
**FIRST SUPPLEMENTAL
TRUST AGREEMENT**

by and among

U.S. BANK NATIONAL ASSOCIATION

and

**ORANGE COUNTY DEPARTMENT OF EDUCATION
FACILITIES CORPORATION**

and

ORANGE COUNTY BOARD OF EDUCATION

Dated as of _____ 1, 2019

FIRST SUPPLEMENTAL TRUST AGREEMENT

THIS FIRST SUPPLEMENTAL TRUST AGREEMENT (this “First Supplemental Trust Agreement”), dated as of _____ 1, 2019, is by and among U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as Trustee (the “Trustee”), the ORANGE COUNTY DEPARTMENT OF EDUCATION FACILITIES CORPORATION, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the “Corporation”), and the ORANGE COUNTY BOARD OF EDUCATION, a county board of education organized and existing under the laws of the State of California (the “Board”).

WITNESSETH:

WHEREAS, in order to refinance certain school facilities, the Board caused to be executed and delivered the Orange County Board of Education Certificates of Participation (Esplanade Restructuring Program) (the “Certificates”);

WHEREAS, the Certificates were executed and delivered pursuant to the Trust Agreement, dated as of February 1, 2012 (the “Original Trust Agreement”), by and among U.S. Bank National Association, as Trustee, the Corporation and the Board (capitalized undefined terms used herein have the meanings ascribed thereto in the Original Trust Agreement);

WHEREAS, Section 11.01 of the Original Trust Agreement provides that, subject to the limitations contained therein (none of which are applicable hereto), the Trust Agreement and the rights and obligations of the Corporation, the Board, the Trustee and the Owners thereunder may be modified or amended from time to time and at any time by a Supplemental Trust Agreement, which the Corporation, the Board and the Trustee may enter into when there are filed with the Trustee the written consents of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 13.07 thereof;

WHEREAS, the Owner of all of the Outstanding Certificates has consented to this First Supplemental Trust Agreement; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this First Supplemental Trust Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this First Supplemental Trust Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties do hereby agree as follows:

PART 1

AMENDMENTS

Part 1.1. Amendments to Section 1.01. (a) Section 1.01 of the Original Trust Agreement is hereby amended by adding thereto the following definitions:

“**Advance Base Rental Payment Fund**” means the fund by that name established in accordance with Section 7.03 hereof.

“**First Supplemental Trust Agreement**” means the First Supplemental Trust Agreement, dated as of _____ 1, 2019, by and among U.S. Bank National Association, as Trustee, the Corporation and the Board.

(b) The definition “Mandatory Sinking Account Payment Date” contained in Section 1.01 of the Original Trust Agreement is hereby amended to read in full as follows:

“**Mandatory Sinking Account Payment Date**” means June 1, 2012, and each June 1 thereafter continuing through and including June 1, 2029.

Part 1.2. Amendment to Section 2.02. The second sentence of subsection (b) of Section 2.02 of the Original Trust Agreement is hereby amended to read in full as follows:

The principal evidenced by the Certificates shall become due and payable, subject to prior prepayment, on June 1, 2029.

Part 1.3. Amendment to Section 3.05. Clause (c) of Section 3.05 of the Original Trust Agreement is hereby amended to read in full as follows:

(c) either (i) the Owners of the Certificates shall have consented to a new Adjustment Period to be in effect on such Change Date and a new Adjusted Interest Rate to be evidenced by the Certificates during such Adjustment Period, as provided in subsections (a) and (b) of Section 3.08 hereof, or (ii) a new Adjustment Period to be in effect on such Change Date and a new Adjusted Interest Rate to be evidenced by the Certificates during such Adjustment Period are effected pursuant to subsection (c) of Section 3.08 hereof,

Part 1.4. Amendment to Section 3.08. Section 3.08 of the Original Trust Agreement is hereby amended by adding after subsection (b) thereof a new subsection (c), which shall read in full as follows:

(c) The Adjustment Period that shall be in effect on the Change Date that is December 1, 2019 shall be the period from such Change Date to but not including June 1, 2029 and the Adjusted Interest Rate to be evidenced by the Certificates during such Adjustment Period shall be ____% per annum.

Part 1.5. Amendment to Section 4.03. Subsection (a) of Section 4.03 of the Original Trust Agreement is hereby amended to read in full as follows:

(a) The Certificates are subject to prepayment prior to their stated Principal Payment Date, in part, from Mandatory Sinking Account Payments, on June 1, 2012 and each June 1 thereafter continuing through and including June 1, 2029 as specified below, at a prepayment price equal to the principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium; provided, however, that, if such June 1 is not the first Business Day of the month, the prepayment price for Certificates in the Daily Rate Mode or the Weekly Rate Mode shall not include such accrued interest. The principal evidenced by such Certificates to be so prepaid and the dates therefor shall be as set forth below; provided, however, that the amounts of such principal to be so prepaid are subject to adjustment as provided in Section 3.02 of the Lease Agreement:

Prepayment Date (June 1)	Principal To Be Prepaid
2012	\$ 200,000
2013	230,000
2014	270,000
2015	310,000
2016	350,000
2017	400,000
2018	450,000
2019	500,000
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029*	

* Stated Principal Payment Date

If some but not all of the principal evidenced by the Certificates is prepaid pursuant to Section 4.01 hereof, the principal evidenced by the Certificates to be prepaid pursuant to Section 4.03 hereof on any subsequent June 1 shall be reduced by the aggregate principal evidenced by the Certificates so prepaid pursuant to Section 4.01 hereof, such reduction to be allocated among prepayment dates in proportion to the amount by which the principal components of the Base Rental Payments evidenced by such Certificates payable on such prepayment dates are abated pursuant to Section 3.06 of the Lease Agreement as a result of the event that caused such Certificates to be prepaid pursuant to Section 4.01 hereof in amounts of Authorized Denominations. If some but not all of the principal evidenced by the Certificates is prepaid pursuant to Section 4.02 hereof, the

principal evidenced by the Certificates to be prepaid pursuant to Section 4.03 hereof on any subsequent June 1 shall be reduced by the aggregate principal evidenced by the Certificates so prepaid pursuant to Section 4.02 hereof, such reduction to be allocated among prepayment dates in amounts of Authorized Denominations to correspond to the prepaid Base Rental Payments elected by the Board pursuant to Section 7.02 of the Lease Agreement.

Part 1.6. Amendment to Section 7.03. Section 7.03 of the Original Trust Agreement is hereby amended by adding after subsection (c) thereof a new subsection (d), which shall read in full as follows:

(d) The Trustee shall establish and maintain the Advance Base Rental Payment Fund until all required Base Rental Payments are paid in full pursuant to the Lease Agreement and until the first date upon which the Certificates are no longer Outstanding. Upon receipt by the Trustee from the Board of an amount of monies, together with a Written Request of the Board to deposit such monies in the Advance Base Rental Payment Fund, the Trustee shall so deposit said monies. Upon receipt by the Trustee of a Written Request of the Board to withdraw monies from the Advance Base Rental Payment Fund and deposit such monies in the Base Rental Payment Fund on the next occurring Base Rental Deposit Date, which Written Request shall specify the amount of monies to be so withdrawn, the Trustee shall so withdraw and deposit such monies. Any monies so withdrawn and deposited shall constitute a payment by the Board of the portion of the Base Rental Payment due and payable by the Board on the Interest Payment Date next succeeding such Base Rental Deposit Date in an amount equal to the amount so withdrawn and deposited.

Part 1.7. Amendment to Article XIII. Article XIII of the Original Trust Agreement is hereby amended by adding after Section 13.02 thereof a new Section 13.03, which shall read in full as follows:

Section 13.03. Additional Provisions on the Change Date that is December 1, 2019. (a) The Additional Provisions incorporated into this Trust Agreement on and as of the Change Date with respect to the Initial Mode shall, on and as of the Change Date that is December 1, 2019, no longer be incorporated herein and shall no longer be of any force or effect.

(b) There is hereby incorporated into this Trust Agreement, on and as of the Change Date that is December 1, 2019, the Additional Provisions attached to the First Supplemental Trust Agreement as Exhibit A, such Additional Provisions to take effect as of the effective date hereof.

PART 2

Preparation of New Certificates

Part 2.1. Preparation of New Certificates. (a) The form of Certificates, modified as to conform to the amendments contained in this First Supplemental Trust Agreement, is attached

hereto as Exhibit B. Certificates executed and delivered by the Trustee on or after the Change Date that is December 1, 2019 shall be in substantially such form, with necessary or appropriate insertions, omissions and variations as permitted or required by the Trust Agreement.

(b) Upon demand of the Owner of any Certificate executed and delivered by the Trustee on or after the Change Date with respect to the Initial Mode (December 1, 2015) and prior to the Change Date that is December 1, 2019, and presentation of such Certificate for such purpose at the Office of the Trustee, a new Certificate, in substantially the form attached hereto as Exhibit B, with necessary or appropriate insertions, omissions and variations as permitted or required by the Trust Agreement, evidencing the same principal, interest at the same interest rate and with a Principal Payment Date reflecting the amendments contained in this First Supplemental Trust Agreement shall be exchanged for such Owner's Certificate so surrendered.

PART 3

MISCELLANEOUS

Part 3.1. Effect of First Supplemental Trust Agreement. This First Supplemental Trust Agreement and all of the terms and provisions herein contained shall form part of the Trust Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Trust Agreement. The Trust Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Supplemental Trust Agreement and the terms of the Trust Agreement (as in effect on the day prior to the effective date of this First Supplemental Trust Agreement), the terms of this First Supplemental Trust Agreement shall prevail.

Part 3.2. Governing Law. This First Supplemental Trust Agreement shall be governed by and construed in accordance with the laws of the State of California.

Part 3.3. Execution in Counterparts. This First Supplemental Trust Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Part 3.4. Effective Date. This First Supplemental Trust Agreement shall become effective on _____, 2019.

IN WITNESS WHEREOF, the parties hereto have executed this First Supplemental Trust Agreement by their officers thereunto duly authorized as of the day and year first written above.

U.S. BANK NATIONAL ASSOCIATION

By: _____
Authorized Officer

**ORANGE COUNTY DEPARTMENT OF
EDUCATION FACILITIES
CORPORATION**

By: _____

**ORANGE COUNTY BOARD OF
EDUCATION**

By: _____

EXHIBIT A
ADDITIONAL PROVISIONS

**FINAL ADJUSTMENT PERIOD
(UNENHANCED EXTENDED RATE MODE)
ADDITIONAL PROVISIONS**

**Orange County Board of Education
Certificates of Participation
(Esplanade Restructuring Program)**

TABLE OF CONTENTS

	Page
ARTICLE I	ADDITIONAL DEFINITIONS..... 1
Section 1.01.	Incorporation into Lease Agreement and Trust Agreement 1
Section 1.02.	Definitions..... 1
ARTICLE II	REPRESENTATIONS AND WARRANTIES..... 7
Section 2.01.	Incorporation into Lease Agreement 7
Section 2.02.	Reliance..... 7
Section 2.03.	Existence and Power 7
Section 2.04.	Due Authorization..... 7
Section 2.05.	Valid and Binding Obligations 7
Section 2.06.	Noncontravention; Compliance with Law 8
Section 2.07.	Pending Litigation and Other Proceedings; Pending Legislation and Decisions 8
Section 2.08.	Financial Statements 8
Section 2.09.	Defaults 8
Section 2.10.	No Material Adverse Change..... 8
Section 2.11.	Insurance 9
Section 2.12.	Accuracy of Information..... 9
Section 2.13.	Anti-Corruption Laws; Sanctions 9
Section 2.14.	Concerning the Property; Certificate Attributes 10
Section 2.15.	Defaults; Negative or Qualified Certification..... 10
Section 2.16.	Essentiality 11
Section 2.17.	Sovereign Immunity..... 11
Section 2.18.	Usury..... 11
ARTICLE III	ADDITIONAL TRUST AGREEMENT PROVISIONS..... 12
Section 3.01.	Incorporation into Trust Agreement 12
Section 3.02.	Reporting Requirements 12
Section 3.03.	Notices 13
Section 3.04.	Offering Memoranda and Official Statements..... 14
Section 3.05.	Access to Books, Records and Accounts; Communication with Accountant 14
Section 3.06.	Maintenance of Existence 15
Section 3.07.	Compliance with Certificate Documents 15

TABLE OF CONTENTS
(continued)

		Page
Section 3.08.	Compliance with Laws	15
Section 3.09.	Financial Covenants	15
Section 3.10.	Accounting Methods	16
Section 3.11.	Negative or Qualified Certification	16
Section 3.12.	Short-Term Rating	16
Section 3.13.	Judgments	16
Section 3.14.	Hedge Agreements	16
Section 3.15.	Most Favored Nations Covenant	16
Section 3.16.	Further Assurances	17
Section 3.17.	Amendments	17
Section 3.18.	Certain Information	17
Section 3.19.	Inconsistent Action	17
Section 3.20.	Right to Cure	18
Section 3.21.	Certain Payments With Respect to the Certificates	18
Section 3.22.	Anti-Corruption Laws; Sanctions; Anti-Money Laundering Compliance	18
Section 3.23.	Optional Prepayment of Certificates	19
Section 3.24.	[Board's Deemed Knowledge	19
ARTICLE IV	ADDITIONAL LEASE AGREEMENT PROVISIONS	20
Section 4.01.	Incorporation into Lease Agreement	20
Section 4.02.	[Reserved]	20
Section 4.03.	Maintenance of Property	20
Section 4.04.	Liens	20
Section 4.05.	Disposition of the Property; Uses	20
Section 4.06.	Prepayment of Base Rental Payments	21
Section 4.07.	Notices	22
ARTICLE V	ADDITIONAL RENTAL PAYMENTS; LATE PAYMENT RATE; DOWNGRADE RATE; INDEMNIFICATION	23
Section 5.01.	Incorporation into Lease Agreement	23
Section 5.02.	Fees, Expenses and Liabilities	23
Section 5.03.	Increased Payments	23
Section 5.04.	Late Payment Rate	25

TABLE OF CONTENTS
(continued)

	Page
Section 5.05. Downgrade Rate.....	25
Section 5.06. Indemnification	25
ARTICLE VI ADDITIONAL LEASE AGREEMENT EVENTS OF DEFAULT	27
Section 6.01. Incorporation into Lease Agreement	27
Section 6.02. Additional Events of Default	27
ARTICLE VII CONSENT TO JURISDICTION; JUDICIAL REFERENCE.....	30
Section 7.01. Incorporation into Trust Agreement	30
Section 7.02. [Jurisdiction; Venue; Waiver of Jury Trial	30
Section 7.03. Judicial Reference	30
ARTICLE VIII ADDITIONAL MISCELLANEOUS TRUST AGREEMENT PROVISIONS	33
Section 8.01. Incorporation into Trust Agreement	33
Section 8.02. Transfer Restrictions on the Certificates.....	33
Section 8.03. Owners' Approval of Special Counsel	33
Section 8.04. No Deductions	33
Section 8.05. Right of Setoff.....	33
Section 8.06. No Implied Waiver; Cumulative Remedies	34
Section 8.07. Duration	34
Section 8.08. Certain Pledges	34
Section 8.09. Preferences	34
Section 8.10. Standard of Conduct by Owners; Liability of Owners	34
Section 8.11. PATRIOT Act Notice	35
Section 8.12. Notices	35
Section 8.13. Document Imaging and Electronic Transactions	35
Section 8.14. Redaction	35
APPENDIX 1 FORM OF PURCHASER LETTER.....	1-1

ARTICLE I

ADDITIONAL DEFINITIONS

Section 1.01. Incorporation into Lease Agreement and Trust Agreement. The provisions of this Article are incorporated into the Lease Agreement and into the Trust Agreement.

