for redemption any obligations so purchased whenever it shall be necessary in order to provide moneys to meet any payment, and the Trustee shall not be liable or responsible for any loss, fee, tax or other charge resulting from any investment, reinvestment or liquidation hereunder. Unless otherwise directed by the Corporation, the Trustee may make any investment permitted under this Section 5.07 through or with its own commercial banking or investment departments.

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

The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee pursuant to this Section 5.07 or Section 5.14 of the Agreement.

Section 5.08. Amounts Remaining in Funds. The Trustee, unless otherwise instructed by the Corporation, shall transfer to the Corporation (free and clear of the pledge and lien of this Indenture) all amounts remaining in any fund held by the Trustee under this Indenture after payment in full of (a) the Bonds, or after provision for such payment shall have been made as provided in Article X; (b) the fees, charges and expenses of the Trustee due and owing in accordance with this Agreement and the Indenture; and (c) all other amounts required to be paid under the Agreement and this Indenture, including the Rebate Requirement.

Section 5.09. Application of Redemption Fund. The Trustee shall establish and maintain when required, a fund separate from any other fund established and maintained hereunder designated as the Redemption Fund. Within the Redemption Fund, the Trustee shall maintain a separate Optional Redemption Account and a separate Special Redemption Account. The Trustee shall accept all moneys deposited for redemption and shall deposit such moneys into the Optional Redemption Account or the Special Redemption Account, as applicable. All amounts deposited in the Optional Redemption Account and in the Special Redemption Account shall be accepted and used and withdrawn by the Trustee solely for the purpose of redeeming Bonds, in the manner and upon the terms and conditions specified herein, at the next succeeding date of redemption for which notice has been given and at the redemption prices then applicable to redemptions from the Optional Redemption Account and the Special Redemption Account, respectively; provided that, at any time prior to giving such notice of redemption, the Trustee shall, upon written direction of the Corporation, apply such amounts to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Bond Fund) as the Corporation may direct, except that the purchase price (exclusive of accrued interest) may not exceed the redemption price then applicable to such Bonds (or, if such Bonds are not then subject to redemption, the par value of such Bonds); and provided further that in the case of the Optional Redemption Account in lieu of redemption at such next succeeding date of redemption, or in combination therewith, amounts in such account may be transferred to the Bond Fund and credited against Loan Payments in order of their due date as set forth in a request of the Corporation. All Bonds purchased or redeemed from the Redemption Fund shall be allocated to applicable mandatory Sinking Fund Installments designated in a Certificate of the Corporation (or if the Corporation fails to deliver such a Certificate of the Corporation to the Trustee, in inverse order of their payment dates).

ARTICLE VI

COVENANTS OF THE AUTHORITY

Section 6.01. Payment of Principal and Interest. The Authority shall punctually pay, but only out of Revenues and the other assets pledged therefor pursuant to this Indenture, the principal of and interest on every Bond issued hereunder at the times and places and in the manner provided herein and in the Bonds according to the true intent and meaning thereof. All such payments shall be made by the Trustee as provided in Section 5.02. When and as paid in full, all Bonds shall be delivered to the Trustee and shall forthwith be cancelled by the Trustee, who shall deliver a certificate evidencing such cancellation to the Corporation and, if requested, the Authority. The Trustee may retain or destroy such cancelled Bonds.

Section 6.02. Extension or Funding of Claims for Interest. In order to prevent any accumulation of claims for interest after maturity, the Authority shall not, directly or indirectly, extend or assent to the extension of the time for the payment of any claim for interest on any of the Bonds, and shall not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding such claims or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the Authority, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 6.03. Preservation of Revenues. The Authority shall not waive any provision of the Agreement or take any action to interfere with or impair the pledge and assignment hereunder of Revenues and the assignment to the Trustee of rights under the Agreement assigned to the Trustee hereunder, or the Trustee's enforcement of any such rights thereunder, without the prior written consent of the Trustee. The Trustee may give such written consent, and may itself take any such action, or consent to any Amendment, only in accordance with the provisions of Article IX hereof.

Section 6.04. Compliance With Indenture. The Authority shall not issue, or permit to be issued, any Bonds secured or payable in any manner out of Revenues or the other assets pledged hereunder in any manner other than in accordance with the provisions of this Indenture, and shall not suffer or permit any default to occur under this Indenture of which it has knowledge, but shall faithfully observe and perform all the covenants, conditions and requirements hereof.

Section 6.05. Arbitrage Covenants; Rebate Fund.

(a) The Authority covenants with all Persons who hold or at any time held Bonds that the Authority will not directly or indirectly use the proceeds of any of the Series 2021A Bonds or any other funds of the Authority or permit the use of the proceeds of any of the Series 2021A Bonds or any other funds of the Authority or take or omit to take any other action which will cause any of the Series 2021A Bonds to be "arbitrage bonds" or otherwise subject to federal income taxation by reason of Sections 103 and 141 through 150 of the Code and any applicable regulations promulgated thereunder. To that end the Authority covenants to comply with all covenants set forth in the Tax Agreement, which is hereby incorporated herein by reference as though fully set forth herein.

(b) The Trustee shall establish and maintain a fund separate from any other fund established and maintained hereunder designated the "Marshall B. Ketchum University Rebate Fund" (herein called the "Rebate Fund"). Within the Rebate Fund, the Trustee shall maintain such accounts as shall be directed by the Corporation as necessary in order for the Authority and the Corporation to comply with the terms and requirements of the Tax Agreement. Subject to the transfer provisions provided in Section 6.05(c) below, all money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement (as defined in the Tax Agreement), for payment to the United States of America, and none of the Corporation, the Authority nor the Owners shall have any rights in or claim to such moneys. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section 6.05, by Section 5.06 of the Agreement and by the Tax Agreement. The Trustee shall conclusively be deemed to have complied with such provisions if it follows the directions of the Corporation, including supplying all necessary information requested by the Corporation and the Authority in the manner set forth in the Tax Agreement, and shall not be required to take any actions thereunder in the absence of written directions from the Corporation.

(c) Upon receipt of the Corporation's written instructions, the Trustee shall remit part or all of the balances in the Rebate Fund to the United States of America, as so directed. In addition, if the Corporation so directs, the Trustee will deposit moneys into or transfer moneys out of the Rebate Fund from or into such accounts or funds as directed by

the Corporation's written directions. The Trustee may rely conclusively upon the Corporation's determinations, calculations and certifications required by this Section. The Trustee shall have no responsibility to independently make any calculation or determination or to review the Corporation's calculations hereunder. Any funds remaining in the Rebate Fund after redemption and payment of all of the Series 2021A Bonds and payment and satisfaction of any Rebate Requirement and payment of all other amounts due and owing pursuant to Section 4.02 of the Agreement shall be withdrawn and remitted to the Corporation upon its written request.

(d) Notwithstanding any provision of this Indenture, including in particular Article X hereof, the obligation of the Corporation to pay the Rebate Requirement to the United States of America and to comply with all other requirements of this Section 6.05, Section 5.06 of the Agreement and the Tax Agreement shall survive the defeasance or payment in full of the Bonds.

(e) Notwithstanding any provisions of this Section 6.05 and Section 5.06 of the Agreement, if the Corporation shall provide to the Authority and the Trustee an Opinion of Bond Counsel that any specified action required under this Section 6.05 or Section 5.06 of the Agreement is no longer required or that some further or different action is required to maintain the Tax-Exempt status of interest on the Series 2021A Bonds, the Corporation, the Trustee and the Authority may conclusively rely on such opinion in complying with the requirements of this Section; and the covenants hereunder shall be deemed to be modified to that extent.