Section 1.02. Definitions. In addition to the terms defined in the Trust Agreement and the Lease Agreement, the following terms shall have the following meanings.

“Affiliate” means, with respect to a Person, a corporation, partnership, association, joint venture, business trust or similar entity organized under the Laws of any state that directly, or indirectly through one or more intermediaries, Controls or is Controlled by, or is under common Control with, such Person.

“Additional Provisions Rate” means, while the Certificates are in the Final Adjustment Period (a) from and after the final Principal Payment Date if, on such final Principal Payment Date, any Rental Payments or any obligation of the Board under the Certificate Documents remains unpaid, a fluctuating per annum rate of interest which is equal to the Base Rate plus 4.0%, (b) for purposes of subsection (iii) of Section 5.02 and Section 5.04 of the Additional Provisions and Section 3.05 of the Lease Agreement, a fluctuating per annum rate of interest which is equal to the Base Rate plus 4.0%, and (c) upon the occurrence and during the continuance of an Event of Default, a fluctuating per annum rate of interest which is equal to the Base Rate plus 4.0%, in each case, computed on the basis of a 360-day year consisting of twelve 30-day months.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Board or the County Office from time to time concerning or relating to bribery or corruption.

“Base Rate” means the fluctuating per annum rate of interest which is equal to the highest of (a) the Prime Rate plus 1.0%, (b) the Federal Funds Rate plus 2.0%, or (c) 10.0%.

“Certificate Documents” means the Certificates, the Trust Agreement, the Ground Lease, the Lease Agreement, the Assignment Agreement, the Continuing Disclosure Agreement and the Owner’s Consent, dated December 1, 2019, from U.S. Bank National Association and accepted and agreed to by the Board.

“Change” means (a) any change after the Delivery Date in any Risk-Based Capital Guidelines, or (b) any adoption of or change in any other law, governmental or quasi-governmental rule, regulation, policy, guideline, interpretation, or directive (whether or not having the force of law) or in the interpretation, promulgation, implementation or administration thereof after the Delivery Date which affects the amount of capital or liquidity required or expected to be maintained by an Owner or any Person controlling an Owner. Notwithstanding the foregoing, for purposes of the Certificate Documents, all requests, rules, rulings, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act shall be deemed to be a Change regardless of the date enacted, adopted or issued and all

requests, rules, rulings, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or the United States financial regulatory authorities shall be deemed to be a Change regardless of the date adopted, issued, promulgated or implemented.

“Contract” means any indenture, contract, agreement (other than the Certificate Documents), other contractual restriction, lease, instrument or guaranty.

“Control” or any variant thereof means the ownership of, or power to vote (a) more than 50% of the outstanding capital stock of a corporation, the membership interests of a limited liability company, or the partnership interests of a partnership, or (b) 100% of the membership interests of the managing members of a limited liability company or of the partnership interests of the general partners of a partnership.

“County Office Ratings” means (a) initially, the confidential long-term unenhanced ratings assigned by S&P to the Certificates and (b) from and after the date any issuer credit ratings are assigned by one or more Rating Agencies to the County Office, such issuer credit ratings.

“Default” means any event or condition that, with notice, the passage of time or both, would constitute an Event of Default.

“Downgrade Event” means the assignment of a County Office Rating below “AA” by S&P, “Aa2” by Moody’s or the equivalent rating by any other Rating Agency.

“Downgrade Rate” means, as of any date, a per annum rate of interest equal to the sum of (a) []%, plus (b) the product of (i) 0.20%, times (ii) the number of rating subcategories (including each “+” or “-” or numerical designation) from the lowest County Office Rating assigned by a Rating Agency in effect on such date to “AA” if such Rating Agency is S&P, “Aa2” if such Rating Agency is Moody’s, or the equivalent rating if such Rating Agency is any other Rating Agency.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time. References to sections of ERISA shall be construed also to refer to any successor sections.

“Event of Default” means an Event of Default (as defined in the Lease Agreement) or an Event of Default (as defined in the Trust Agreement).

“Excluded Taxes” means, in the case of an Owner, taxes imposed on its overall net income, and franchise taxes imposed on it, by the jurisdiction under the laws of which such Owner is incorporated or organized or the jurisdiction in which such Owner is located.

“Expenses” means all fees, charges, costs and expenses of any nature whatsoever, whether in the form of a direct, reimbursement, or indemnity payment obligation, incurred at any time and from time to time (whether before or after an Event of Default) by the Initial Purchaser in purchasing the Certificates or by an Owner in administering or modifying the Certificate

Documents, in curing any Default, Event of Default or event of nonperformance under any of the Certificate Documents, in negotiating or entering into any “workout” of the Transactions, or in exercising or enforcing any rights, powers and remedies provided in any of the Certificate Documents, including reasonable attorneys’ fees, court costs, receiver’s fees, and costs incurred in the repair, maintenance and operation of, or taking possession of, the Property.

“Exposure” means, for any date with respect to a Person and any Hedge Agreement, the amount of any Settlement Amount that would be payable by such Person if such Hedge Agreement were terminated as of such date. Exposure shall be determined in accordance with the standard methods of calculating such exposure under similar arrangements from time to time by the Initial Purchaser taking into account the methodology for calculating amounts due upon early termination as set forth in the related Hedge Agreement and the notional principal amount, term and other relevant provisions thereof.

“Federal Funds Rate” means a fluctuating rate of interest per annum equal to the greater of (a) zero percent (0.0%) and (b) the rate per annum calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate or, if such rate is not so published for any day which is a Business Day, the average of the quotations at approximately 10:00 a.m. (Central time) on such day on such transactions received by U.S. Bank National Association from three (3) Federal funds brokers of recognized standing selected by U.S. Bank National Association in its sole discretion.

“Final Adjustment Period” means the Adjustment Period that shall be in effect on December 1, 2019 and which is the period from December 1, 2019 to but not including June 1, 2029, which is the final Principal Payment Date.

“Final Adjustment Period Additional Provisions” means these Final Adjustment Period (Unenhanced Extended Rate Mode) Additional Provisions.

“Generally Accepted Accounting Principles” means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the County Office.

“Governmental Requirements” means all Laws of any Governmental Authority, including without limitation, Laws relating to public disclosures, zoning, certificates of need, licenses, permits, subdivision building, safety, health, fire protection or environmental matters.

“Hedge Agreement” means any rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, total return swap, credit default swap or any other similar transaction (including any option with respect to any of such transactions) and any other agreement or option involving, or settled by reference to, one or more rates, currencies,

commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions.

“Indebtedness” means, as to any Person, (a) indebtedness or liability for borrowed money, or for the deferred purchase price of property or services, (b) obligations as lessee under leases which are, should be or should have been reported as capital leases in accordance with Generally Accepted Accounting Principles, (c) current liabilities in respect of unfunded vested benefits under governmental plans (as defined in Section 3(32) of ERISA), (d) all obligations arising under any acceptance facility, (e) all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any Person or otherwise to assure a creditor against loss, (f) obligations secured by any Liens on property owned by such Person, whether or not the obligations have been assumed, (g) all other items or obligations which would be included in determining total liabilities on the balance sheet of a Person, and (h) obligations of such Person under any Hedge Agreement to which it is a party; provided, however, that “Indebtedness” shall not include (i) trade payables and similar obligations which are incurred in the ordinary course of business and are not past due, or (ii) both the indebtedness directly incurred and any corresponding indirect guaranty of the same indebtedness.

“Indemnitees” means the Owners and their respective Affiliates and the officers, directors, employees and agents of the Owners and their respective Affiliates.

“Liabilities” means any and all claims, causes of action, judgments, fines, penalties, damages, losses, liabilities and Expenses whatsoever (including reasonable attorneys’ fees) which may be incurred by an Indemnatee or which may be claimed against an Indemnatee by any Person whatsoever.

“Lien” means any lien, mortgage, security interest, pledge or other charge or encumbrance of any kind, or any other type of preferential arrangement, including without limitation the lien or retained security title of a conditional vendor and any easement, right of way or other encumbrance on title to personal, real or mixed property.

“Material Adverse Effect” means an event or occurrence that adversely affects in a material manner (a) the assets, liabilities, condition (financial or otherwise), business or operations of the Board or the County Office, (b) the ability of the Board or the County Office to meet or perform its obligations under the Certificate Documents on a timely basis, (c) the validity or enforceability of any Certificate Document, or (d) the rights or remedies of the Owners under any Certificate Document.

“Material Indebtedness” means any Indebtedness of the Board or the County Office that has a principal amount outstanding of \$500,000 or more (or, in the case of any Hedge Agreement, for which the Exposure of the Board or the County Office is \$500,000 or more).

“Material Litigation” means an action, suit or proceeding pending or threatened against the Board or the County Office or any property of the Board or the County Office in any court or before any arbitrator of any kind or before or by any governmental body, which, in any case (a)

could reasonably be expected to have a Material Adverse Effect, (b) seeks injunctive relief, (c) alleges any criminal misconduct by the Board or the County Office, or (d) alleges the violation of any Environmental Regulation with respect to the Property.

“Matters Contested in Good Faith” means the imposition of charges, assessments or taxes by a Governmental Authority or the application of any Laws or policies of any Governmental Authority which has jurisdiction over the affairs of the Board or the County Office (a) then being contested in good faith by appropriate proceedings diligently and continuously pursued, (b) of which the Owners have been notified in writing and are being kept informed in such detail as the Owners may from time to time reasonably request, (c) the enforcement of which is effectively stayed during the period of the contest, and (d) with respect to which either (i) adequate reserves in the nature of a cash deposit or pledge of bonds or other securities, or a payment bond of a corporate surety in the face amount equal to the total amount in controversy, reasonably satisfactory to the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, have been furnished, or (ii) adequate provision therefor, reasonably satisfactory to the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding has been reserved on the financial statements of the County Office.

“OFAC” means the U.S. Department of the Treasury’s Office of Foreign Assets Control, and any successor thereto.

“Other Taxes” means any present or future stamp or documentary taxes and any other excise or property taxes, charges or similar levies which arise from the Certificate Documents or payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents.

“PATRIOT Act” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended from time to time, and any successor statute.

“Prime Rate” means a fluctuating rate of interest per annum equal to the greater of (a) zero percent (0.0%) and (b) the U.S. Bank Prime Rate of interest publicly announced from time to time by U.S. Bank National Association as the U.S. Bank Prime Rate. The U.S. Bank Prime Rate of interest is a rate set by U.S. Bank National Association based upon various factors including U.S. Bank National Association’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the U.S. Bank Prime Rate announced by U.S. Bank National Association shall take effect at the opening of business on the day specified in the public announcement of such change.

“Purchaser Letter” means the Purchaser Letter that, except as otherwise provided in the Final Adjustment Period Additional Provisions, is to be executed by the transferee of a Certificate and delivered to the Board and the Trustee in connection with the transfer of such Certificate, the form of which is attached to the Final Adjustment Period Additional Provisions as Appendix 1.

“Risk-Based Capital Guidelines” means (a) the risk-based capital guidelines in effect in the United States on the Delivery Date, including transition rules, and (b) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations adopted prior to the Delivery Date.

“Sanctions” means sanctions administered or enforced from time to time by the U.S. government, including those administered by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty’s Treasury [or other relevant sanctions authority].

“Set Aside” means, with respect to any payment received by an Owner from or on behalf of the Board, the subsequent invalidation of such payment, declaration that such payment constitutes a fraudulent conveyance or preferential transfer, set aside of such payment, required repayment of such payment (including pursuant to any settlement entered into by any Owner in its discretion) to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause.

“Settlement Amount” means, with respect to a Person and any Hedge Agreement, any amount payable by such Person under the terms of such Hedge Agreement in respect of, or intended to compensate the other party for, the value of such Hedge Agreement upon early termination thereof.

“Taxes” means any and all present or future taxes, duties, levies, imposts, deductions, charges or withholdings, and any and all liabilities with respect to the foregoing, but excluding Excluded Taxes and Other Taxes.

“Transactions” means the execution and delivery of the Certificates, the purchase of the Certificates by the Initial Purchaser, the execution and delivery by the Board of the Certificate Documents, the lease of the Property and the performance by the Board of its obligations (including payment obligations) under the Certificate Documents (including any amounts to reimburse any Owner for any advances or expenditures by it under any of the Certificate Documents).

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Incorporation into Lease Agreement. The provisions of this Article are incorporated into the Lease Agreement.

Section 2.02. Reliance. All representations and warranties made by the Board in the Certificate Documents and in any written certificates, information, opinions or documents delivered as part of the proceedings for the execution and delivery of the Certificates are made with the understanding that the Owners are relying upon the accuracy of such representations and warranties. Notwithstanding that the Owners may conduct their own investigation as to some or all of the matters covered by such representations and warranties, the Owners are entitled to rely on all such representations and warranties as a material inducement to the Owners' purchase of the Certificates.

Section 2.03. Existence and Power. The Board is a county board of education duly organized and validly existing under the Laws of the State and has the power and authority to own its properties and to carry on its businesses as now being conducted and as currently contemplated to be conducted hereafter. The County Office is a county office of education duly organized and validly existing under the Laws of the State and has the power and authority to own its properties and to carry on its businesses as now being conducted and as currently contemplated to be conducted hereafter.

Section 2.04. Due Authorization. (a) The Board has the power, and has taken all necessary action to authorize the Certificate Documents to which it is a party and to execute, deliver and perform its obligations under the Certificate Documents to which it is a party in accordance with their respective terms.

(b) The Board is duly authorized to own its property (real, personal or mixed) under the Laws of all Governmental Authorities having the jurisdiction to regulate such ownership, and the Board has obtained all requisite approvals of all such Governmental Authorities required to be obtained for such purposes. The County Office is duly authorized to own its property (real, personal or mixed) under the Laws of all Governmental Authorities having the jurisdiction to regulate such ownership, and the County Office has obtained all requisite approvals of all such Governmental Authorities required to be obtained for such purposes.

(c) All authorizations and approvals necessary for the Board to enter into the Certificate Documents and to perform the transactions contemplated thereby and to conduct its business activities and own its property have been obtained and remain in full force and effect and are subject to no further administrative or judicial review. No other authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required for the due execution, delivery and performance by the Board of the Certificate Documents.

Section 2.05. Valid and Binding Obligations. The Certificate Documents to which the Board is a party has been duly executed and delivered by the Board and are legal, valid and binding obligations of the Board enforceable in accordance with their respective terms, except as

such enforceability may be limited by (a) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar Law affecting creditors' rights generally, (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), or (c) the limitations on legal remedies against county boards of education in the State.

Section 2.06. Noncontravention; Compliance with Law. (a) The execution, delivery and performance of the Certificate Documents in accordance with their respective terms do not and will not (i) require any consent or approval of any creditor of the Board or the County Office, (ii) violate any Governmental Requirements, which violation could reasonably be expected to have a Material Adverse Effect, (iii) conflict with, result in a breach of or constitute a default under any Contract to which the Board or the County Office is a party or by which it or any of its property may be bound, which conflict, breach or default could reasonably be expected to have a Material Adverse Effect, or (iv) result in or require the creation or imposition of any Lien upon or with respect to the Property, other than Permitted Encumbrances.

(b) Each of the Board and the County Office is in compliance with all Governmental Requirements, except for noncompliance that, singly or in the aggregate, has not caused and could not reasonably be expected to have a Material Adverse Effect.

Section 2.07. Pending Litigation and Other Proceedings; Pending Legislation and Decisions. (a) No Material Litigation is pending and, to the knowledge of the Board, no Material Litigation is threatened.

(b) There is no amendment, or to the knowledge of the Board, proposed amendment to the Constitution of the State or any State Law or any administrative interpretation of the Constitution of the State or any State Law or any proposition or referendum (or proposed proposition or referendum) or other ballot initiative, or any legislation that has passed either house of the legislature of the State, or any judicial decision interpreting any of the foregoing, the effect of which could reasonably be expected to have a Material Adverse Effect.

Section 2.08. Financial Statements. The balance sheet of the County Office as of June 30, 2018 and the related statement of revenues and expenses and changes in financial position for the Fiscal Year then ended and the auditors' reports with respect thereto, are complete and correct and fairly present the financial condition, changes in financial position and results of operations of the County Office at such dates and for such periods, and were prepared in accordance with Generally Accepted Accounting Principles. Since the period of such statements, there has been no change which would have a Material Adverse Effect.

Section 2.09. Defaults. (a) No Event of Default and no Default has occurred and is continuing or exists.

(b) No default by the Board or the County Office exists under any Contract or judgment, decree or order, except for defaults that, singly or in the aggregate, have not had and could not reasonably be expected to have a Material Adverse Effect.

Section 2.10. No Material Adverse Change. Since the most current date of the written information, financial or otherwise, supplied by the Board to the Initial Purchaser:

(a) there has been no change in the assets, liabilities, financial position or results of operations of the Board or the County Office which could reasonably be expected to have a Material Adverse Effect.

(b) neither the Board nor the County Office has incurred any obligations or liabilities which could reasonably be expected to have a Material Adverse Effect; and

(c) the Board has not incurred any Material Indebtedness, other than such as may be represented by the Certificate Documents, and the County Office has not incurred any Material Indebtedness.

Section 2.11. Insurance. The Board currently maintains insurance as required by Article V of the Lease Agreement.

Section 2.12. Accuracy of Information. All written information, reports and other papers and data furnished by the Board to the Initial Purchaser (and, to the best knowledge of the Board, furnished by a third party on behalf of the Board to the Initial Purchaser) were, at the time the same were so furnished, complete and correct in all material respects and insofar as necessary to give the Initial Purchaser a true and accurate knowledge of the subject matter and were provided in expectation of the Initial Purchaser's reliance thereon in purchasing the Certificates. No fact is known to the Board which has had or, so far as the Board can now reasonably foresee, may in the future have a Material Adverse Effect, which has not been set forth in the financial statements previously furnished to the Initial Purchaser or in other such information, reports, papers and data or otherwise disclosed in writing to the Initial Purchaser prior to the Delivery Date. Any financial, budget and other projections furnished to the Initial Purchaser by the Board or its agents were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of the conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the Delivery Date, represent the Board's best estimate of its future financial performance. No document furnished nor any representation, warranty or other written statement made to the Initial Purchaser in connection with the negotiation, preparation or execution of the Certificate Documents contains or will contain any untrue statement of a material fact or omits or will omit to state (as of the date made or furnished) any material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were or will be made, not misleading.

Section 2.13. Anti-Corruption Laws; Sanctions. The Board, the County Office and the officers and employees of the County Office and, to the knowledge of the Board, [the members of the Board and the agents of the County Office,] are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. [The Board has implemented and maintains in effect for itself and the County Office policies and procedures to ensure compliance by the Board, the County Office and the members of the Board and the officers, employees and agents of the County Office, with Anti-Corruption Laws and applicable Sanctions.] None of the Board, the County Office or, to the knowledge of the Board, any members of the Board or any officer, employee, agent or Affiliate of the County Office, is an individual or entity that is, or is 50% or more owned (individually or in the aggregate, directly or indirectly) or controlled by individuals or entities (including any agency, political subdivision or instrumentality of any government) that are (i) the target of any Sanctions or (ii) located,

organized or resident in a country or territory that is, or whose government is, the subject of Sanctions (currently Crimea, Cuba, Iran, North Korea and Syria).

Section 2.14. Concerning the Property; Certificate Attributes. (a) The Board has a valid and enforceable fee simple interest in the Property, subject only to Permitted Encumbrances.

(b) The Property complies and shall comply with all applicable restrictive covenants, zoning ordinances, building Laws and other applicable Laws (including without limitation, the Americans with Disabilities Act, as amended). The current zoning classification of the Property and any covenants and restrictions affecting the Property permit the current use of the Property.

(c) No notice of taking by eminent domain or condemnation of any part of the Property has been received, and the Board has no knowledge that any such proceeding is contemplated.

(d) No part of the Property has been damaged as a result of any fire, explosion, accident, flood or other casualty which is not now fully restored.

(e) The Property has legal vehicular and pedestrian access to public roads, sewer, water and all other appropriate utilities are available at ordinary costs at the Property through public or unencumbered private easements, and in sufficient quantities to serve the Property; and if applicable, required written approvals of septic tanks or wells have been issued by all appropriate Governmental Authorities.

(f) The Board has made a review of its records relating to the Property and, based upon such review, since the date of issuance of the ALTA extended coverage owner's title insurance policy or policies or any endorsements thereto provided by the Board in respect of the Property pursuant to Section 5.02 of the Lease Agreement (i) the Property has been and continues to be free of all Liens, charges and encumbrances, (ii) neither the Board nor the County Office has mortgaged, pledged, assigned or transferred any interest of the Board or the County Office in the Property by voluntary act or by operation of law, or otherwise, and (iii) neither the Board nor the County Office has taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, in the case of clause (i), (ii) or (iii), which Lien, charge, encumbrance, mortgage, pledge, assignment, transfer or action, if taken or omitted, would, upon the amendment of the Lease Agreement on or after December 1, 2019, impair the coverage of any such title insurance policy or policies insuring the Board's leasehold interest under the Lease Agreement or the availability of proceeds of such policy or policies in effect immediately prior to such amendment.

(g) So long as these Additional Provisions are in effect, the Certificates will not (i) be assigned a separate rating by any Rating Agency, (ii) registered with DTC or other securities depository, (iii) offered or sold pursuant to any type of offering document or official statement, or (iv) assigned a CUSIP number.

Section 2.15. Defaults; Negative or Qualified Certification. Neither the Board nor the County Office has defaulted in the payment of any Indebtedness in the past five years or, if the Board or the County Office has defaulted in the payment of any such Indebtedness, the Board

has fully disclosed to the Initial Purchaser in writing the particulars of any such default and all actions taken by the Board or the County Office to remedy such default and to avoid any similar default in the future. The County Office has not, in the past five years, received from the Superintendent of Schools of the county in which the County Office is located or the State Superintendent of Public Instruction pursuant to Section 1240(l) of the California Education Code any negative or qualified certification of ability to meet fiscal year obligations or, if the County Office has received such qualified or negative certification, the Board has fully disclosed to the Initial Purchaser in writing the particulars of any such certification and all actions taken by the County Office to remedy the situation leading to such certification and to avoid any similar certification in the future.

Section 2.16. Essentiality. The Property is an essential asset of the Board and the County Office necessary to serve the needs of the Board and the County Office. The Board believes that at all times while any Rental Payments or any obligation of the Board under the Certificate Documents remains unpaid, the Property will remain an essential asset of the Board and the County Office.

Section 2.17. Sovereign Immunity. The Board does not enjoy any rights of immunity on the grounds of sovereign immunity in respect of its obligations under the Certificate Documents. To the extent the Board has or hereafter may acquire under any applicable law any right to immunity from set-off or legal proceedings on the grounds of sovereignty, the Board hereby waives, to the extent permitted by law, such rights to immunity for itself in respect of its obligations under the Certificate Documents.

Section 2.18. Usury. The terms of the Certificate Documents regarding the calculation and payment of interest and fees do not violate any applicable usury laws.

ARTICLE III

ADDITIONAL TRUST AGREEMENT PROVISIONS

Section 3.01. Incorporation into Trust Agreement. The provisions of this Article are incorporated into the Trust Agreement.

Section 3.02. Reporting Requirements. The Board shall keep or cause to be kept proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of the Board and the County Office in accordance with Generally Accepted Accounting Principles, and will furnish to the Owners each of the following:

(a) as soon as available, and in any event within 180 days after the close of each Fiscal Year of the County Office, the financial statements of the County Office which shall be audited and reported on without qualification by independent certified public accountants reasonably acceptable to the Owners and shall be certified to the Board by such accountants as (i) having been prepared in accordance with GAAP (applied on a basis consistent with that of the preceding year), (ii) fairly presenting the financial condition of the County Office as at the end of such Fiscal Year and reflecting its operations during such Fiscal Year, and (iii) showing all material liabilities, direct or contingent, and disclosing the existence of any off balance sheet transactions, and shall include, without limitation, balance sheets, profit and loss statements and statements of cash flows, together with notes and supporting schedules, all on a consolidated and consolidating basis and in reasonable detail and including a copy of any management letter or audit report provided to the County Office by such auditors; provided, however, that any such independent certified public accountants shall be deemed reasonably acceptable to the Owners to the extent initially approved by the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding until such time that the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding notify the Board that such accountants are no longer acceptable and, provided, further, that Vavrineck, Trine, Day & Co., LLP is deemed to be acceptable to the Owners as such independent certified public accountants;

(b) as required by and filed with the Board and the State Department of Education, the County Office's first interim report for the period July 1 through October 31 to be received by the Owners no later than December 31, its second interim report for the period November 1 through January 31 to be received by the Owners no later than March 31, and its fiscal year end unaudited financial statement to be received by the Owners no later than September 30, accompanied in each case by a Written Certificate of the Board substantially in the form described in paragraph (c), below;

(c) Simultaneously with the delivery of each set of financial statements referred to in paragraphs (a) and (b), above, a Written Certificate of the Board (i) stating that the Board has made a review of activities during the preceding period, for the purpose of determining whether or not the Board has complied with all of the terms, provisions and conditions of the Certificate Documents to which it is a party, (ii)

certifying to compliance with each applicable financial covenant in the Certificate Documents, and (iii) certifying that, to the best of the Board's knowledge, the Board has kept, observed, performed and fulfilled each and every covenant, provision and condition of the Certificate Documents on its part to be performed and no Event of Default or Default has occurred, or if an Event of Default or Default has occurred such Written Certificate shall specify such event or condition, the nature and status thereof and any remedial steps taken or proposed to correct such event or condition;

(d) Promptly upon execution of any amendment, modification or supplement to any of the Certificate Documents, a true and correct copy of such amendment, modification or supplement;

(e) Copies of all filings made by or on behalf of the Board pursuant to the Continuing Disclosure Agreement promptly after such filings are made;

(f) Copies of all Hedge Agreements to which the Board or the County Office is a party and all documents related thereto promptly following the execution and delivery of such agreements and documents;

(g) Promptly upon request by an Owner, copies of any financial statement or report furnished to any other holder of any securities or long term Indebtedness of the Board or the County Office pursuant to the terms of any indenture, loan or credit or similar agreement, including each modification of the foregoing prepared and delivered to any such Person and not otherwise required to be furnished to the Owners pursuant to the Certificate Documents;

(h) Copies of all material written reports and other material information filed or delivered by the Board or the County Office to or with any Governmental Authority which has jurisdiction over the affairs of the Board or the County Office, which is a creditor of the Board or the County Office, or which issues debt on behalf of the Board or the County Office, and copies of any material reports of governmental audits, inspections or other investigations of the Board, the County Office or the Property;

(i) Copies of all filings by the Board or the County Office with, or reports submitted by the Board or the County Office to, any Rating Agency; and

(j) Such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Board, the County Office or the Property as an Owner may from time to time reasonably request.

Section 3.03. Notices. The Board shall provide to the Owners:

(a) immediate notice by telephone, promptly confirmed in writing, of any event, action or failure to take any action which constitutes a Default or an Event of Default;

(b) prompt written notice of an action, suit or proceeding before any Governmental Authority against the Board, the County Office or the Property that involves a claim equal to or greater than \$500,000;

(c) prompt written notice of any Material Litigation or any investigation, inquiry or similar proceeding by any Governmental Authority with respect to any matter that relates to or could impact the obligation of the Board to make the Rental Payments under the Lease Agreement;

(d) prompt written notice of any event which has or is reasonably anticipated to have a Material Adverse Effect;

(e) a copy of any notice, certification, demand or other writing or communication given by the Corporation or Trustee to the Board or by the Board to the Corporation or Trustee under or in connection with any Certificate Document, in each case promptly after the receipt or giving of the same;

(f) a copy of any change in the investment policy of the County Office from that in effect on the Delivery Date or in the investment policy of the Orange County Investment Pool from that in effect on the Delivery Date; and

(g) immediate notice of any resignation of the Trustee.

Section 3.04. Offering Memoranda and Official Statements. As soon as practicable after the sale of any securities payable from the general fund of the County Office with respect to which an offering memorandum or official statement was prepared, the Board shall provide the Owners with a copy of such offering memorandum or official statement.