(f) The provisions of this Section shall not apply to the Series 2021B Bonds or to any Series of Bonds which the Corporation shall certify to the Trustee is not intended to comply with the requirements of the Code necessary to make interest on such Series of Bonds excludable from gross income for federal income tax purposes.

Section 6.06. Other Liens. So long as any Bonds are Outstanding, the Authority shall not create any pledge, lien or charge of any type whatsoever upon all or any part of the Revenues or the other assets pledged under this Indenture, other than the lien of this Indenture.

Section 6.07. Further Assurances. Whenever and so often as requested so to do by the Trustee, the Authority shall promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the Owners all of the rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Indenture and to perfect and maintain as perfected such rights, interests, powers, benefits, privileges and advantages.

ARTICLE VII

DEFAULT

Section 7.01. Events of Default; Acceleration; Waiver of Default.

(a) Each of the following events shall constitute an “Event of Default” hereunder:

(i) failure to make payment of any installment of interest upon any Bond when such payment shall have become due and payable;

(ii) failure to make due and punctual payment of the principal of any Outstanding Bond when such payment shall have become due and payable, whether at the stated maturity thereof, or upon proceedings for the mandatory redemption thereof from Sinking Fund Installments or upon the maturity thereof by declaration;

(iii) the occurrence of an “Event of Default” under the Agreement, as specified in Section 7.01 thereof, or the Deed of Trust; or

(iv) default by the Authority in the performance or observance of any other of the covenants, agreements or conditions on its part contained in this Indenture or in the Bonds, and the continuance of such default for a period of 30 days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the Authority and the Corporation by the Trustee, or to the Authority, the Corporation and the Trustee by the Owners of not less than 25% in aggregate principal amount of the Bonds at the time Outstanding;

No default specified in Section 7.01(a)(iv) above shall constitute an Event of Default unless the Authority shall have failed to correct such default within the applicable 30-day period; provided, however, that if the default shall be such that it can be corrected, but cannot be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the Authority within the applicable period and diligently pursued until the default is corrected.

(b) Upon the occurrence and continuation of an Event of Default the Trustee may, and upon the written request of the Owners of not less than a majority in aggregate principal amount of Bonds then Outstanding, shall, by notice in writing delivered to the Corporation, with copies of such notice being sent to the Authority, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable. Notwithstanding the foregoing, the Trustee shall not be required to take any action upon the occurrence and continuation of an Event of Default under Section 7.01(a)(iii) or (iv) above until a Responsible Officer of the Trustee has actual knowledge of such Event of Default. After any declaration of acceleration of the Bonds under this Section 7.01 the Trustee shall immediately declare all indebtedness payable under Section 4.02(a) of the Agreement with respect to the Bonds to be immediately due

and payable in accordance with Section 7.02 of the Agreement and may exercise and enforce such rights as exist under the Agreement.

The preceding paragraph, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, there shall have been deposited with the Trustee a sum which, together with any other amounts then held in the Bond Fund, is sufficient to pay all the principal of such Bonds matured prior to such declaration and all matured installments of interest, if any, upon all the Bonds, and the reasonable expenses (including reasonable attorneys' fees) of the Trustee, and any and all other defaults actually known to the Trustee (other than in the payment of principal of and interest on such Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee in its sole discretion or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding (by written notice to the Authority and to the Trustee) may, on behalf of the Owners of all Bonds, rescind and annul such declaration with respect to the Bonds and its consequences and waive such default; provided that no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

Section 7.02. Institution of Legal Proceedings by Trustee. Subject to the provisions of Sections 7.08 and 11.02, if one or more of the Events of Default hereunder shall happen and be continuing, the Trustee in its sole discretion may, and upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, and upon being indemnified to its satisfaction in its sole discretion therefor (including with respect to any expenses or liability the Trustee may incur) shall, proceed to protect or enforce its rights or the rights of the Owners under the Act or under this Indenture, by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as the Trustee shall deem most effectual in support of any of its rights or duties hereunder.

Section 7.03. Application of Moneys Collected by Trustee. Any moneys collected by the Trustee from the Corporation, and any moneys in the Bond Fund on or after the occurrence of an Event of Default shall be applied in the order following, at the date or dates fixed by the Trustee and, in the case of distribution of such moneys on account of principal or interest, upon presentation of the Bonds, and stamping thereon the payment, if only partially paid, and upon surrender thereof, if fully paid:

FIRST, to the payment of costs and expenses of collection, just and reasonable compensation to the Trustee for its own services and for the services of counsel, agents and employees by it properly engaged and employed, and for advances made pursuant to the provisions of this Indenture;

SECOND, in case none of the principal of the Outstanding Bonds shall have become due and remains unpaid, to the payment of interest in default on the Outstanding Bonds in the order of the maturity thereof, such payments to be made ratably and

proportionately to the Persons entitled thereto without discrimination or preference, except as specified in Section 5.02;

THIRD, in case the principal of any of the Outstanding Bonds shall have become due by declaration or otherwise and remains unpaid, first to the payment of interest in default in the order of maturity thereof; and then to the payment of principal of all Outstanding Bonds then due and unpaid; in every instance such payment to be made ratably to the Persons entitled thereto without discrimination or preference, except as specified in Section 5.02; and

FOURTH, to the payment of fees and costs due and owing to the Authority and the Trustee, not covered under paragraph "First" of this Section;

Section 7.04. Effect of Delay or Omission To Pursue Remedy. No delay or omission of the Trustee or of any Owner of Bonds to exercise any right or power arising from any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every power and remedy given by this Article VII to the Trustee or to the Owners may be exercised from time to time and as often as shall be deemed expedient. In case the Trustee shall have proceeded to enforce any right under this Indenture, and such proceedings shall have been discontinued or abandoned because of waiver or for any other reason, or shall have been determined adversely to the Trustee, then and in every such case the Authority, the Trustee, and the Owners of the Bonds, severally and respectively, shall be restored to their former positions and rights hereunder; and all remedies, rights and powers of the Authority, the Trustee, and the Owners of the Bonds shall continue as though no such proceedings had been taken.

Section 7.05. Remedies Cumulative. No remedy herein conferred upon or reserved to the Trustee or to any Owner of the Bonds is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

Section 7.06. Trustee Appointed Agent for Owners. The Trustee is hereby appointed the agent and attorney of the Owners of all Bonds Outstanding hereunder for the purpose of filing any claims relating to the Bonds.

Section 7.07. Power of Trustee To Control Proceedings. Subject to the provisions of Section 7.08 and 11.02, in the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of Owners of the Bonds, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not, unless there no longer continues an Event of Default hereunder, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of at least a majority in principal amount of the Bonds Outstanding hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

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

Notwithstanding anything to the contrary in this Indenture, the Authority shall have no obligation to and instead the Trustee may, without further direction from the Authority, take any and all steps, actions and proceedings, to enforce any or all rights of the Authority (other than those specifically retained by the Authority pursuant to Section 5.01(b) of the Indenture) under this Indenture or the Loan Agreement, including, without limitation, the rights to enforce the remedies upon the occurrence and continuation of an Event of Default and the obligations of the Corporation under the Loan Agreement.

Section 7.08. Owners' Direction of Proceedings. Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding, shall have the right, by an instrument executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings taken by the Trustee hereunder; provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture. All rights of action under this Indenture or under any of the Bonds secured hereby which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name as Trustee of an express trust for the equal and ratable benefit of the Owners, subject to the provisions of this Indenture. Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or of any Owner thereof, or to authorize the Trustee to vote in respect of the claim of any Owner in any such proceeding without the approval of the Owners so affected.

Section 7.09. Limitation on Owners' Right To Sue. No Owner shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default hereunder; (b) the Owners of at least a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity satisfactory to it against the costs, expenses (including reasonable attorneys' fees) and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of 30 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

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

Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds, subject to the provisions of this Indenture.