Section 3.05. Access to Books, Records and Accounts; Communication with Accountant. The Board shall permit the duly authorized representatives of the Owners, or cause such authorized representatives to be permitted, during the County Office's normal administrative business hours, to enter the property of the Board or the County Office or any parts thereof at reasonable hours and under reasonable conditions, to examine and copy the County Office's books, records and accounts (except such books, records and accounts the County Office is not legally permitted to disclose to such Owners) and to discuss the affairs, finances, business and accounts of the Board and the County Office with the Board members and the officers and employees of the County Office. The Board authorizes the Owners to communicate directly with the County Office's accountants, and authorizes and shall instruct such accountants to communicate with, disclose and make available to the Owners, any and all financial statements and other supporting financial documents, schedules and information relating to the County Office with respect to the business, results of operations and financial condition and other affairs of the County Office. The Board shall make available, or cause to be made available, the Registration Books for inspection and copying by the Owners, at reasonable hours and under reasonable conditions. The Board shall make available, or cause to be made available, the books and documents referred to in Section 10.05 of the Trust Agreement for inspection by the Owners during regular business hours and upon reasonable notice and under reasonable conditions as agreed to by the Trustee.

Section 3.06. Maintenance of Existence. The Board shall preserve and maintain its existence as a county board of education duly organized and validly existing under the laws of the State, and its rights, franchises and privileges material to the conduct of its business and shall not, without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, initiate proceedings to reorganize, merge or consolidate with or into any Person, wind up, liquidate or dissolve its affairs (or suffer any liquidation or dissolution) or convert, sell, assign, transfer, lease or otherwise dispose of (or agree to do any of the foregoing at any future time), whether in one transaction or a series of transactions, all or substantially all of its property or assets. The Board shall cause the County Office to preserve and maintain its existence as a county office of education duly organized and validly existing under the laws of the State, and its rights, franchises and privileges material to the conduct of its business and shall not, without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, initiate proceedings to reorganize, merge or consolidate the County Office with or into any Person, wind up, liquidate or dissolve the affairs of the County Office (or suffer any liquidation or dissolution) or authorize the conversion, sale, assignment, transfer, lease or other disposition of (or the agreement to do any of the foregoing at any future time), whether in one transaction or a series of transactions, all or substantially all of the property or assets of the County Office.

Section 3.07. Compliance with Certificate Documents. The Board shall comply in all material respects with the terms and conditions of the Certificate Documents.

Section 3.08. Compliance with Laws. The Board shall comply with all applicable Laws, and shall cause the County Office to comply with all applicable Laws, including all Environmental Regulations, noncompliance with which could reasonably be expected to have a Material Adverse Effect.

Section 3.09. Financial Covenants. (a) The Board shall cause to be maintained as at each June 30 and December 31, commencing December 31, 2019, available and unrestricted reserves in the general fund of the County Office on such date, as a percentage of expenditures, transfers out and uses, in excess of the greater of (i) 3%, or (ii) such other amount as may be required by State law for county office of education of the size of the County Office.

(b) The Board shall maintain, or cause to be maintained, County Office Ratings equal to or above “BBB+” by S&P and “Baa1” by Moody’s or the equivalent thereof by any other Rating Agency with a County Office Rating then in effect. The Board shall maintain the confidential long-term unenhanced ratings assigned by S&P to the Certificates until the date any issuer credit ratings are assigned by one or more Rating Agencies to the County Office. The Board shall not cause or permit the confidential long-term unenhanced rating assigned by S&P to the Certificates to become public or request or apply for or cause or permit a public long-term unenhanced rating to be assigned by one or more Rating Agencies to the Certificates. Upon notice from S&P that the confidential long-term unenhanced ratings assigned by S&P to the Certificates are under review, the Board shall request S&P to convert such rating into an issuer credit rating assigned to the County Office. Upon receipt of such issuer credit rating, the Board shall thereafter maintain County Office Ratings consisting solely of issuer credit ratings assigned by one or more Rating Agencies to the County Office.

(c) The Board shall not issue or incur, or authorize the issuance or incurrence of, any Indebtedness payable from the general fund of the County Office in an aggregate principal amount in excess of \$10,000,000, other than (i) Indebtedness payable out of the revenues attributable to the same Fiscal Year in which such Indebtedness is issued or incurred, and (ii) Indebtedness issued or incurred to refund or refinance existing Indebtedness that results in net present value savings in debt service on Indebtedness payable from the general fund of the County Office.

Section 3.10. Accounting Methods. The Board shall not adopt, permit or consent to any change in the method of accounting of the County Office, other than as permitted or required by Generally Accepted Accounting Principles.

Section 3.11. Negative or Qualified Certification. The Board shall notify the Owners within three Business Days of the receipt from the Superintendent of Schools of the county in which the County Office is located or the State Superintendent of Public Instruction pursuant to Section 1240(l) of the California Education Code of any negative or, if not otherwise included in the most recent interim report delivered pursuant to Section 3.02(b) of the Final Adjustment Period Additional Provisions, any qualified certification of the County Office's ability to meet fiscal year obligations and shall include with such notice (or interim report, if applicable) a description of the particulars of such certification and all action which the County Office intends to take to remedy the situation leading to such certification and to avoid any similar certification in the future. The Board shall cause the County Office to take action diligently and in good faith and in a timely manner to remedy the situation leading to such certification and to avoid any similar certification in the future within 30 days after any such certification relating to the then-current or next following fiscal year obligations or within 90 days after any such certification relating to any other subsequent fiscal year obligations.

Section 3.12. Short-Term Rating. If the Certificates do not have a short-term rating, the Board shall timely apply for a short-term rating on the Certificates, or cause such ratings to be applied for, so as to receive a short-term rating thereon by no later than 20 days prior to the date the Certificates are to be converted to a Daily Rate Mode or a Weekly Rate Mode.

Section 3.13. Judgments. The Board shall not permit the entry of any monetary judgment against, the filing of any tax lien against or the issuance of any writ of garnishment, attachment or execution against the property of, or debts due, the Board or the County Office that is not discharged or stayed within 30 days of entry, subject, in each case, to the right of the Board to contest, or cause to be contested, the same as Matters Contested in Good Faith.

Section 3.14. Hedge Agreements. The Board shall not enter into any Hedge Agreement, or permit the County Office to enter into any Hedge Agreement, without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding.

Section 3.15. Most Favored Nations Covenant. In the event that, in connection with a lease financing similar to the Transactions, the Board enters into any Contract (or any amendment, supplement or modification thereto) with a Person, which Contract (or amendment, supplement or modification) provides such Person with additional or more restrictive covenants,

additional or different events of default and/or greater rights or remedies related thereto than are provided in the Certificate Documents (other than such covenants, events of default, rights or remedies that relate specifically to the property that is the subject of such lease financing or are applicable only because of the nature of such property), the Board shall provide the Owners with a copy of each such Contract (or amendment, supplement or modification) within five Business Days of the effective date of any such Contract and, in any event, such additional or more restrictive covenants, such additional or different events of default and/or greater rights and remedies shall, unless otherwise stipulated by the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, automatically be deemed to be incorporated into the Certificate Documents, and the Owners shall have the benefits of such additional more restrictive covenants, additional or more restrictive events of default and/or such greater rights and remedies as if specifically set forth therein for so long as any such Contract that provides for such additional or more restrictive covenants, such additional or different events of default and/or such greater rights and remedies remain in effect. Upon the request of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, the Board shall promptly enter into an amendment to the applicable Certificate Document to incorporate therein and make a part thereof such additional or more restrictive covenants, additional or different events of default and/or greater rights or remedies.

Section 3.16. Further Assurances. The Board shall, upon the request of any Owner, from time to time, execute and deliver and, if necessary, file, register and record such further amendments and other documents and instruments and take such further action as may be reasonably necessary to effect the provisions of the Certificate Documents. Except to the extent it is exempt therefrom, the Board shall pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Certificate Documents and such instruments of further assurance.

Section 3.17. Amendments. The Board shall not amend, modify or supplement any of the Certificate Documents without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding. The Board shall not request or enter into any modification, amendment, consent or waiver of or pertaining to the terms of the Certificate Documents without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding.

Section 3.18. Certain Information. The Board shall not include in any offering document any information concerning any Owner that is not supplied in writing, or otherwise approved, by such Owner expressly for inclusion therein.

Section 3.19. Inconsistent Action. The Board shall not take any action, or cause the Trustee to take any action under the Trust Agreement, inconsistent with the rights of the Owners under the Certificate Documents, or take any action which would result in the Board's payment obligations under the Certificate Documents not ranking at least equal in right of payment with all unsecured obligations of the Board to other creditors or, so long as any of the Board's

obligations under the Certificate Documents remain unpaid or any Certificates remain Outstanding, terminate any of the Certificate Documents.

Section 3.20. Right to Cure. If any Default, Event of Default or event of nonperformance specified in any Certificate Document shall occur, then in addition to any other rights or remedies available to the Trustee or the Owners under such Certificate Document or under applicable Law, the Owners may cure such Default, Event of Default or event of nonperformance; provided, however, that the Owners shall have no obligation to effect such a cure.

Section 3.21. Certain Payments With Respect to the Certificates. Payments of interest evidenced by a Certificate shall be made to the Owner thereof by wire transfer thereof to the account specified by such Owner to the Trustee in writing and, if no such account is specified, such payments shall be made as specified in Section 2.03 of the Trust Agreement. Payments of principal evidenced by a Certificate upon prepayment of all or a portion thereof pursuant to Section 4.03 of the Trust Agreement shall be made to the Owner thereof, without presentation and surrender of such Certificate, by wire transfer thereof to the account specified by such Owner to the Trustee in writing and, if no such account is specified, such payments shall be made as specified in Section 2.03 of the Trust Agreement; provided, however, that, subsequent to any such payment, no transfer of such Certificate shall be made unless, prior to such transfer (a) such Owner presents such Certificate to the Trustee for notation thereon of the portion of the principal evidenced thereby so prepaid, or (b) such Owner presents and surrenders such Certificate to the Trustee in exchange for a new Certificate evidencing the unprepaid principal evidenced by such Certificate.

Section 3.22. Anti-Corruption Laws; Sanctions; Anti-Money Laundering Compliance. (a) The Board shall not use, and the Board shall ensure that the County Office and the members of the Board and the officers, employees and agents of the County Office shall not use, the proceeds of the Certificates in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws. [The Board shall not, and the Board shall ensure that the County Office shall not, directly or indirectly, use the proceeds of the Certificates, or lend, contribute or otherwise make available such proceeds to any other Person, (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions, or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Certificates, whether as underwriter, advisor, investor, or otherwise).]

(b) The Board shall, and shall cause the County Office to, comply in all material respects with all Anti-Corruption Laws and applicable Sanctions and perform in all material respects its obligations under material agreements to which it is a party. The Board shall, and shall cause the County Office, to maintain in effect and enforce policies and procedures designed to ensure compliance by the Board, the County Office and the members of the Board and the officers, employees [and agents] of the County Office with Anti-Corruption Laws and applicable Sanctions. The Board shall not use or allow any tenants or subtenants to use, or permit the County Office to use or allow any tenants or subtenants to use, the Board's property for any

business activity that violates any federal or state law or that supports a business that violates any federal or state law.

(c) The Board shall, and shall cause the County Office to, provide such information and take such actions as are reasonably requested by an Owner in order to assist such Owner in maintaining compliance with anti-money laundering laws and regulations.

Section 3.23. Optional Prepayment of Certificates. Certificates in the Final Adjustment Period shall not be subject to optional prepayment prior to the final Principal Payment Date.

Section 3.24. Board's Deemed Knowledge. For purposes of the Certificate Documents, the Board shall be deemed to have knowledge of any fact, event or circumstance of which the County Office has knowledge.]

ARTICLE IV

ADDITIONAL LEASE AGREEMENT PROVISIONS

Section 4.01. Incorporation into Lease Agreement. The provisions of this Article are incorporated into the Lease Agreement.

Section 4.02. [Reserved]

Section 4.03. Maintenance of Property. The Board shall operate and maintain the Property, in accordance with all Governmental Requirements including, without limitation, such zoning, sanitary, pollution and safety Laws as may be binding upon the Board. The Board shall maintain and operate the Property and all engines, boilers, pumps, machinery, apparatus, fixtures, fittings and equipment of any kind in or that shall be placed in any building or structure now or hereafter at any time constituting part of the Property which are material to the operation of the Property, in good repair, working order and condition (reasonable wear and tear excepted), and shall from time to time make or cause to be made all needful and proper replacements, repairs, renewals and improvements so that the efficiency and value of the Property will not be impaired.

Section 4.04. Liens. (a) The Board shall not directly or indirectly, create, incur or assume any Lien on or with respect to the Property, other than Permitted Encumbrances.

(b) The Board shall discharge or cause to be discharged all Liens on the Property, or any part thereof, other than Permitted Encumbrances, subject, in each case, to the right of the Board to contest the same as Matters Contested in Good Faith.

(c) Simultaneously with any amendment to the Lease Agreement, the Board shall furnish to the Owners a Written Certificate of the Board representing and warranting that the Board has made a review of its records relating to the Property and that, based upon such review, since the date of issuance of the ALTA extended coverage owner's title insurance policy or policies or any endorsements thereto provided by the Board in respect of the Property pursuant to Section 5.02 of the Lease Agreement (i) the Property has been and continues to be free of all Liens, charges and encumbrances, (ii) the Board has not mortgaged, pledged, assigned or transferred any interest of the Board in the Property by voluntary act or by operation of law, or otherwise, and (iii) the Board has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, in the case of (i), (ii) or (iii), which Lien, charge, encumbrance, mortgage, pledge, assignment, transfer or action, if taken or omitted, would, upon any such amendment to the Lease Agreement, impair the coverage of any such title insurance policy or policies insuring the Board's leasehold interest under the Lease Agreement or the availability of proceeds of such policy or policies in effect immediately prior to such amendment

Section 4.05. Disposition of the Property; Uses. (a) The Board shall not sell, lease or otherwise dispose of any portion of the Property except with the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding.

(b) The Board shall not abandon, vacate or close the Property, other than as permitted under Section 3.07 of the Lease Agreement.

(c) Without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, the Board shall not (i) seek, make or consent to any change in the zoning, any entitlements or conditions of use of the Property, (ii) grant any easement, license or other right in the Property or any portion thereof that may in any way impair the value of the Property or the validity, priority or security of the Lease Agreement or the coverage of any title insurance policy insuring the Board's leasehold interest under the Lease Agreement or that could cause a material adverse effect on the permissible uses of the Property, (iii) make any application for or record any tract map, parcel map, condominium plan, condominium declaration, or plat of subdivision with respect to the Property, or (iv) otherwise record or execute any documents or instruments affecting the Property that may in any material way impair the value of the Property or the validity, priority or security of the Lease Agreement or the coverage of any title insurance policy insuring the Board's leasehold interest under the Lease Agreement or that could cause a material adverse effect on the permissible uses of the Property.

Section 4.06. Prepayment of Base Rental Payments. (a) [Base Rental Payments evidenced by Certificates in the Final Adjustment Period shall not be subject to prepayment prior to the final Principal Payment Date.][The Board may prepay, from any source of available funds, all or any portion of the Base Rental Payments by depositing with the Trustee moneys or securities as provided, and subject to the terms and conditions set forth, in Article XII of the Trust Agreement sufficient to make such Base Rental Payments when due.]

(b) [If less than all of the Base Rental Payments are prepaid pursuant to this Section then, as of the date of a deposit pursuant to subsection (a) of this Section, the principal and interest components of the Base Rental Payments shall be recalculated in order to take such prepayment into account, which recalculated amounts the Board shall provide to the Trustee in a Written Certificate of the Board. The Board agrees that if, following a partial prepayment of Base Rental Payments, the Property is damaged or destroyed or taken by eminent domain, or a defect in title to the Property is discovered, the Board shall not be entitled to, and by such prepayment waives the right of, abatement of such prepaid Base Rental Payments and the Board shall not be entitled to any reimbursement of such Base Rental Payments.]

(c) [If all of the Base Rental Payments are prepaid in accordance with the provisions of the Lease Agreement then, as of the date of such deposit pursuant to subsection (a) of this Section, the term of the Lease Agreement shall be terminated.]

(d) [Before making any prepayment pursuant to this Section, the Board shall give written notice to the Trustee specifying the portion, which may be all, of the principal component of each Base Rental Payment to be prepaid.]

Section 4.07. Notices. The address set forth below shall be the address for the Owners of the Additional Provisions Certificates pursuant to Section 11.02 of the Lease Agreement:

U.S. Bank National Association
633 West Fifth Street, 25th Floor
Los Angeles, California 90071
Attention: Ashley Martin, Senior Vice President

ARTICLE V

ADDITIONAL RENTAL PAYMENTS; LATE PAYMENT RATE; DOWNGRADE RATE; INDEMNIFICATION

Section 5.01. Incorporation into Lease Agreement. The provisions of this Article are incorporated into the Lease Agreement.

Section 5.02. Fees, Expenses and Liabilities. (a) The Board shall pay, as Additional Rental Payments under the Lease Agreement, within 30 days after demand:

(i) a fee for each amendment of any Certificate Document, consent by the Owners or waiver by the Owners under any Certificate Document, in each case in a minimum amount of \$2,500;

(ii) the reasonable fees and out of pocket expenses for counsel or other reasonably required consultants to the Owners in connection with advising the Owners as to their rights and responsibilities under the Certificate Documents or in connection with responding to requests from the Board for approvals, consents, amendments and waivers;

(iii) any Expense incurred or Liability paid by or on behalf of the Owners, together with interest at the Additional Provisions Rate on such amount incurred or paid from the date when the same is incurred or paid until the same shall be paid to the Owners by the Board;

(iv) any other fees charged by the Owners for any activity with respect to the Certificate Documents requested by the Board or required under the terms of the Certificate Documents determined in accordance with such Owner's then-current fee schedule; and

(v) all reasonable fees, costs and expenses of any consultants providing services to Owners in accordance with the Certificate Documents.

(b) If at any time any Governmental Authority shall require revenue or other documentary stamps or any other tax in connection with the execution or delivery of the Certificate Documents, then, to the extent permitted by law, the Board shall pay as Additional Rental Payments under the Lease, when due and payable, for all such stamps, taxes and fees, including interest and penalties thereon.

(c) The obligations of the Board under this Section incurred or accrued during the term of the Lease Agreement shall survive the payment of the Certificates and the termination of the Certificate Documents.

Section 5.03. Increased Payments. (a) If, on or after the Delivery Date, the adoption of any law or any governmental or quasi-governmental rule, regulation, policy, guideline or directive (whether or not having the force of law), or any change in the interpretation, promulgation, implementation or administration thereof by any governmental or quasi-governmental authority, central bank or comparable agency charged with the interpretation or

administration thereof, including, notwithstanding the foregoing, all requests, rules, rulings, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act, regardless of the date enacted, adopted or issued, or compliance by an Owner with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(i) subjects an Owner to any Taxes, or changes the basis of taxation of payments (other than with respect to Excluded Taxes) to an Owner in respect of the Certificate Documents or payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents;

(ii) imposes or increases or deems applicable any reserve, liquidity ratio, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, an Owner (other than reserves and assessments taken into account in determining the interest rate evidenced by the Certificates); or

(iii) imposes any other condition the result of which is to increase the cost to an Owner of owning the Certificates or receiving payments by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents, or reduces any amount receivable by an Owner in connection with the Certificate Documents or payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents, or requires an Owner to make any payment calculated by reference to the amount of Certificates owned by such Owner or the amount of the payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents or interest or fees received by it with respect thereto, by an amount deemed material by such Owner,

and the result of any of the foregoing is to increase the cost to such Owner of owning the Certificates or receiving payments by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents or to reduce the return received by such Owner in connection with the Certificate Documents or payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents, then, within 15 days of demand by such Owner, the Board shall pay such Owner, as an Additional Rental Payment under the Lease Agreement, such additional amount or amounts as will compensate such Owner for such increased cost or reduction in amount received.

(b) If an Owner determines the amount of capital or liquidity required or expected to be maintained by such Owner, or any Person controlling such Owner, is increased as a result of a Change, then, within 15 days of demand by such Owner, the Board shall pay such Owner, as an Additional Rental Payment under the Lease Agreement, the amount necessary to compensate for any shortfall in the rate of return on the portion of such increased capital or liquidity that such Owner determines is attributable to the Certificate Documents or payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents, (after taking into account such Owner's policies as to capital adequacy or liquidity).

(c) A certificate of the Owner claiming compensation under this Section 5.03 and setting forth the additional amount or amounts to be paid to it hereunder (accompanied by a statement specifying the reasons therefor) shall be conclusive in the absence of manifest error.

(d) So long as the Lease Agreement has not been terminated, the obligations of the Board under this Section shall survive the payment of the Certificates and the termination of the Certificate Documents.

Section 5.04. Late Payment Rate. Any Base Rental Payment which shall not be paid by the Board when due and payable under the terms of the Lease Agreement shall bear interest from the date when the same is due until the same shall be paid at the Additional Provisions Rate. Any Additional Rental Payment payable to an Owner which shall not be paid by the Board when due and payable under the terms of the Lease Agreement shall bear interest from the date when the same is due until the same shall be paid at the Additional Provisions Rate. All computations of such interest shall be made on the basis of a 360-day year consisting of twelve 30 day months.

Section 5.05. Downgrade Rate. Notwithstanding the provisions of Section 3.02 of the Lease Agreement, upon the occurrence and during the continuance of a Downgrade Event, so long as no Event of Default has occurred and is continuing, the interest components of the Base Rental Payments shall accrue at the Downgrade Rate.

Section 5.06. Indemnification. To the extent permitted by law, in addition to, but not in duplication of, any and all other rights of reimbursement, indemnification, subrogation and other similar rights pursuant to the Certificate Documents and under law or equity, the Board hereby covenants and agrees to defend, indemnify and hold harmless the Indemnitees from and against any and all Liabilities by reason of or directly or indirectly in connection with any of the Transactions including (a) the execution and delivery or transfer of, or payment or failure to pay under, any Certificate Document, (b) the execution and delivery, offering, purchase, sale or remarketing of the Certificates, (c) the use of the proceeds of the Certificates, (d) the use or occupancy of the Property by the Board or any other Person, including liabilities resulting from or relating to any accident, injury or death of any individual or any Environmental Regulations or Hazardous Materials, (e) the untruth or material inaccuracy of any warranty or representation undertaken or given by the Board in any Certificate Document or in any certificate furnished thereunder or the breach or nonperformance by the Board of any covenant of the Certificate Documents or the occurrence of any Default or Event of Default under any Certificate Document, or (f) any delay or omission of the Board in paying any stamp, taxes or fees payable by the Board under Section 5.02(b) of the Final Adjustment Period Additional Provisions; provided, however, that the Board shall not be required to indemnify an Indemnatee for any Liabilities to the extent, but only to the extent, caused by the willful misconduct or gross negligence of such Indemnatee as determined in a final, non-appealable judgment. If any proceeding shall be brought or threatened against an Indemnatee by reason of or in connection with the events described in clause (a), (b), (c), (d), (e) or (f), as a condition of indemnity hereunder each Indemnatee shall promptly notify the Board in writing and the Board shall assume the defense thereof, including the employment of counsel satisfactory to such Indemnatee and the payment of all reasonable costs of litigation. Notwithstanding the preceding sentence, each Indemnatee shall have the right to employ its own counsel and to determine its own defense

of such action in any such case, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless (i) the employment of such counsel shall have been authorized in writing by the Board, or (ii) the Board, after due notice of the action, shall not have employed counsel satisfactory to such Indemnitee to have charge of such defense, in either of which events the reasonable fees and expenses of counsel for such Indemnitee shall be borne by the Board. The obligations of the Board under this Section shall survive the payment of the Certificates and the termination of the Certificate Documents.

ARTICLE VI

ADDITIONAL LEASE AGREEMENT EVENTS OF DEFAULT

Section 6.01. Incorporation into Lease Agreement. The provisions of this Article are incorporated into the Lease Agreement.

Section 6.02. Additional Events of Default. In addition to the events specified in Section 6.01 of the Lease Agreement, the occurrence, from time to time, of any one or more of the following events shall constitute an Event of Default under the Lease Agreement:

(a) the Board shall fail to perform any term, covenant, condition or provision of Sections 3.05, 3.06, 3.09, 3.10, 3.11, 3.12, 3.17, 3.18, 3.19, 4.04 or 4.05 of the Final Adjustment Period Additional Provisions, Sections 7.01, 7.08 or 8.10 of the Trust Agreement or Article V or Section 11.05 of the Lease Agreement;

(b) any representation or warranty made by or on behalf of the Board in the Certificate Documents or in any certificate, financial or other statement furnished by or on behalf of the Board to the Owners pursuant to or in the Certificate Documents shall prove to have been inaccurate, misleading or incomplete in any material respect when made;

(c) the Board or the County Office shall default in the performance of any of its respective obligations under any Contract (other than, in the case of the Board, the Certificate Documents) with the Initial Purchaser or any Owner of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding or an Affiliate thereof;

(d) the Board or the County Office shall default in the payment of any amount when due in respect of any Indebtedness owed to the Initial Purchaser or any Owner of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding or an Affiliate thereof or the Board or the County Office shall default in the payment when due of any amount due in respect of any Material Indebtedness, or the Board or the County Office shall default under any Contract under or pursuant to which such Indebtedness is incurred or issued, and continuance of such default beyond the period of grace, if any, allowed with respect thereto, or the Board or the County Office has acted or failed to act under any such Contract, the consequence of which is that such Indebtedness becomes, or is capable of becoming, immediately due and payable (or, with respect to any Hedge Agreement, which results in such Hedge Agreement being terminated early or being subject to early termination);

(e) a Certificate Document or any material provision of a Certificate Document shall at any time, for any reason, cease to be the legal, valid and binding obligation of the Board or the Corporation or shall cease to be in full force and effect, or shall be declared to be unenforceable, invalid or void, or the validity or enforceability thereof shall be contested by the Board or the Corporation, or the Board or the Corporation shall renounce the same or deny that it has any further liability thereunder;

(f) any party to any of the Certificate Documents breaches its obligation thereunder (beyond any applicable notice and cure period) and such failure is likely to have, in the reasonable judgment of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, a Material Adverse Effect;

(g) any court of competent jurisdiction or other Governmental Authority with jurisdiction to rule on the validity of the Certificate Documents shall find or rule that a material provision of a Certificate Document is not valid or not binding on the Board;

(h) any assignment, pledge or security interest created by any of the Certificate Documents at any time and for any reason (except as expressly permitted to be released by the terms of such Certificate Document) shall fail to be fully enforceable with the priority required by such Certificate Document, or, except as permitted under the Certificate Documents, the Board shall so assert in writing,

(i) the entry or filing of one or more judgments or orders or of any similar decrees or decisions for the payment of money that, individually or in the aggregate, equals or exceeds \$500,000 against the Board or the County Office, and (i) such judgment, order, decree or decision shall be undischarged, unstayed or unbonded (by property other than the Property) for a period of 30 consecutive days, or (ii) any action shall be taken by a judgment creditor to attach, execute or levy upon all or any portion of the Property or any funds or accounts established under the Certificate Documents to enforce any such Judgment, which the Board fails to satisfy or cause the removal or return of within 60 days of the date of such attachment, execution or levy;

(j) the Board or the County Office shall fail to keep in full force and effect any material permit or approval issued by any Governmental Authority and such failure is likely to have, in the reasonable judgment of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, a Material Adverse Effect;

(k) any event occurs that could reasonably be expected, in the reasonable judgment of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, to result in a Material Adverse Effect;

(l) any levy, seizure or attachment of the Property or any funds or accounts established under the Certificate Documents or a substantial part of the property, assets or business of the Board or the County Office, which the Board or the County Office fails to satisfy or cause the removal or return of within 60 days of the date of such levy, seizure or attachment;

(m) the Board or the County Office is dissolved or its existence is terminated;

(n) the Board adopts a resolution to authorize any action or event that would constitute an Event of Default under any Certificate Document;

(o) the County Office receives from the Superintendent of Schools of the county in which the County Office is located or the State Superintendent of Public

Instruction pursuant to Section 1240(l) of the California Education Code any negative or qualified certification of ability to meet fiscal year obligations and the County Office fails, in the reasonable judgment of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, to remedy the situation leading to such certification and to avoid any similar certification in the future within 30 days after any such certification relating to the then-current or next following fiscal year obligations or within 90 days after any such certification relating to any other subsequent fiscal year obligations; or

(p) the County Office's outside independent auditor fails or refuses to deliver an unqualified opinion with respect to the financial statements of the County Office for a Fiscal Year within 210 days after the end of such Fiscal Year.

ARTICLE VII

CONSENT TO JURISDICTION; JUDICIAL REFERENCE

Section 7.01. Incorporation into Trust Agreement. The provisions of this Article are incorporated into the Trust Agreement.

Section 7.02. Jurisdiction; Venue; Waiver of Jury Trial. (a) EACH OF THE BOARD, THE CORPORATION AND THE TRUSTEE HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR STATE COURT SITTING IN THE COUNTY OF LOS ANGELES IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY CERTIFICATE DOCUMENTS AND EACH OF THE BOARD, THE CORPORATION AND THE TRUSTEE HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE INITIAL PURCHASER TO BRING PROCEEDINGS AGAINST THE BOARD, THE CORPORATION OR THE TRUSTEE OR TO ENFORCE RIGHTS AND REMEDIES IN RESPECT OF COLLATERAL IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY THE BOARD, THE CORPORATION OR THE TRUSTEE AGAINST THE INITIAL PURCHASER OR ANY AFFILIATE OF THE INITIAL PURCHASER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY CERTIFICATE DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN THE COUNTY OF LOS ANGELES.]