The right of any Owner to receive payment of the principal of and interest on such Bond out of Revenues, as herein and therein provided, on and after the respective due dates expressed in such Bond, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Owner, notwithstanding the foregoing provisions of this Section or Section 7.08 or any other provision of this Indenture.

ARTICLE VIII

THE TRUSTEE

Section 8.01. Duties, Immunities and Liabilities of Trustee. The Trustee shall, prior to an Event of Default hereunder, and after the curing or waiver of all Events of Default hereunder which may have occurred, and the Trustee at all times shall, perform such duties and only such duties as are specifically set forth in this Indenture. The Trustee shall, during the existence of any Event of Default hereunder (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as prudent persons would exercise or use under the circumstances in the conduct of their own affairs.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action or its own negligent failure to act or its own willful misconduct, except that:

(a) prior to the occurrence of any Event of Default hereunder and after the curing or waiver of all Events of Default which may have occurred, the duties and obligations of the Trustee shall at all times be determined solely by the express provisions of this Indenture; the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture; and no covenants or obligations shall be implied into this Indenture which are adverse to the Trustee; and

(b) at all times, regardless of whether or not any Event of Default shall exist:

(i) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee unless it shall be proved that the Trustee, was negligent in ascertaining the pertinent facts;

(ii) the Trustee shall have the power to negotiate and enter into intercreditor agreements with respect to the common security for the payment of the Bonds and secured additional Indebtedness;

(iii) the Trustee shall not be personally liable with respect to any action taken, permitted or omitted by it in good faith in accordance with the direction of the Owners of not less than a majority, or such other percentage as may be required hereunder, in aggregate principal amount of the Bonds Outstanding relating to the

time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture; and

(iv) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Trustee, conforming to the requirements of this Indenture; but in the case of any such certificate or opinion which by any provision hereof is specifically required to be furnished to the Trustee, the Trustee, shall be under a duty to examine the same to determine whether or not it conforms to the requirements of this Indenture.

(c) 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 shall be entitled to advice of counsel concerning all matters of trust and concerning its duties hereunder and the Trustee shall not be responsible for any misconduct or negligence on the part of any attorney or agent appointed with due care by it hereunder.

None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers. The permissive right of the Trustee to perform acts enumerated in this Indenture or the Agreement shall not be construed as a duty or obligation hereunder.

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

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

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

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

Notwithstanding anything contained herein or in the Deed of Trust to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Trustee to liability under any Environmental Regulation, the Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action. The Trustee shall not be required to take any foreclosure action if the approval of a government regulator shall be a condition precedent to taking such action.

Section 8.02. Right of Trustee To Rely Upon Documents, Etc. Except as otherwise provided in Section 8.01:

(a) The Trustee may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, direction, demand, election or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) Any notice, request, direction, election, order or demand of the Authority mentioned herein shall be deemed to be sufficiently evidenced by an instrument signed in the name of the Authority by an Authorized Signatory, and any resolution of the Authority shall be evidenced to the Trustee by a Certified Resolution.

(c) The Trustee may consult with counsel of its selection (who may include its own counsel or counsel for the Authority or Bond Counsel) and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

(d) Whenever in the administration of the trusts of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a Certificate of the Authority; and such Certificate of the Authority shall, in the absence of negligence or bad faith on the part of the Trustee, be full warrant to the Trustee, for any action taken or suffered by it under the provisions of this Indenture upon the faith thereof.

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

(f) The Trustee shall not be deemed to have knowledge of an Event of Default hereunder, under the Agreement or any other document related to the Bonds unless it shall have actual knowledge at its Principal Corporate Trust Office.

(g) Before taking any action under Article VIII hereof the Trustee may require indemnity satisfactory to the Trustee be furnished from any expenses and to protect it against any liability it may incur hereunder.

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

Section 8.03. Trustee Not Responsible for Recitals. The Trustee assumes no responsibility for the correctness of the recitals contained herein except (with respect to the Trustee) for the Certificate of Authentication thereon. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Bonds. The Trustee shall not be accountable for the use or application by the Authority or the Corporation of any of the Bonds authenticated or delivered hereunder or of the proceeds of such Bonds except to the extent specifically provided in this Indenture.

Section 8.04. Right of Trustee To Acquire Bonds. The Trustee and its officers and directors may acquire and hold, or become the pledgee of, Bonds and otherwise deal with the Authority in the manner and to the same extent and with like effect as though it were not Trustee hereunder.

Section 8.05. Moneys Received by Trustee To Be Held in Trust. Subject to the provisions of Section 10.03, all moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law or as otherwise provided herein.

Section 8.06. Compensation and Indemnification of Trustee. The Trustee shall be entitled to reasonable compensation for all services rendered by the Trustee in the execution of the trusts created and in the exercise and performance of any of the powers and duties hereunder of the Trustee, which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust, and the Agreement will require the Corporation to pay or reimburse the Trustee, upon its request for all reasonable expenses, disbursements and

advances incurred or made by the Trustee, in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence or bad faith. If any property, other than cash, shall at any time be held by the Trustee, subject to this Indenture, or any Supplemental Indenture, as security for the Bonds, the Trustee, if and to the extent authorized by a receivership, bankruptcy or other court of competent jurisdiction or by the instrument subjecting such property to the provisions of this Indenture as such security for the Bonds, shall be entitled (but not required) to make advances for the purpose of preserving such property or of discharging tax liens or other prior liens or encumbrances thereon. The Agreement will also require the Corporation to provide certain indemnification to the Trustee. Notwithstanding the foregoing, prior to seeking indemnity the Trustee shall make timely payments of principal of and interest on the Bonds with moneys on deposit in the Bond Fund as provided herein, and shall accelerate the payment of principal on the Bonds without seeking indemnification from the Authority, the Corporation, or any Owner. Upon the occurrence and continuance of an Event of Default hereunder, and subject to Section 7.03 hereof, the Trustee shall have a lien prior to the Bonds as to all property and funds held by it for any amount owing to it or any predecessor Trustee pursuant to this Section or the Agreement and the rights of the Trustee to compensation for its services and to payment or reimbursement for its costs, expenses, or advances shall have priority over the Bonds in respect of all property or funds held or collected by the Trustee as such and other funds held in trust by the Trustee for the benefit of the Owners of particular Bonds; provided, however, that neither the Trustee nor any predecessor Trustee shall have any lien or claim against any moneys on deposit in the Rebate Fund for payment of any such compensation, reimbursement or other amounts.

When the Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 7.01 of the Agreement and Section 7.01 hereof, such expenses (including the reasonable charges and expenses of its counsel and agents) and the compensation for such services are intended to constitute expenses of administration under any applicable federal or state bankruptcy, insolvency or other similar law. The provisions of this Section 8.06 shall survive the termination of this Indenture and the resignation or removal of the Trustee.

Section 8.07. Qualifications of Trustee. There shall at all times be a Trustee hereunder which shall be a corporation or banking association organized and doing business under the laws of the United States or of a state thereof, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$75,000,000, subject to supervision or examination by federal or state authority. If such corporation or banking association publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such corporation or banking association shall be deemed to be their combined capital and surplus as set forth in their most recent reports of conditions so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, the Trustee shall resign immediately in the manner and with the effect specified in Section 8.08.

Section 8.08. Resignation and Removal of Trustee and Appointment of Successor Trustee.

(a) The Trustee may at any time resign by giving written notice to the Authority and the Corporation and by giving Notice by Mail to the Owners of such resignation. Upon receiving such notice of resignation, the Authority, with the advice of the Corporation, shall promptly appoint a successor Trustee by an instrument in writing. If no successor Trustee shall have been so appointed and have accepted appointment within 45 days after the giving of such notice of resignation by the Trustee, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, or any Owner who has been a bona fide Owner for at least six months may, on behalf of himself and others similarly situated, petition any such court for the appointment of a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and may prescribe, appoint a successor Trustee.