(b) Each of the Board, the Corporation, the Trustee and the Initial Purchaser hereby irrevocably waives, to the fullest extent permitted by law, any and all right to trial by jury in any legal proceeding arising out of or relating to the Certificate Documents or the transactions contemplated thereby involving or affecting the Initial Purchaser or the rights or interests of the Initial Purchaser. Each of the Board, the Corporation and the Trustee further agrees that, in the event of litigation, it will not personally or through its agents or attorneys seek to repudiate the validity of this Section, and it acknowledges that it freely and voluntarily agreed to waive trial by jury as provided herein in order to induce the Initial Purchaser to consent to the Final Adjustment Period. If and to the extent that the foregoing waiver of the right to a jury trial is unenforceable for any reason in such forum, the provisions set forth below in Section 7.03 shall apply unless the Board, the Corporation[, the Initial Purchaser] and the Trustee mutually take such action as is necessary within such forum to enforceably and irrevocably waive the right to a jury trial.

Section 7.03. Judicial Reference. (a) For purposes of this Section (i) "Parties" means, collectively, the Board, the Corporation, the Trustee and the Initial Purchaser, and (ii) "Disputes" mean any and all disputes, claims and controversies arising out of, connected with or relating to the Certificate Documents or the transactions contemplated thereby involving or affecting the Initial Purchaser or the rights or interests of the Initial Purchaser.

(b) Any and all Disputes that are brought before a forum in which pre-dispute waivers of the right to trial by jury are invalid under applicable law shall be subject to the terms of this Section in lieu of the jury trial waivers otherwise provided in the Certificate Documents. Disputes may include, without limitation, tort claims, counterclaims, claims brought as class actions, claims arising from the Certificate Documents executed in the future, disputes as to whether a matter is subject to judicial reference, or claims concerning any aspect of the past, present or future relationships arising out of or connected with the Certificate Documents. [Notwithstanding the foregoing, this paragraph shall not apply to any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act or any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement or any similar master agreement governing any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, fixed-price physical delivery contracts, whether or not exchange traded, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing).]

(c) Any and all Disputes shall be heard by a referee and resolved by judicial reference pursuant to California Code of Civil Procedure Sections 638 et seq.

(d) The referee shall be a retired State court judge or an attorney licensed to practice law in the State with at least ten years’ experience practicing commercial law. The Parties shall not seek to appoint a referee that may be disqualified pursuant to California Code of Civil Procedure Section 641 or 641.2 without the prior written consent of all Parties.

(e) If the Parties are unable to agree upon a referee within ten calendar days after one Party serves a written notice of intent for judicial reference upon the other Parties, then the referee shall be selected by the court in accordance with California Code of Civil Procedure Section 640(b).

(f) The referee shall render a written statement of decision and shall conduct the proceedings in accordance with the California Code of Civil Procedure, the Rules of Court, and the California Evidence Code, except as otherwise specifically agreed by the Parties and approved by the referee. The referee’s statement of decision shall set forth findings of fact and conclusions of law. The decision of the referee shall be entered as a judgment in the court in accordance with the provisions of California Code of Civil Procedure Sections 644 and 645. The decision of the referee shall be appealable to the same extent and in the same manner that such decision would be appealable if rendered by a judge of the superior court.

(g) Notwithstanding the preceding agreement to submit Disputes to a judicial referee, the Parties and the other Certificate Documents preserve, without diminution, certain rights and remedies at law or equity and under the Certificate Documents that such Parties may employ or exercise freely, either alone or in conjunction with or during a Dispute. Each Party shall have and

hereby reserves the right to proceed in any court of proper jurisdiction or by self-help to exercise or prosecute the following remedies, as applicable: (A) all rights to foreclose against any real or personal property or other security by exercising a power of sale granted in the Certificate Documents or under applicable law or by judicial foreclosure and sale, including a proceeding to confirm the sale, (B) all rights of self-help including peaceful occupation of property and collection of rents, setoff, and peaceful possession of property, (C) obtaining provisional or ancillary remedies including injunctive relief, sequestration, garnishment, attachment, appointment of receiver and in filing an involuntary bankruptcy proceeding, and (D) when applicable, a judgment by confession of judgment. Preservation of these remedies does not limit the power of a judicial referee to grant similar remedies that may be requested by a party in a Dispute. No provision in the Certificate Documents regarding submission to jurisdiction and/or venue in any court is intended or shall be construed to be in derogation of the provisions in any Certificate Document for judicial reference of any Dispute. The Parties do not waive any applicable federal or state substantive law (including without limitation the protections afforded to banks under 12 U.S.C. § 91 or any similar applicable state law) except as provided herein.

(h) If a Dispute includes multiple claims, some of which are found not subject to this Section, the Parties shall stay the proceedings of the [claims][Disputes or part or parts thereof] not subject to this Section until all other [claims][Disputes or parts thereof] are resolved in accordance with this Section. If there are Disputes by or against multiple parties, some of which are not subject to this Section, the Parties shall sever the Disputes subject to this Section and resolve them in accordance with this Section.

(i) During the pendency of any Dispute that is submitted to judicial reference in accordance with this Section, each of the Parties to such Dispute shall bear equal shares of the fees charged and costs incurred by the referee in performing the services described in this Section. The compensation of the referee shall not exceed the prevailing rate for like services. The prevailing Party shall be entitled to reasonable court costs and legal fees, including customary attorney fees, expert witness fees, paralegal fees, the fees of the referee and other reasonable costs and disbursements charged to the party by its counsel, in such amount as is determined by the referee.

(j) In the event of any challenge to the legality or enforceability of this Section, the prevailing Party shall be entitled to recover the costs and expenses from the non-prevailing Party, including reasonable attorneys' fees, incurred by it in connection therewith.

(k) THE PROVISIONS OF THIS SECTION CONSTITUTE A "REFERENCE AGREEMENT" BETWEEN OR AMONG THE PARTIES WITHIN THE MEANING OF AND FOR PURPOSES OF CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638.

ARTICLE VIII

ADDITIONAL MISCELLANEOUS TRUST AGREEMENT PROVISIONS

Section 8.01. Incorporation into Trust Agreement. The provisions of this Article are incorporated into the Trust Agreement.

Section 8.02. Transfer Restrictions on the Certificates. Each Certificate is transferrable by the Owner thereof as provided in Section 2.07 of the Trust Agreement, except that no such transfer shall be made unless there is delivered to the Board and the Trustee a completed and duly executed Purchaser Letter.

Section 8.03. Owners' Approval of Special Counsel. The selection by the Board of the firm of nationally recognized bond counsel to act as Special Counsel pursuant to the Trust Agreement, shall be subject to the approval of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, which consent shall not be unreasonably withheld. Orrick, Herrington & Sutcliffe LLP is deemed to be approved by the Owners as Special Counsel.

Section 8.04. No Deductions. Except as otherwise required by law, each payment by the Board to any Owner under the Certificate Documents shall be made without setoff or counterclaim and without withholding for or on account of any present or future taxes (other than any tax measured by or based upon the overall net income of such Owner imposed by any jurisdiction having control over such Owner) imposed by or within the jurisdiction in which the Board is domiciled, any jurisdiction from which the Board makes any payment hereunder, or (in each case) any political subdivision or taxing authority thereof or therein. If any such withholding is so required, the Board shall make the withholding, pay the amount withheld to the appropriate Governmental Authority before penalties attach thereto or interest accrues thereon and forthwith pay such additional amount as may be necessary to ensure that the net amount actually received by such Owner free and clear of such taxes (including such taxes on such additional amount) is equal to the amount which such Owner would have received had such withholding not been made. The Board shall indemnify any Owner, within 15 days after demand therefor, for the full amount in respect of any such taxes, penalties or interest [payable or] paid by such Owner or required to be withheld or deducted from a payment to such Owner and any reasonable expenses arising therefrom or with respect thereto, whether or not any such taxes, penalties or interest were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Board by such Owner shall be conclusive absent manifest error. If the Board pays any such taxes, penalties or interest, it shall deliver official tax receipts evidencing that payment or certified copies thereof to such Owner on or before the thirtieth day after payment.

Section 8.05. Right of Setoff. Upon the occurrence and during the continuance of an Event of Default, each Owner may at any time and from time to time, without notice to the Board (any such notice being expressly waived by the Board), set-off and apply any and all deposits (general or special, time or demand, provisional or final, but not including trust accounts) at any time held and any other indebtedness or other payment obligation at any time owing by such Owner or any Affiliate thereof to or for the credit or the account of the Board,

regardless of the currency of such deposits or indebtedness, against any and all of the obligations and liabilities of the Board to such Owner now or hereafter existing arising under or connected with the Certificate Documents, irrespective of whether or not such Owner shall have made any demand therefor and although such obligations may be contingent and unmatured. Such Owner shall promptly notify the Board after any such set off and application referred to in the preceding sentence, provided that the failure to give such notice shall not affect the validity of such set off and application. The rights of each Owner under this Section are in addition to other rights and remedies which such Owner may have including, without limitation, other rights of set-off.

Section 8.06. No Implied Waiver; Cumulative Remedies. No course of dealing and no delay or failure of any Owner in exercising any right, power or privilege under the Certificate Documents shall affect any other or future exercise thereof or the exercise of any right, power or privilege; nor shall any single or partial exercise of any such right, power or privilege or any abandonment or discontinuance of steps to enforce such a right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies of the Owners under the Certificate Documents are cumulative and not exclusive of any rights or remedies which the Owners would otherwise have under any Certificate Document, at law or in equity.

Section 8.07. Duration. All representations and warranties of the Board contained in the Certificate Documents or made in connection therewith shall survive the making of and shall not be waived by the execution and delivery of the Certificate Documents or any investigation by any Owner. All covenants and agreements of the Board contained in the Certificate Documents shall continue in full force and effect from and after the Delivery Date until the payment obligations of the Board under the Certificate Documents have been indefeasibly paid in full and fully discharged; provided, however, that the obligations of the Board under Article V of the Final Adjustment Period Additional Provisions and under each other provision of any Certificate Document granting a right of indemnity or reimbursement in favor of the Owners shall survive the payment of the Certificates and the termination of the Certificate Documents.

Section 8.08. Certain Pledges. Any Owner may at any time pledge or grant a security interest in all or any portion of its Certificates to secure obligations of such Owner, including any pledge or assignment to secure obligations to a Federal Reserve Bank.

Section 8.09. Preferences. To the extent that any Owner receives any payment from or on behalf of the Board which payment or any part thereof is subsequently Set Aside, then, to the extent of any such Set Aside, except with respect to Rental Payments abated pursuant to Section 3.07 of the Lease Agreement, the obligations or part thereof intended to be satisfied shall be revived and continue in full force and effect, as if such payment had not been received by such Owner or such Set Aside had not occurred.

Section 8.10. Standard of Conduct by Owners; Liability of Owners. Nothing contained in any Certificate Document shall limit the right of any Owner to exercise its business judgment or to act, in the context of the granting or withholding of any consent under any Certificate Document, in a subjective manner, so long as such Owner's exercise of its business judgment or action is made or undertaken in good faith. The Board and the Owners intend by the foregoing to set forth and affirm their entire understanding with respect to the standard pursuant

to which any Owner's actions are to be judged and the parameters within which any such Owner's discretion may be exercised hereunder and under the other Certificate Documents. As used herein, "good faith" means honesty in fact in the conduct and transaction concerned.

Section 8.11. PATRIOT Act Notice. The following notification is provided to the Board pursuant to Section 326 of the PATRIOT Act: The Board is notified by the Final Adjustment Period Additional Provisions that pursuant to the requirements of the PATRIOT Act each Owner may be required to obtain, verify and record information that identifies the Board, which information includes the name and address of the Board and other information that will allow such Owner to identify the Board in accordance with the PATRIOT Act. The Board hereby agrees that it shall promptly provide such information upon request by such Owner.

Section 8.12. Notices. The address set forth below shall be the address for the Owners of the Additional Provisions Certificates pursuant to Section 14.05 of the Trust Agreement:

U.S. Bank National Association
633 West Fifth Street, 25th Floor
Los Angeles, California 90071
Attention: Ashley Martin, Senior Vice President

Section 8.13. Document Imaging and Electronic Transactions. Each Owner is permitted to create electronic images of the Certificate Documents and to destroy paper originals of any such imaged documents. Any such images maintained by such Owner as a part of its normal business processes shall be given the same legal effect as the paper originals. Each Owner is permitted to convert the Certificate Documents into a "transferable record" under the Uniform Electronic Transactions Act ("UETA"), with the image of such instrument in such Owner's possession constituting an "authoritative copy" under UETA.

Section 8.14. Redaction. Subject to applicable law, in the event on or subsequent to December 1, 2019 the Corporation, the Board or the County Office proposes to deliver or cause to be delivered to the Board's dissemination agent for dissemination under the Continuing Disclosure Agreement, or directly to the Municipal Securities Rulemaking Board, a copy of these Final Adjustment Period Additional Provisions, the Trust Agreement or the Lease Agreement (including without limitation any amendments hereto or thereto), the Corporation or the Board, as applicable, shall first provide the Initial Purchaser a reasonable opportunity to review, and to reasonably request the redaction of certain information contained in, the forms of such documents proposed to be delivered to its dissemination agent for dissemination under the Continuing Disclosure Agreement, or directly to the Municipal Securities Rulemaking Board. The Initial Purchaser agrees to review and provide any such request for redaction to such documents in a timely manner to permit the Board to comply with its obligations under the Continuing Disclosure Agreement. The Corporation, the Board or the County Office shall only provide or cause to be provided to the Board's dissemination agent for dissemination under the Continuing Disclosure Agreement, or directly to the Municipal Securities Rulemaking Board, a redacted copy of these Final Adjustment Period Additional Provisions, the Lease Agreement or the Trust Agreement (including without limitation any amendments hereto or thereto) that redacts any pricing and confidential information contained in such forms which could be used in a fraudulent manner, such as any bank routing or account numbers, staff names and contact

information, such redactions only as permitted under and subject to applicable law and as are reasonably requested by the Initial Purchaser.

APPENDIX 1
FORM OF PURCHASER LETTER

Orange County Board of Education
Certificates of Participation
(Esplanade Restructuring Program)

[Date]

Orange County Department of Education Facilities Corporation
c/o Orange County Department of Education
200 Kalmus Drive
Costa Mesa, California 92628
Attention: Associate Superintendent, Business Services Division

Orange County Board of Education
c/o Orange County Department of Education
200 Kalmus Drive
Costa Mesa, California 92628
Attention: Associate Superintendent, Business Services Division

Ladies and Gentlemen:

In connection with the purchase of Orange County Board of Education Certificates of Participation (Esplanade Restructuring Program) evidencing principal in the aggregate amount of \$_____ (the "Certificates"), executed and delivered pursuant to the Trust Agreement dated as of February 1, 2012, by and among Orange County Department of Education Facilities Corporation (the "Corporation"), Orange County Board of Education (the "Board") and U.S. Bank National Association, as trustee (the "Trustee"), as amended and supplemented by the First Supplemental Trust Agreement, dated as of December 1, 2019 (as so amended and supplemented, the "Trust Agreement"), by and among the Board, the Corporation and the Trustee, the undersigned (the "Purchaser") certifies as set forth below. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Trust Agreement.

1. The Purchaser has such knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, that it is capable of evaluating the risks and merits of the investment represented by the purchase of the Certificates.

2. The Purchaser has authority to purchase the Certificates and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Certificates.

3. The undersigned is a duly appointed, qualified and acting representative of the Purchaser and is authorized to cause the Purchaser to make the certifications, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

4. The Purchaser is: [check one]

☐ a national bank, the business of which is substantially confined to banking.

☐ a banking institution organized under the law of any state, territory, or the District of Columbia, the business of which is substantially confined to banking and is supervised by the state or territorial banking commission or similar official.

5. The Purchaser understands that no comprehensive offering statement is being provided with respect to the Certificates. The Purchaser has made its own inquiry and analysis with respect to the Corporation, the Board, the Property, the Certificates and the security therefor, and other material factors affecting the security for and payment of the Certificates.

6. The Purchaser acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Corporation, the Board, the Property, the Certificates and the security therefor, to which a reasonable purchaser would attach significance in making decisions to purchase, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Corporation, the Board, the Property, the Certificates and the security therefor, so that as a reasonable purchaser, it has been able to make its decision to purchase the Certificates.

7. The Purchaser understands that the Certificates (i) are not registered or otherwise qualified for sale under any federal or state laws, (ii) are not listed on any stock or other securities exchange, and (iii) carry no rating from any credit rating agency.

8. The Purchaser is not purchasing the Certificates for more than one account or with a view to distributing the Certificates; provided, however, that the Purchaser reserves the right to sell, transfer or redistribute the Certificates, but agrees that any such sale, transfer or distribution by the Purchaser shall be to a Person:

(a) that is an affiliate of the Purchaser that itself is a national bank, or any banking institution organized under the law of any state, territory, or the District of Columbia, the business of which is substantially confined to banking and is supervised by the state or territorial banking commission or similar official (a "Qualified Transferee");

(b) that is a trust or other custodial arrangement established by the Purchaser or one of its affiliates, the owners of any beneficial interest in which are limited to Qualified Transferees;

(c) that the Purchaser reasonably believes to be a Qualified Transferee; or

(d) that executes a purchaser letter substantially in the form of this letter.

Very truly yours,

[PURCHASER]

By: _____

Name: _____

Title: _____

EXHIBIT B

FORM OF CERTIFICATE

No. R-____

\$ _____

**ORANGE COUNTY BOARD OF EDUCATION
CERTIFICATE OF PARTICIPATION
(ESPLANADE RESTRUCTURING PROGRAM)**

**UNENHANCED EXTENDED RATE MODE
CERTIFICATE OF PARTICIPATION**

PAYMENT DATE

INTEREST RATE

DATED DATE

June 1, 2029

As described herein

February 1, 2012

REGISTERED OWNER: U.S. BANK NATIONAL ASSOCIATION

PRINCIPAL AMOUNT: _____ DOLLARS

THIS IS TO CERTIFY that the Registered Owner of this Certificate of Participation (this "Certificate"), as identified above, is the owner of a direct, fractional undivided interest in certain base rental payments (the "Base Rental Payments") payable under and pursuant to the Lease Agreement, dated as of February 1, 2012 (the "Lease Agreement"), by and between the Orange County Board of Education (the "Board"), as lessee, and the Orange County Department of Education Facilities Corporation (the "Corporation"), as lessor. Substantially all of the rights of the Corporation under the Lease Agreement, including the right to receive the Base Rental Payments, have been assigned without recourse by the Corporation to U.S. Bank National Association, as trustee (the "Trustee") under the Trust Agreement, dated as of February 1, 2012 (the "Trust Agreement"), by and among the Trustee, the Corporation and the Board. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Trust Agreement.

This Certificate is one of the duly authorized Orange County Board of Education Certificates of Participation (Esplanade Restructuring Program) (the "Certificates") evidencing principal in the initial aggregate amount of \$16,200,000, executed and delivered pursuant to the Trust Agreement. The Certificates evidence direct, fractional undivided interests in the Base Rental Payments payable under the Lease Agreement.

Reference is hereby made to the Trust Agreement and to any and all amendments thereof and supplements thereto for a description of the agreements, conditions, covenants and terms with respect to the Certificates, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights, duties and immunities of the Trustee, for the rights and remedies of the Owners of the Certificates with respect thereto and for the other agreements, conditions, covenants and terms upon which the Certificates are executed and delivered thereunder, to all of which provisions the Registered Owner by acceptance hereof, assents and agrees, and the provisions of the Trust Agreement are hereby incorporated into this Certificate as though fully set forth herein.

The Certificates are in the Unenhanced Extended Rate Mode and shall remain in the Unenhanced Extended Rate Mode until the day prior to June 1, 2029, the final Principal Payment Date for the Certificates. From and including December 1, 2019 to but not including such final Principal Payment Date, the Certificates shall evidence interest at the rate of _____% per annum or, if and to the extent provided in the Lease Agreement, at the Additional Provisions Rate, which interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Interest evidenced by the Certificates shall be payable on each Interest Payment Date to and including their respective Principal Payment Dates or prepayment prior thereto, and shall represent the sum of the portions of the Base Rental Payments designated as interest components coming due on such Interest Payment Date. The principal evidenced by the Certificates shall be payable on their respective Principal Payment Dates and Mandatory Sinking Account Payment Dates in each year and shall represent the sum of the portions of the Base Rental Payments designated as principal components coming due on such Principal Payment Dates and Mandatory Sinking Account Payment Dates.

Prior to the Change Date for the Unenhanced Extended Rate Mode, the Certificates may not be subject to a Change in Mode to any other Mode. This Certificate sets forth only the terms applicable hereto while the Certificates are in the Unenhanced Extended Rate Mode.

Certificates in the Unenhanced Extended Rate Mode shall be executed and delivered in fully registered form without coupons in denominations of \$100,000 and any integral multiple of \$1,000 in excess thereof (said denominations being "Authorized Denominations" for the Certificates in the Unenhanced Extended Rate Mode.)

The Certificates are subject to prepayment on the dates, at the redemption prices and pursuant to the terms set forth in the Trust Agreement. Notice of prepayment of any Certificate or any portion thereof shall be given as provided in the Trust Agreement.

This Certificate may be transferred or exchanged by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Trust Agreement.

The Trust Agreement, and the rights and obligations of the Corporation, the Board, the Trustee and the Owners may be modified or amended in the manner, to the extent, and upon the terms provided in the Trust Agreement.

The Trust Agreement contains provisions permitting the Board to make provision for the payment of the principal, interest and premium, if any, evidenced by any of the Certificates so that such Certificates shall no longer be deemed to be Outstanding under the terms of the Trust Agreement.

The Board has certified that all acts, conditions and things required by the statutes of the State of California and by the Trust Agreement to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Certificate do

exist, have happened and have been performed in regular and due time, form and manner as required by law, and that the Trustee is duly authorized to execute and deliver this Certificate.

IN WITNESS WHEREOF, this Certificate has been executed by the manual signature of an authorized signatory of the Trustee as of the date set forth below.

Date: _____

**U.S. BANK NATIONAL
ASSOCIATION, AS TRUSTEE**

By: _____
Authorized Signatory

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto _____, whose address and social security or other tax identifying number is _____, the within-mentioned Certificate and hereby irrevocably constitute(s) and appoint(s) _____, attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

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

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

TO BE RECORDED AND WHEN RECORDED
RETURN TO:

Orrick, Herrington & Sutcliffe LLP
777 South Figueroa Street, 32nd Floor
Los Angeles, California 90017
Attention: Laura Gao

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER
TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION
CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO
SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

FIRST AMENDMENT TO LEASE AGREEMENT

by and between

ORANGE COUNTY BOARD OF EDUCATION

and

**ORANGE COUNTY DEPARTMENT OF EDUCATION
FACILITIES CORPORATION**

Dated as of _____ 1, 2019

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT (this “First Amendment to Lease Agreement”), dated as of _____ 1, 2019, is by and between the ORANGE COUNTY BOARD OF EDUCATION, a board of education organized and existing under the laws of the State of California (the “Board”), and the ORANGE COUNTY DEPARTMENT OF EDUCATION FACILITIES CORPORATION, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the “Corporation”).

RECITALS

WHEREAS, in order to refinance certain school facilities, the Corporation leased certain real property and the improvements thereto (the “Property”) to the Board pursuant to the Lease Agreement, dated as of February 1, 2012 (the “Original Lease Agreement”), by and between the Board and the Corporation (capitalized undefined terms used herein have the meanings ascribed thereto in the Original Lease Agreement);

WHEREAS, the Property is more particularly described in Exhibit A attached hereto;

WHEREAS, in order to provide a portion of the funds to refinance such school facilities, the Board caused to be executed and delivered the Orange County Board of Education Certificates of Participation (Esplanade Restructuring Program) (the “Certificates”);

WHEREAS, the Certificates were executed and delivered pursuant to the Trust Agreement, dated as of February 1, 2012, by and among U.S. Bank National Association, as Trustee, the Corporation and the Board;

WHEREAS, the Certificates evidence direct, fractional undivided interests of the owners thereof in the base rental payments to be made by the Board pursuant to the Lease Agreement;

WHEREAS, Section 11.07 of the Original Lease Agreement provides that, subject to the limitations contained therein (none of which are applicable hereto), the Original Lease Agreement, and the rights and obligations of the Corporation and the Board thereunder, may be amended at any time by an amendment thereto which shall become binding upon execution by the Board and the Corporation, but only with the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding;

WHEREAS, the Owner of all of the Outstanding Certificates has consented to this First Amendment to Lease Agreement; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this First Amendment to Lease Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this First Amendment to Lease Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties do hereby agree as follows:

PART 1

AMENDMENTS

Part 1.1. Amendments to Section 1.01. Section 1.01 of the Original Lease Agreement is hereby amended by adding thereto the following definitions:

“First Amendment to Lease Agreement” means the First Amendment to Lease Agreement, dated as of _____ 1, 2019, by and between the Board and the Corporation.

“Scheduled Termination Date” means June 1, 2029.

Part 1.2. Amendment to Article X. Article X of the Original Lease Agreement is hereby amended by adding after Section 10.02 thereof a new Section 10.03, which shall read in full as follows:

Section 10.03. Additional Provisions on the Change Date that is December 1, 2019. (a) The Additional Provisions incorporated into this Lease Agreement on and as of the Change Date for the Initial Mode shall, on and as of the Change Date that is December 1, 2019, no longer be incorporated herein and shall no longer be of any force or effect.

(b) There is hereby incorporated into this Lease Agreement, on and as of the Change Date that is December 1, 2019, the Additional Provisions attached to the First Amendment to Lease Agreement as Exhibit B, such Additional Provisions to take effect as of the effective date hereof.

Part 1.3. Amendment to Exhibit B. Exhibit B to the Original Lease Agreement is hereby amended to read in full as follows:

EXHIBIT B

BASE RENTAL PAYMENT SCHEDULE

June 1	Principal Component
2012	\$ 200,000
2013	230,000
2014	270,000
2015	310,000
2016	350,000
2017	400,000
2018	450,000
2019	500,000
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	

Interest Components

From and including the Delivery Date to but not including the Change Date for the Initial Mode, the interest components of the Base Rental Payments shall accrue on the principal components of the Base Rental Payments at the rate of 3.00% per annum or, if and to the extent provided in the Lease Agreement, at the Additional Provisions Rate. From and after the Change Date for the Initial Mode, the interest components of the Base Rental Payments shall accrue on the principal components of the Base Rental Payments at the Adjusted Interest Rates, the Bank Rate or the Additional Provisions Rate, as provided in and calculated in accordance with the Trust Agreement and the Lease Agreement. Subject to the provisions of Section 3.07 of the Lease Agreement and Article VII thereof, the interest components of the Base Rental Payments shall be paid by the Board on each Interest Payment Date.

PART 2

MISCELLANEOUS

Part 2.1. Effect of First Amendment to Lease Agreement. This First Amendment to Lease Agreement and all of the terms and provisions herein contained shall form part of the Lease Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Lease Agreement. The Lease Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended, and as amended hereby. If there shall be any conflict between the terms of this First Amendment to Lease Agreement and the terms of the Lease Agreement (as in effect on the day prior to the effective date of this First Amendment to Lease Agreement), the terms of this First Amendment to Lease Agreement shall prevail.

Part 2.2. Governing Law. This First Amendment to Lease Agreement shall be governed by and construed in accordance with the laws of the State of California.

Part 2.3. Execution in Counterparts. This First Amendment to Lease Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Part 2.4. Effective Date. This First Amendment to Lease Agreement shall become effective on _____, 2019.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Lease Agreement by their officers thereunto duly authorized as of the day and year first written above.

**ORANGE COUNTY BOARD OF
EDUCATION**

By: _____

**ORANGE COUNTY DEPARTMENT OF
EDUCATION FACILITIES
CORPORATION**

By: _____

EXHIBIT A

DESCRIPTION OF THE PROPERTY

All that real property situated in the County of Orange, State of California, described as follows, and any improvements thereto:

PARCEL A:

PARCEL 1, IN THE CITY OF COSTA MESA, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A PARCEL MAP FILED IN BOOK 37, PAGE 38, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFOR AND STORING IN AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL OR MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, STORE, EXPLORE AND OPERATE THROUGH THE SURFACE OF THE UPPER 500 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AS RESERVED IN THE DEED FROM IRVINE INDUSTRIAL COMPLEX, RECORDED AUGUST 28, 1972 AS INSTRUMENT NO. 29121, IN BOOK 10296, PAGE 232 OF OFFICIAL RECORDS.