(b) In case at any time either of the following shall occur:

(i) the Trustee shall cease to be eligible in accordance with the provisions of Section 8.07 and shall fail to resign after written request therefor by the Authority or by any Owner who has been a bona fide Owner for at least six months, or

(ii) the Trustee shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, the Authority may remove the Trustee, and, with the advice of the Corporation, appoint a successor Trustee by an instrument in writing. Upon any removal of the Trustee, any outstanding fees and expenses of such former Trustee shall be paid in accordance with Section 8.06 hereof.

(c) The Authority, in the absence of an Event of Default, or the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding may, at any time, or, upon the written request of the Authority shall, remove the Trustee, and appoint a successor Trustee, by an instrument or concurrent instruments in writing signed by the Authority or such Owners, as the case may be.

(d) Any resignation or removal of the Trustee, and appointment of a successor Trustee, pursuant to any of the provisions of this Section shall become effective only upon acceptance of appointment by the successor Trustee as provided in Section 8.09.

Section 8.09. Acceptance of Trust by Successor Trustee. Any successor Trustee appointed as provided in Section 8.08 shall execute, acknowledge and deliver to the Authority, the Corporation and to its predecessor Trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trusts hereunder, with like

effect as if originally named as Trustee herein; but, nevertheless, on the Written Request of the Authority or the request of the successor Trustee, the Trustee ceasing to act shall execute and deliver an instrument transferring to such successor Trustee, upon the trusts herein expressed, all the rights, powers and trusts of the Trustee so ceasing to act. Upon request of any such successor Trustee, the Authority shall execute any and all instruments in writing necessary or desirable for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and duties. Any Trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such Trustee to secure the amounts due it as compensation, reimbursement, expenses and indemnity afforded to it by Section 8.06.

No successor Trustee shall accept appointment as provided in this Section unless at the time of such acceptance such successor Trustee shall be eligible under the provisions of Section 8.07.

Upon acceptance of appointment by a successor Trustee as provided in this Section, the successor Trustee shall give the Owners notice of the succession of such Trustee to the trusts hereunder in the manner prescribed in Section 8.08 for the giving of notice of resignation of the Trustee.

Section 8.10. Merger or Consolidation of Trustee. Any corporation or banking association into which the Trustee may be merged or with which it may be consolidated, or any corporation or banking association resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation or banking association succeeding to all or substantially all of the corporate trust business of the Trustee, or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, shall be the successor of the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided that such successor Trustee shall be eligible under the provisions of Section 8.07.

Section 8.11. Accounting Records and Reports; Financing Statements. The Trustee shall keep proper books of record and account in accordance with accounting standards in which complete and correct entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of the Revenues and the proceeds of the Bonds received by the Trustee. Such records shall specify the account or fund to which each investment (or portion thereof) held by the Trustee is to be allocated and shall set forth, in the case of each Investment Security, (a) its purchase price; (b) its value at maturity or its sale price, as the case may be; (c) the amounts and dates of any payments to be made with respect thereto; and (d) such documentation and evidence as is requested by the Corporation to establish that the requirements of Article VIII of the Tax Agreement have been met. Such records shall be open to inspection by the Authority, the Corporation and by any Owner at any reasonable time during regular business hours on reasonable notice. The Trustee shall furnish to the Corporation and, upon request, the Authority, monthly statements of all investments made by the Trustee and all funds and accounts held by the Trustee. The Trustee shall maintain such records for six years following the discharge of all Outstanding Bonds.

The Trustee shall furnish to any Owner who may make written request therefor a copy of the most recent audited financial statements of the Corporation that are in the possession of the

Trustee. The Trustee shall have no responsibility or liability with respect to the Corporation's failure to provide such statements, and the Trustee shall not be required to compel the Corporation to provide any such statements. The Trustee shall not be responsible for reviewing any statements provided to the Trustee under this Section 8.11.

The Trustee shall not be responsible for the preparation or filing of any UCC financing statements or continuation statements under this Indenture.

Section 8.12. Tax Agreement. The Trustee covenants and agrees that it will comply with all written instructions of the Corporation given in accordance with the Tax Agreement and will take any and all action as may be necessary in accordance with such written instructions. The Trustee acknowledges receipt of the Tax Agreement and acknowledges that the provisions of the Tax Agreement are incorporated herein by reference as provided in Section 6.05 hereof. The Trustee shall not be accountable for the use by the Corporation of the proceeds of the Bonds.

Section 8.13. Appointment of Co-Trustee. In the event the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional institution as a separate Co-Trustee. In the absence of an Event of Default under this Indenture, the appointment of any such separate Co-Trustee shall be subject to the approval of the Authority, following consultation with the Corporation. The following provisions of this Section are adapted to these ends.

In the event that the Trustee appoints an additional institution as a separate Co-Trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, interest or lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such Co-Trustee but only to the extent necessary to enable such Co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such Co-Trustee shall run to and be enforceable by either of them. Such Co-Trustee may be removed by the Trustee at any time, with or without cause.

Should any instrument in writing from the Authority be required by the Co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority. In case any Co-Trustee, or a successor, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such Co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such Co-Trustee.

ARTICLE IX

MODIFICATION OF INDENTURE, DOCUMENTS

Section 9.01. Modification Without Consent of Owners. The Authority and the Trustee, without the consent of or notice to any Owners, from time to time and at any time, but subject to the conditions and restrictions contained in this Indenture, may enter into a Supplemental Indenture or Indentures, which Supplemental Indenture or Indentures thereafter shall form a part hereof; and the Trustee, without the consent of or notice to any Owners, from time to time and at any time, may consent to any Amendment to any Document; in each case for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Authority contained in this Indenture, or of the Corporation contained in any Document, other covenants and agreements thereafter to be observed, or to assign or pledge additional security for any of the Bonds or any Parity Debt, or to surrender any right or power herein or therein reserved to or conferred upon the Authority or the Corporation; provided, that no such covenant, agreement, assignment, pledge or surrender shall materially adversely affect the interests of the Owners of the Bonds;

(b) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing, correcting or supplementing any defective provision contained in this Indenture or any Document, or in regard to matters or questions arising under this Indenture or any Document, as the Authority may deem necessary or desirable and which shall not materially adversely affect the interests of the Owners of the Bonds;

(c) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof or thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect, and, if they so determine, to add to this Indenture as therefore supplemented and amended such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute, and which shall not adversely affect the interests of the Owners of the Bonds;

(d) to provide for any additional procedures, covenants or agreements necessary to maintain the Tax-Exempt status of interest on the Series 2021A Bonds; provided that such amendment or supplement shall not materially adversely affect the interests of the Owners of the Bonds;

(e) to modify or eliminate the book-entry-registration system for any of the Bonds;

(f) to provide for the procedures required to permit any Owner to separate the right to receive interest on the Bonds from the right to receive principal thereof and to sell or dispose of such rights, as contemplated by Section 1286 of the Code;

(g) to provide for the appointment of a Co-Trustee or the succession of a new Trustee;

(h) to change Exhibit A to the Agreement in accordance with the provisions thereof and of the Tax Agreement; or

(i) in connection with any other change which will not adversely affect the security for the Bonds or the Tax-Exempt status of interest on the Series 2021A Bonds or otherwise materially adversely affect the interests of the Owners of the Bonds, such determination to be based upon an Opinion of Bond Counsel.

The Authority and/or the Trustee may execute and deliver such Supplemental Indenture or Amendment, but only after there shall have been delivered to the Trustee an Opinion of Bond Counsel stating that such Supplemental Indenture or Amendment is: (i) authorized or permitted by this Indenture, the Act and other applicable law; (ii) complies with the applicable terms of this Section; (iii) will, upon the execution and delivery thereof be a valid and binding agreement of the Authority; and (iv) will not adversely affect the Tax-Exempt status of interest on the Series 2021A Bonds.

Notwithstanding the foregoing provisions of this Section, the Trustee shall not be obligated to enter into any such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such Supplemental Indenture, and the Trustee shall not enter into any Supplemental Indenture or consent to any Amendment without first obtaining the written consent of the Corporation. Any Supplemental Indenture or Amendment permitted pursuant to this Section may be approved by an Authorized Signatory and need not be approved by resolution or other action of the Commission of the Authority.

Section 9.02. Modification With Consent of Owners. Subject to the provisions of Section 11.03, with the consent of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding, evidenced as provided in Section 11.06, (i) the Authority and the Trustee may from time to time and at any time enter into a Supplemental Indenture or Indentures for the purpose of adding any provisions to or changing in any manner or, eliminating any of the provisions of this Indenture as theretofore supplemented and amended; (ii) the Authority and the Corporation may enter into any Amendment; and (iii) the Trustee may consent to any Amendment to any Document and any other matters for which its consent is required pursuant to Section 9.01; provided, however, that no such Supplemental Indenture or Amendment will have the effect of extending the time for payment or reducing any amount due and payable by the Corporation pursuant to the Agreement without the consent of the Owners of all Bonds then Outstanding; and that no such Supplemental Indenture shall (A) extend the fixed maturity of any Bond or reduce the rate of interest thereon or extend the time of payment of interest, or reduce the amount of the principal thereof, without the consent of the Owner of each Bond so affected; or (B) reduce the aforesaid percentage of Owners whose consent is required for the execution of such Supplemental Indentures or Amendments, or permit the creation of any lien on the Revenues and the other assets pledged as security for Bonds hereunder prior to or on a parity with the lien of this Indenture, except as permitted herein, or permit the creation of any preference of any Owner over any other Owner, except as permitted herein, or deprive the Owners of the Bonds of the lien created by this Indenture upon the Revenues and the other assets pledged to the payment of the Bonds under this Indenture, without the consent of the Owners of all Bonds then

Outstanding. Nothing in this Section shall be construed as making necessary the approval of any Owner of any Supplemental Indenture or Amendment permitted by the provisions of Section 9.01.

Upon receipt by the Trustee of: (1) a Certified Resolution authorizing the execution of any such Supplemental Indenture or Amendment; (2) an Opinion of Bond Counsel stating that such Supplemental Indenture or Amendment is: (aa) authorized or permitted by this Indenture, the Act and other applicable law; (bb) complies with the applicable terms of this Section; (cc) in the case of a Supplemental Indenture, will, upon the execution and delivery thereof, be a valid and binding agreement of the Authority; and (dd) will not adversely affect the Tax-Exempt status of interest on the Series 2021A Bonds; and (3) evidence of the consent of the Owners, as aforesaid, the Trustee shall join with the Authority in the execution of such Supplemental Indenture or shall consent to such Amendment; provided, however, that (aa) the Trustee shall not be obligated to enter into any such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its sole discretion, but shall not be obligated to, enter into such Supplemental Indenture; and (bb) the Trustee shall not enter into such Supplemental Indenture or consent to any Amendment of any Document without first obtaining the Corporation's written consent thereto.

It shall not be necessary for the consent of the Owners under this Section to approve the particular form of any proposed Supplemental Indenture or Amendment, but it shall be sufficient if such consent shall approve the substance thereof.

Promptly after the execution by the parties thereto of any Supplemental Indenture or Amendment as provided in this Section, the Trustee shall mail a notice (prepared by the Corporation) setting forth in general terms the substance of such Supplemental Indenture or such Amendment to each Owner at the address contained in the Bond Register. Any failure of the Trustee to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture or such Amendment.

Section 9.03. Effect of Supplemental Indenture or Amendment. Upon the execution of any Supplemental Indenture or any Amendment to the Agreement pursuant to the provisions of this Article IX, this Indenture or the Agreement, as the case may be, shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture and the Agreement of the Authority, the Trustee, the Corporation and all Owners of Outstanding Bonds shall thereafter be determined, exercised and enforced hereunder and under the Agreement subject in all respects to such Supplemental Indentures and Amendments, and all the terms and conditions of any such Supplemental Indenture or Amendment shall be part of the terms and conditions of this Indenture or the Agreement, as the case may be, for any and all purposes.

Section 9.04. Required and Permitted Opinions of Counsel. Subject to the provisions of Section 9.01, the Trustee is entitled to receive an Opinion of Bond Counsel and rely on such Opinion of Bond Counsel as conclusive evidence that any Supplemental Indenture or Amendment executed pursuant to the provisions of this Article IX complies with the applicable requirements of this Article IX, that the appropriate consents have been obtained and that such Supplemental Indenture or Amendment has been duly authorized by the Authority.

Section 9.05. Notation of Modification on Bonds; Preparation of New Bonds. Bonds authenticated and delivered after the execution of any Supplemental Indenture pursuant to the provisions of this Article IX may bear a notation, at the Written Request of the Authority, as to any matter provided for in such Supplemental Indenture, and if such Supplemental Indenture shall so provide, new Bonds, so modified as to conform, in the opinion of the Trustee and the Authority, to any modification of this Indenture contained in any such Supplemental Indenture, may be prepared by the Authority, authenticated by the Trustee and delivered without cost to the Owners of the Bonds then Outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

ARTICLE X

DEFEASANCE

Section 10.01. Discharge of Indenture. If all Bonds shall be paid and discharged in any one or more of the following ways:

- (a) by the payment of the principal of and interest on all Bonds as and when the same become due and payable; or
- (b) by providing for the payment of the principal of and interest on all Bonds as provided in Section 10.02; or
- (c) by the delivery to the Trustee, for cancellation by it, of all Bonds;

and if all other sums payable hereunder by the Corporation and the Authority shall be paid and discharged, then thereupon this Indenture shall be satisfied and discharged and shall cease, terminate and become null and void, and thereupon the Trustee shall, upon Written Request of the Authority, and upon receipt by the Trustee and the Authority of an Opinion of Bond Counsel to the effect that all conditions precedent to the satisfaction and discharge of this Indenture have been complied with, forthwith execute proper instruments acknowledging satisfaction of and discharging this Indenture. The satisfaction and discharge of this Indenture shall be without prejudice to the rights of the Trustee and the Authority to charge and be reimbursed by the Corporation for any expenditures which it may thereafter incur in connection herewith.

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

Section 10.02. Discharge of Liability on Particular Bonds.

- (a) Any Bond or a portion thereof shall be deemed to be paid within the meaning of this Indenture when payment of the principal of such Bond or a portion thereof plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption or by declaration as provided herein) shall have been provided for by (i) irrevocably depositing with the Trustee in trust and irrevocably setting aside exclusively for such payment money and/or nonprepayable, noncallable Government Obligations as

provided in Section 10.03; and (ii) if such Bond or portion thereof is to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article V provided or provision satisfactory to the Trustee shall have been made for giving such notice.

(b) In the event of the provision of the payment of less than the full principal amount of a Bond in accordance with Section 10.02(a) above, the principal amount of the Bond as to which such payment is not provided for shall be in an Authorized Denomination and, unless that portion of the Bond as to which payment is provided for in accordance with Section 10.02(a) above is to be paid or redeemed within sixty days of the deposit with the Trustee, such portion will also be in an Authorized Denomination.

(c) Upon the deposit with the Trustee, in trust, at or before maturity or the redemption date, as applicable, of money and/or nonprepayable, noncallable Government Obligations as provided in Section 10.03 to pay or redeem a Bond or a portion thereof and the satisfaction of the other conditions specified in Section 10.02(a) above, such Bond, or the applicable portion thereof, shall be deemed to be paid hereunder, shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of any such payment from such money and/or Government Obligations deposited with the Trustee for such purpose, and all liability of the Authority and the Corporation in respect of such Bond, or the applicable portion thereof, shall cease, terminate and be completely discharged, except that the Authority and the Corporation shall remain liable for the payment of the principal of and interest on such Bond, or the applicable portion thereof, but only from, and the Owners shall thereafter be entitled only to payment (without interest accrued thereon after such redemption date or maturity date) out of, the money and/or Government Obligations deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Sections 6.05 and 10.03.

Section 10.03. Deposit of Money or Securities With Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or Government Obligations in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or nonprepayable, noncallable Government Obligations held by the Trustee in the funds and accounts established pursuant to this Indenture and shall be:

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

(b) nonprepayable, noncallable Government Obligations, the principal of and the interest on which when due will provide money at the times and in the amounts sufficient, together with the other moneys held by the Trustee for such purpose (as evidenced by an Accountant's Report) to pay the principal or redemption price of and all

unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or redemption price and interest become due; provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice; provided, in each case, that the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by Written Request of the Authority) to apply such money and the payments on such Government Obligations to the payment of such principal or redemption price and interest with respect to such Bonds. The Trustee shall not be responsible for verifying the sufficiency of money and Government Obligations deposited with the Trustee to provide for the payment of the principal of and interest on Bonds pursuant to this Article X but may conclusively rely for all purposes of this Indenture on an Accountant's Report as to such sufficiency.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Successors and Assigns of Authority. All the covenants, stipulations, promises and agreements in this Indenture contained, by or on behalf of the Authority, shall bind and inure to the benefit of its successors and assigns, whether so expressed or not. If any of the powers or duties of the Authority shall hereafter be transferred by any law of the State, and if such transfer shall relate to any matter or thing permitted or required to be done under this Indenture by the Authority, then the body or official of the State who shall succeed to such powers or duties shall act and be obligated in the place and stead of the Authority as provided in this Indenture.

Section 11.02. Limitation of Rights. Nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any Person other than the Authority, the Trustee, the Corporation and the Owners of the Bonds any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the Trustee, the Corporation and the Owners of the Bonds.

Section 11.03. Waiver of Notice. Whenever in this Indenture the giving of notice to a Person is required, the giving of such notice may be waived in writing by the Person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 11.04. Severability of Invalid Provisions. In case any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, but this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 11.05. Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper on the Authority, the Trustee, the Corporation, or the Underwriter, if the

same shall have been actually received. Notices hereunder sent by mail shall be sent by first-class mail or overnight mail, postage prepaid, addressed as follows:

- to the Authority: City of Fullerton Public Financing Authority
303 West Commonwealth Avenue
Fullerton, CA 92832
Attention: Executive Director
- to the Trustee: Wilmington Trust, National Association
650 Town Center Drive, Suite 600
Costa Mesa, California 92626
Attention: Corporate Trust Department
- to the Corporation: Marshall B. Ketchum University
2575 Yorba Linda Boulevard
Fullerton, CA 92831-1699
Attention: Senior Vice President of Financial Affairs and
Chief Financial Officer
- to the Underwriter: Stifel Nicolaus & Company, Incorporated
Suite 1800
515 South Figueroa Street
Los Angeles, CA 90071
Attention: John Kim

The Authority, the Trustee, the Corporation and the Underwriter may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. A duplicate copy of each notice, certificate or other communication given hereunder by the Authority or the Trustee to the other shall also be given to the Corporation and the Underwriter. Unless otherwise requested by the Authority, the Trustee, the Corporation or the Underwriter, any notice required to be given hereunder in writing may be given by any form of Electronic Notice capable of making a written record. Each such party shall file with the Trustee information appropriate to receiving such form of Notice.

Section 11.06. Evidence of Rights of Owners.

(a) Any request, consent or other instrument required by this Indenture to be signed and executed by Owners may be in any number of concurrent writings of substantially similar tenor and may be signed or executed by such Owners in person or by agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee, the Trustee and the Authority if made in the manner provided in this Section 11.06.

(b) The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person

signing such request, consent or other instrument or writing acknowledged to him or her the execution thereof. The fact and the date of execution of any request, consent or other instrument may also be proved in any other manner which the Trustee may deem sufficient. The Trustee may nevertheless, in its discretion, require further proof in cases where it may deem further proof desirable.

(c) The ownership of Bonds shall be proved by the Bond Register.

(d) Any request, consent or vote of the Owner shall bind every future Owner of the same Bond and the Owner issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in pursuance of such request, consent or vote.

(e) Except as otherwise provided herein, in determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned by the Authority, by the Corporation or by any other direct or indirect obligor on the Bonds, or by any Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority, the Corporation, or any other direct or indirect obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination; provided that, for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver, only Bonds which the Trustee knows to be so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section 11.06(e) if the pledgee shall certify to the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority, the Corporation or any other direct or indirect obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

(f) In lieu of obtaining any demand, request, direction, consent or waiver in writing, the Trustee may call and hold a meeting of the Owners upon such notice and in accordance with such rules and regulations, including the right of the Owners to be represented and vote by proxy, as the Trustee considers fair and reasonable for the purpose of obtaining any such action.

Section 11.07. Waiver of Personal Liability. No member, officer, official, agent or employee of the Authority shall be individually or personally liable for the payment of the principal of or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds; but nothing herein contained shall relieve any such member, officer, official agent or employee from the performance of any official duty provided by law or by this Indenture.

Section 11.08. Governing Law; Venue. This Indenture shall be construed in accordance with and governed by the Constitution and laws of the State applicable to contracts made and performed in the State. This Indenture shall be enforceable in the State, and any action arising out

of this Indenture shall be filed and maintained in the Orange County Superior Court, unless the Authority waives this requirement.

Section 11.09. Execution in Several Counterparts. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 11.10. [Reserved].

Section 11.11. Unclaimed Moneys. Notwithstanding any provisions of this Indenture to the contrary, and subject to applicable laws of the State, any moneys deposited with the Trustee in trust for the payment of the principal of, or interest on, any Bonds remaining unclaimed for two years after the principal of any or all of the Outstanding Bonds has become due and payable (whether at maturity or upon call for redemption or by declaration as provided in this Indenture), shall then be repaid to the Corporation, and the Owners of such Bonds shall thereafter be entitled to look only to the Corporation for payment thereof, and all liability of the Authority and the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the Corporation as aforesaid, the Trustee shall (at the request and cost of the Corporation) first give notice by mail to each affected Owner, which notice shall be in such form as may be deemed appropriate by the Corporation and the Trustee, in respect of the Bonds so payable and not presented and in respect of the provisions relating to the repayment to the Corporation of the moneys held for the payment thereof. In the event of the repayment of any such moneys to the Corporation as aforesaid, the Owners of the Bonds in respect of which such moneys were deposited shall thereafter be deemed to be unsecured creditors of the Corporation for amounts equivalent to the respective amounts deposited for the payment of such Bonds and so repaid to the Corporation (without interest thereon).

Section 11.12. Moneys Held for Particular Bonds. Except as otherwise provided in Section 7.02, the amounts held by the Trustee for the payment of the interest, principal, or redemption price due on any date with respect to particular Bonds which are deemed paid in accordance with Article X shall be set aside on its books and held in trust by it for the Owners entitled thereto.

Section 11.13. Non-Liability of Authority. The Authority shall not be obligated to pay the principal (or redemption price) of or interest on the Bonds, except from Revenues and other moneys and assets received by the Trustee pursuant to the Loan Agreement. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof (including the City), nor the faith and credit of the Authority is pledged to the payment of the principal (or Redemption Price) or interest on the Bonds. Neither the Authority nor the City shall be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with the Loan Agreement, the Bonds or the Indenture, except only to the extent amounts are received for the payment thereof from the Corporation under the Loan Agreement.

The Trustee hereby acknowledges that the Authority's sole source of moneys to repay the Bonds will be provided by the payments made by the Corporation to the Trustee pursuant to the

Loan Agreement, together with investment income on certain funds and accounts held by the Trustee under the Indenture, and hereby agrees that if the payments to be made under the Loan Agreement shall ever prove insufficient to pay all principal (or redemption price) and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise), then the Trustee shall give notice to the Corporation in accordance with Section 7.01 of the Indenture to pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal (or redemption price) or interest, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Trustee, the Corporation, the Authority or any third party, subject to any right of reimbursement from the Trustee, the Authority or any such third party, as the case may be, therefor.

Section 11.14. Notification to Authority Regarding Amount of Outstanding Bonds.

On or before July 15 of each year the Trustee shall notify the Authority, via mutually acceptable electronic means or by mail, of the aggregate principal amount of Outstanding Bonds as of June 30 of such year or that no Bonds remain Outstanding.

Section 11.15. Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in the Indenture or this Loan Agreement, and, unless otherwise specifically provided, no interest shall accrue for the period from and after such nominal date.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Authority has caused this Indenture to be signed in its name by an Authorized Signatory of the Authority, and the Trustee, in token of its acceptance of the trust created hereunder, has caused this Indenture to be signed in its name by its duly authorized signatory, all as of the day and year first above written.

CITY OF FULLERTON PUBLIC
FINANCING AUTHORITY

By _____
_____, Authorized Signatory

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee

By _____
Authorized Officer

EXHIBIT A

FORM OF BOND

THIS BOND DOES NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY, AND IS PAYABLE SOLELY FROM THE FUNDS PROVIDED THEREFOR IN THE INDENTURE. THE AUTHORITY IS NOT OBLIGATED TO PAY THE PRINCIPAL OF THE BONDS, OR THE REDEMPTION PREMIUM OR INTEREST THEREON, EXCEPT FROM THE FUNDS PROVIDED UNDER THE INDENTURE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE REDEMPTION PREMIUM OR INTEREST ON THE BONDS. THE ISSUANCE OF THE BONDS DOES NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE AUTHORITY HAS NO TAXING POWER.

**CITY OF FULLERTON PUBLIC FINANCING AUTHORITY
REFUNDING REVENUE BOND
(MARSHALL B. KETCHUM UNIVERSITY)
[SERIES 2021A OR SERIES 2021B (TAXABLE), AS APPROPRIATE]**

No. R- _____ \$ _____

Interest Rate	Maturity Date	Original Issue Date	CUSIP
%	[February 1][, 20__]	[September __], 2021	

REGISTERED OWNER: **CEDE & CO.**

PRINCIPAL AMOUNT: _____

The City of Fullerton Public Financing Authority, a public instrumentality of the State of California (the "Authority"), for value received, hereby promises to pay, but only out of the Revenues (capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Indenture of Trust described below) and the other moneys pledged therefor under the Indenture, to the registered owner identified above or registered assigns, on the maturity date set forth above, the principal amount set forth above and to pay, but only out of the Revenues and the other moneys pledged therefor under the Indenture, interest on the balance of said principal amount from time to time remaining unpaid until payment of said principal amount has been made or duly provided for on the due date of such principal, at the rate per annum set forth above and on the dates described herein and in the Indenture, except as the provisions hereinafter set forth

with respect to redemption or acceleration prior to maturity may become applicable hereto. The principal of this Bond is payable in lawful money of the United States of America upon surrender hereof at the Principal Corporate Trust Office of Wilmington Trust, National Association in Costa Mesa, California or at the principal corporate trust office of its successors and assigns, as trustee (the "Trustee"). Except as provided in the next paragraph, interest payments on this Bond shall be made by the Trustee on each [February] 1 and [August] 1 following the date of authentication hereof (each an Interest Payment Date) to the Person appearing on the Bond Register as the registered Owner hereof as of the close of business on the fifteenth day of the month preceding the Interest Payment Date (the Record Date), such interest to be paid by the Trustee to such registered Owner (a) in the event this Bond is a Book-Entry Bond, in immediately available funds on the Interest Payment Date in accordance with the Representation Letter; and (b) in the event this Bond is not a Book-Entry Bond, (i) in immediately available funds (by wire transfer or by deposit to the account of the registered Owner of this Bond if such account is maintained with the Trustee), according to the instructions given by such registered Owner to the Trustee; or (ii) in all other cases, by check mailed by first-class mail to the registered Owner at such registered Owner's address as it appears as of the Record Date on the Bond Register; except, in each case, that, if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the Owner in whose name this Bond is registered as of a special record date to be fixed by the Trustee.

Interest on this Bond shall be computed on the basis of a 360-day year of twelve 30-day months from the Interest Payment Date to which interest has been paid (or duly provided for) next preceding the date of authentication hereof, unless (a) such date of authentication shall be prior to the first Interest Payment Date, in which case interest shall be computed from the Issue Date; or (b) such date of authentication shall be an Interest Payment Date, in which case interest shall be computed from such date of authentication; provided, that if interest on this Bond shall be in default, this Bond or any Bonds issued in exchange for this Bond shall bear interest from the last date to which interest has been paid in full (or duly provided for) on this Bond or, if no interest has been paid (or duly provided for) on this Bond, from the Issue Date.

This Bond is one of a duly authorized issue of bonds of the City of Fullerton Public Financing Authority designated as the "City of Fullerton Public Financing Authority Refunding Revenue Bonds (Marshall B. Ketchum University) [Series 2021A or Series 2021B (Taxable), as appropriate]." The Bonds are being issued for the purpose of loaning the proceeds thereof to Marshall B. Ketchum University, a nonprofit public benefit corporation organized under the laws of the State of California (the "Corporation"). The Bonds are limited in aggregate principal amount as provided in, and issued under and secured by, an Indenture of Trust, dated as of [September] 1, 2021 (the "Indenture"), between the Authority and the Trustee. Reference is hereby made to the Indenture and all indentures supplemental thereto for a description of the rights thereunder of the Owners of the Bonds, of the nature and extent of the security, of the rights, duties and immunities of the Trustee and of the rights and obligations of the Authority thereunder, to all of the provisions of which Indenture the Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds are authorized to be issued pursuant to the Joint Exercise of Powers Act, constituting Division 5 of Title 7 of the California Government Code (commencing at Section 6500), as now in effect (the "Act"). The Bonds are limited obligations of the Authority and, as and to the extent set forth in the Indenture, are payable solely from, and secured by a pledge of and

lien on, the Revenues, consisting primarily of loan repayments made by the Corporation under the terms of a Loan Agreement, dated as of [September] 1, 2021 (the “Agreement”), between the Authority and the Corporation, and the moneys and securities in certain funds held by the Trustee under the Indenture, such Revenues, moneys and securities being subject to application on the terms and conditions, and for the purposes, provided in the Indenture.

The Bonds do not constitute a debt or liability of the State of California or any political subdivision thereof, other than the limited obligation of the Authority as provided in the Indenture. The Bonds do not constitute a pledge of the faith and credit of the State of California or any political subdivision thereof, but shall be payable solely from the funds provided therefor in the Indenture. Neither the faith and credit nor the taxing power of the State of California is pledged to the payment of the principal of, or interest on, this Bond and no Owner or Beneficial Owner of this or any other Bond shall have any right to demand payment of the principal of, or interest on, the Bonds by the Authority, the State or any political subdivision thereof, out of any funds to be raised by taxation or appropriation.

The Bonds are deliverable in the form of registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. Subject to the limitations and upon payment of the charges, if any, provided in the Indenture, Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of like tenor in Authorized Denominations.

This Bond is transferable by the Owner hereof, in person, or by its attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond or Bonds of like tenor in Authorized Denominations, for the same aggregate principal amount, will be issued to the transferee in exchange herefor.

The Authority and the Trustee, and any agent of the Authority or the Trustee, may treat the Person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment of the principal of or interest on this Bond, any notice with respect to this Bond or the Indenture and for all other purposes, whether or not this Bond be overdue, and neither the Authority, the Trustee, nor any such agent shall be affected by notice to the contrary.

The Bonds are subject to optional and mandatory redemption at the times, subject to the terms and conditions and at the prices set forth in the Indenture.

Notice of redemption having been duly given as set forth in the Indenture, and moneys for payment of the redemption price being held by the Trustee, the Bonds so called for redemption shall, on the redemption date designated in such notice, become due and payable at the redemption price specified in such notice, interest on the Bonds so called for redemption shall cease to accrue, said Bonds shall cease to be entitled to any lien, benefit or security under the Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof (including interest, if any, accrued to the redemption date), without interest accrued on any funds held after the redemption date to pay such redemption price.

No member, officer, agent or employee of the Authority, and no officer, official, agent or employee of the City of Fullerton shall be individually or personally liable for the payment of the principal of or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds, and all such liability of any such member, officer, agent or employee as such is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of the Bonds.

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. If an Event of Default under the Indenture occurs and is continuing, the principal of all Bonds then outstanding issued under the Indenture may be declared due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

The Indenture may be amended with and without consent of the Owners of the Bonds, in each case under the circumstances and subject to the conditions set forth in the Indenture.

The Indenture prescribes the manner in which Bonds may be discharged and after which such Bonds shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of registration of the transfer of ownership and exchange of Bonds and of payment from the sources provided in accordance with the Indenture of the principal or redemption price of, and interest on, such Bonds as the same become due, including a provision that under certain circumstances Bonds shall be deemed to be paid if moneys or United States Government Securities maturing as to principal and interest in such amounts and at such times as to insure the availability of sufficient moneys to pay such principal or redemption price of, and interest on, such Bonds shall have been deposited with the Trustee.

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

It is hereby certified that all of the conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Act and by the Constitution and statutes of the State of California and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or statutes of the State of California.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Authority has caused this Bond to be executed in its name and on its behalf by the facsimile signature of its Chair, all as of the Issue Date set forth above.

CITY OF FULLERTON PUBLIC FINANCING
AUTHORITY

By _____,
_____, Chair

CERTIFICATE OF AUTHENTICATION

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

Date of Authentication: _____, 20__

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee

By _____
_____, Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please Print or Typewrite Name and Address of Assignee)
(Insert Social Security or other Identifying Number of Assignee)

the within Bond and hereby irrevocably constitutes and appoints _____ attorney to register the transfer of said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges and who is a member of a Medallion Signature Program.

TRANSFER FEE MAY BE REQUIRED

EXHIBIT B

FORM OF COSTS OF ISSUANCE FUND REQUISITION

REQUISITION FOR MONEY FROM THE COSTS OF ISSUANCE FUND

Wilmington Trust, National Association, as Trustee
Attention: Corporate Trust Services

Re: City of Fullerton Public Financing Authority Refunding Revenue Bonds
(Marshall B. Ketchum University) [Series 2021A or Series 2021B (Taxable)]

The undersigned, on behalf of Marshall B. Ketchum University, hereby requests payment, from the Costs of Issuance Fund for the Bonds identified above, of the total amount shown on the attached Schedule to the order of the payee or payees named on such Schedule, as payment or reimbursement for costs incurred or expenditures made in connection with the issuance of the above-captioned Bonds. The payee(s), the purpose and the amount of the disbursement requested are as follows on the attached Schedule I.

All capitalized terms used herein shall have the meanings given such terms in the Indenture of Trust, dated as of [September] 1, 2021 (the "Indenture"), between the City of Fullerton Public Financing Authority and Wilmington Trust, National Association, as Trustee, relating to the Bonds.

The undersigned hereby certifies that each obligation mentioned herein is a Cost of Issuance as defined in the Indenture, has been properly incurred and is a proper charge against the Costs of Issuance Fund. None of the items for which payment is requested has been reimbursed previously from the Costs of Issuance Fund, and none of the payments herein requested will result in a breach of the representations and agreements in Section 2.02 of the Agreement or, with respect to the Bonds, a breach of the Tax Agreement.

Dated: _____, 20__

MARSHALL B. KETCHUM UNIVERSITY

By _____
_____, Authorized Corporation
Representative

EXHIBIT C

INSTRUCTIONS TO THE TRUSTEE

 \$[PARA]
City of Fullerton Public Financing Authority
Refunding Revenue Bonds
(Marshall B. Ketchum University)
Series 2021A

 \$[PARB]
City of Fullerton Public Financing Authority
Refunding Revenue Bonds
(Marshall B. Ketchum University)
Series 2021B (Taxable)

INSTRUCTIONS TO THE TRUSTEE

The undersigned hereby states and certifies to and instructs Wilmington Trust, National Association, as trustee (the “Trustee”) under the Indenture of Trust (the “Indenture”), dated as of [September] 1, 2021, between the City of Fullerton Public Financing Authority (the “Authority”) and the Trustee, in connection with the issuance and sale of the above-captioned Series 2021A Bonds (the “Series A Bonds”) and the above-captioned Series 2021B Bonds (the “Series 2021B Bonds” and, together with the Series A Bonds, the “Bonds”) that:

1. The undersigned is an Authorized Signatory under the Indenture with authority to instruct the Trustee regarding the disbursement of the Bond proceeds and authentication of the Bonds.

2. Pursuant to the terms of the Indenture, the Authority has executed and delivered to the Trustee said Bonds. The Trustee is hereby authorized and directed to authenticate each Bond by signing the certificate of authentication appearing thereon.

3. Upon receipt from the Underwriter of \$[_____] proceeds from the sale of the Bonds[, together with \$[_____] received from Marshall B. Ketchum University (the “Corporation”)], the Trustee is instructed to apply such amounts as set forth in Section 2.05 of the Indenture, and as set forth below.

4. [The Trustee is instructed to transfer to [TITLE COMPANY] the \$[_____] received from the Corporation (which, together with \$[_____] already on deposit, represents the Corporation’s equity deposit of \$[_____] for a portion of the Anaheim building acquisition costs).]

5. From net proceeds of the Series 2021A Bonds in the amount of \$[_____] , which is the purchase price of the Series 2021A Bonds, the Trustee is instructed to apply such amount as follows:

\$[_____]	Deposited into the Costs of Issuance Fund
[_____]	Transferred to the Refunded Bonds Trustee to redeem the Refunded Bonds.
\$[_____]	Total Proceeds Received

6. From net proceeds of the Series 2021B Bonds in the amount of \$[_____], which is the purchase price of the Series 2021B Bonds, the Trustee is instructed to apply such amount as follows:

\$[_____]	Deposited into the Costs of Issuance Fund
[_____]	Transferred to the Refunded Bonds Trustee to redeem the Refunded Bonds
\$[_____]	Total Proceeds Received

Capitalized terms used herein and not defined herein shall have the meaning given such terms in the Indenture.

Dated: _____, 2021

CITY OF FULLERTON PUBLIC
FINANCING AUTHORITY

By _____
_____, Authorized Signatory