PARCEL B:

PARCEL 2, IN THE CITY OF COSTA MESA, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 3, PAGE 26 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT B
ADDITIONAL PROVISIONS

**FINAL ADJUSTMENT PERIOD
(UNENHANCED EXTENDED RATE MODE)
ADDITIONAL PROVISIONS**

**Orange County Board of Education
Certificates of Participation
(Esplanade Restructuring Program)**

TABLE OF CONTENTS

	Page
ARTICLE I	
ADDITIONAL DEFINITIONS.....	1
Section 1.01. Incorporation into Lease Agreement and Trust Agreement	1
Section 1.02. Definitions.....	1
ARTICLE II	
REPRESENTATIONS AND WARRANTIES.....	7
Section 2.01. Incorporation into Lease Agreement	7
Section 2.02. Reliance.....	7
Section 2.03. Existence and Power	7
Section 2.04. Due Authorization.....	7
Section 2.05. Valid and Binding Obligations	7
Section 2.06. Noncontravention; Compliance with Law	8
Section 2.07. Pending Litigation and Other Proceedings; Pending Legislation and Decisions	8
Section 2.08. Financial Statements	8
Section 2.09. Defaults	8
Section 2.10. No Material Adverse Change.....	8
Section 2.11. Insurance	9
Section 2.12. Accuracy of Information.....	9
Section 2.13. Anti-Corruption Laws; Sanctions	9
Section 2.14. Concerning the Property; Certificate Attributes	10
Section 2.15. Defaults; Negative or Qualified Certification.....	10
Section 2.16. Essentiality	11
Section 2.17. Sovereign Immunity.....	11
Section 2.18. Usury.....	11
ARTICLE III	
ADDITIONAL TRUST AGREEMENT PROVISIONS.....	12
Section 3.01. Incorporation into Trust Agreement	12
Section 3.02. Reporting Requirements	12
Section 3.03. Notices	13
Section 3.04. Offering Memoranda and Official Statements.....	14
Section 3.05. Access to Books, Records and Accounts; Communication with Accountant	14
Section 3.06. Maintenance of Existence	15
Section 3.07. Compliance with Certificate Documents	15

TABLE OF CONTENTS
(continued)

	Page
Section 3.08. Compliance with Laws	15
Section 3.09. Financial Covenants.....	15
Section 3.10. Accounting Methods	16
Section 3.11. Negative or Qualified Certification	16
Section 3.12. Short-Term Rating	16
Section 3.13. Judgments	16
Section 3.14. Hedge Agreements.....	16
Section 3.15. Most Favored Nations Covenant	16
Section 3.16. Further Assurances.....	17
Section 3.17. Amendments	17
Section 3.18. Certain Information.....	17
Section 3.19. Inconsistent Action	17
Section 3.20. Right to Cure.....	18
Section 3.21. Certain Payments With Respect to the Certificates	18
Section 3.22. Anti-Corruption Laws; Sanctions; Anti-Money Laundering Compliance	18
Section 3.23. Optional Prepayment of Certificates.....	19
Section 3.24. [Board's Deemed Knowledge.....	19
ARTICLE IV ADDITIONAL LEASE AGREEMENT PROVISIONS	20
Section 4.01. Incorporation into Lease Agreement	20
Section 4.02. [Reserved].....	20
Section 4.03. Maintenance of Property	20
Section 4.04. Liens.....	20
Section 4.05. Disposition of the Property; Uses	20
Section 4.06. Prepayment of Base Rental Payments	21
Section 4.07. Notices	22
ARTICLE V ADDITIONAL RENTAL PAYMENTS; LATE PAYMENT RATE; DOWNGRADE RATE; INDEMNIFICATION	23
Section 5.01. Incorporation into Lease Agreement	23
Section 5.02. Fees, Expenses and Liabilities	23
Section 5.03. Increased Payments.....	23
Section 5.04. Late Payment Rate	25

TABLE OF CONTENTS
(continued)

	Page
Section 5.05. Downgrade Rate.....	25
Section 5.06. Indemnification	25
ARTICLE VI ADDITIONAL LEASE AGREEMENT EVENTS OF DEFAULT	27
Section 6.01. Incorporation into Lease Agreement	27
Section 6.02. Additional Events of Default	27
ARTICLE VII CONSENT TO JURISDICTION; JUDICIAL REFERENCE.....	30
Section 7.01. Incorporation into Trust Agreement	30
Section 7.02. [Jurisdiction; Venue; Waiver of Jury Trial	30
Section 7.03. Judicial Reference	30
ARTICLE VIII ADDITIONAL MISCELLANEOUS TRUST AGREEMENT PROVISIONS	33
Section 8.01. Incorporation into Trust Agreement	33
Section 8.02. Transfer Restrictions on the Certificates.....	33
Section 8.03. Owners' Approval of Special Counsel	33
Section 8.04. No Deductions	33
Section 8.05. Right of Setoff.....	33
Section 8.06. No Implied Waiver; Cumulative Remedies	34
Section 8.07. Duration	34
Section 8.08. Certain Pledges	34
Section 8.09. Preferences	34
Section 8.10. Standard of Conduct by Owners; Liability of Owners	34
Section 8.11. PATRIOT Act Notice	35
Section 8.12. Notices	35
Section 8.13. Document Imaging and Electronic Transactions.....	35
Section 8.14. Redaction	35
APPENDIX 1 FORM OF PURCHASER LETTER.....	1-1

ARTICLE I

ADDITIONAL DEFINITIONS

Section 1.01. Incorporation into Lease Agreement and Trust Agreement. The provisions of this Article are incorporated into the Lease Agreement and into the Trust Agreement.

Section 1.02. Definitions. In addition to the terms defined in the Trust Agreement and the Lease Agreement, the following terms shall have the following meanings.

“Affiliate” means, with respect to a Person, a corporation, partnership, association, joint venture, business trust or similar entity organized under the Laws of any state that directly, or indirectly through one or more intermediaries, Controls or is Controlled by, or is under common Control with, such Person.

“Additional Provisions Rate” means, while the Certificates are in the Final Adjustment Period (a) from and after the final Principal Payment Date if, on such final Principal Payment Date, any Rental Payments or any obligation of the Board under the Certificate Documents remains unpaid, a fluctuating per annum rate of interest which is equal to the Base Rate plus 4.0%, (b) for purposes of subsection (iii) of Section 5.02 and Section 5.04 of the Additional Provisions and Section 3.05 of the Lease Agreement, a fluctuating per annum rate of interest which is equal to the Base Rate plus 4.0%, and (c) upon the occurrence and during the continuance of an Event of Default, a fluctuating per annum rate of interest which is equal to the Base Rate plus 4.0%, in each case, computed on the basis of a 360-day year consisting of twelve 30-day months.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Board or the County Office from time to time concerning or relating to bribery or corruption.

“Base Rate” means the fluctuating per annum rate of interest which is equal to the highest of (a) the Prime Rate plus 1.0%, (b) the Federal Funds Rate plus 2.0%, or (c) 10.0%.

“Certificate Documents” means the Certificates, the Trust Agreement, the Ground Lease, the Lease Agreement, the Assignment Agreement, the Continuing Disclosure Agreement and the Owner’s Consent, dated December 1, 2019, from U.S. Bank National Association and accepted and agreed to by the Board.

“Change” means (a) any change after the Delivery Date in any Risk-Based Capital Guidelines, or (b) any adoption of or change in any other law, governmental or quasi-governmental rule, regulation, policy, guideline, interpretation, or directive (whether or not having the force of law) or in the interpretation, promulgation, implementation or administration thereof after the Delivery Date which affects the amount of capital or liquidity required or expected to be maintained by an Owner or any Person controlling an Owner. Notwithstanding the foregoing, for purposes of the Certificate Documents, all requests, rules, rulings, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act shall be deemed to be a Change regardless of the date enacted, adopted or issued and all

requests, rules, rulings, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or the United States financial regulatory authorities shall be deemed to be a Change regardless of the date adopted, issued, promulgated or implemented.

“Contract” means any indenture, contract, agreement (other than the Certificate Documents), other contractual restriction, lease, instrument or guaranty.

“Control” or any variant thereof means the ownership of, or power to vote (a) more than 50% of the outstanding capital stock of a corporation, the membership interests of a limited liability company, or the partnership interests of a partnership, or (b) 100% of the membership interests of the managing members of a limited liability company or of the partnership interests of the general partners of a partnership.

“County Office Ratings” means (a) initially, the confidential long-term unenhanced ratings assigned by S&P to the Certificates and (b) from and after the date any issuer credit ratings are assigned by one or more Rating Agencies to the County Office, such issuer credit ratings.

“Default” means any event or condition that, with notice, the passage of time or both, would constitute an Event of Default.

“Downgrade Event” means the assignment of a County Office Rating below “AA” by S&P, “Aa2” by Moody’s or the equivalent rating by any other Rating Agency.

“Downgrade Rate” means, as of any date, a per annum rate of interest equal to the sum of (a) [_____]%, plus (b) the product of (i) 0.20%, times (ii) the number of rating subcategories (including each “+” or “-” or numerical designation) from the lowest County Office Rating assigned by a Rating Agency in effect on such date to “AA” if such Rating Agency is S&P, “Aa2” if such Rating Agency is Moody’s, or the equivalent rating if such Rating Agency is any other Rating Agency.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time. References to sections of ERISA shall be construed also to refer to any successor sections.

“Event of Default” means an Event of Default (as defined in the Lease Agreement) or an Event of Default (as defined in the Trust Agreement).

“Excluded Taxes” means, in the case of an Owner, taxes imposed on its overall net income, and franchise taxes imposed on it, by the jurisdiction under the laws of which such Owner is incorporated or organized or the jurisdiction in which such Owner is located.

“Expenses” means all fees, charges, costs and expenses of any nature whatsoever, whether in the form of a direct, reimbursement, or indemnity payment obligation, incurred at any time and from time to time (whether before or after an Event of Default) by the Initial Purchaser in purchasing the Certificates or by an Owner in administering or modifying the Certificate

Documents, in curing any Default, Event of Default or event of nonperformance under any of the Certificate Documents, in negotiating or entering into any “workout” of the Transactions, or in exercising or enforcing any rights, powers and remedies provided in any of the Certificate Documents, including reasonable attorneys’ fees, court costs, receiver’s fees, and costs incurred in the repair, maintenance and operation of, or taking possession of, the Property.

“Exposure” means, for any date with respect to a Person and any Hedge Agreement, the amount of any Settlement Amount that would be payable by such Person if such Hedge Agreement were terminated as of such date. Exposure shall be determined in accordance with the standard methods of calculating such exposure under similar arrangements from time to time by the Initial Purchaser taking into account the methodology for calculating amounts due upon early termination as set forth in the related Hedge Agreement and the notional principal amount, term and other relevant provisions thereof.

“Federal Funds Rate” means a fluctuating rate of interest per annum equal to the greater of (a) zero percent (0.0%) and (b) the rate per annum calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate or, if such rate is not so published for any day which is a Business Day, the average of the quotations at approximately 10:00 a.m. (Central time) on such day on such transactions received by U.S. Bank National Association from three (3) Federal funds brokers of recognized standing selected by U.S. Bank National Association in its sole discretion.

“Final Adjustment Period” means the Adjustment Period that shall be in effect on December 1, 2019 and which is the period from December 1, 2019 to but not including June 1, 2029, which is the final Principal Payment Date.

“Final Adjustment Period Additional Provisions” means these Final Adjustment Period (Unenhanced Extended Rate Mode) Additional Provisions.

“Generally Accepted Accounting Principles” means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the County Office.

“Governmental Requirements” means all Laws of any Governmental Authority, including without limitation, Laws relating to public disclosures, zoning, certificates of need, licenses, permits, subdivision building, safety, health, fire protection or environmental matters.

“Hedge Agreement” means any rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, total return swap, credit default swap or any other similar transaction (including any option with respect to any of such transactions) and any other agreement or option involving, or settled by reference to, one or more rates, currencies,

commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions.

“Indebtedness” means, as to any Person, (a) indebtedness or liability for borrowed money, or for the deferred purchase price of property or services, (b) obligations as lessee under leases which are, should be or should have been reported as capital leases in accordance with Generally Accepted Accounting Principles, (c) current liabilities in respect of unfunded vested benefits under governmental plans (as defined in Section 3(32) of ERISA), (d) all obligations arising under any acceptance facility, (e) all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any Person or otherwise to assure a creditor against loss, (f) obligations secured by any Liens on property owned by such Person, whether or not the obligations have been assumed, (g) all other items or obligations which would be included in determining total liabilities on the balance sheet of a Person, and (h) obligations of such Person under any Hedge Agreement to which it is a party; provided, however, that “Indebtedness” shall not include (i) trade payables and similar obligations which are incurred in the ordinary course of business and are not past due, or (ii) both the indebtedness directly incurred and any corresponding indirect guaranty of the same indebtedness.

“Indemnitees” means the Owners and their respective Affiliates and the officers, directors, employees and agents of the Owners and their respective Affiliates.

“Liabilities” means any and all claims, causes of action, judgments, fines, penalties, damages, losses, liabilities and Expenses whatsoever (including reasonable attorneys’ fees) which may be incurred by an Indemnitee or which may be claimed against an Indemnitee by any Person whatsoever.

“Lien” means any lien, mortgage, security interest, pledge or other charge or encumbrance of any kind, or any other type of preferential arrangement, including without limitation the lien or retained security title of a conditional vendor and any easement, right of way or other encumbrance on title to personal, real or mixed property.

“Material Adverse Effect” means an event or occurrence that adversely affects in a material manner (a) the assets, liabilities, condition (financial or otherwise), business or operations of the Board or the County Office, (b) the ability of the Board or the County Office to meet or perform its obligations under the Certificate Documents on a timely basis, (c) the validity or enforceability of any Certificate Document, or (d) the rights or remedies of the Owners under any Certificate Document.

“Material Indebtedness” means any Indebtedness of the Board or the County Office that has a principal amount outstanding of \$500,000 or more (or, in the case of any Hedge Agreement, for which the Exposure of the Board or the County Office is \$500,000 or more).

“Material Litigation” means an action, suit or proceeding pending or threatened against the Board or the County Office or any property of the Board or the County Office in any court or before any arbitrator of any kind or before or by any governmental body, which, in any case (a)

could reasonably be expected to have a Material Adverse Effect, (b) seeks injunctive relief, (c) alleges any criminal misconduct by the Board or the County Office, or (d) alleges the violation of any Environmental Regulation with respect to the Property.

“Matters Contested in Good Faith” means the imposition of charges, assessments or taxes by a Governmental Authority or the application of any Laws or policies of any Governmental Authority which has jurisdiction over the affairs of the Board or the County Office (a) then being contested in good faith by appropriate proceedings diligently and continuously pursued, (b) of which the Owners have been notified in writing and are being kept informed in such detail as the Owners may from time to time reasonably request, (c) the enforcement of which is effectively stayed during the period of the contest, and (d) with respect to which either (i) adequate reserves in the nature of a cash deposit or pledge of bonds or other securities, or a payment bond of a corporate surety in the face amount equal to the total amount in controversy, reasonably satisfactory to the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, have been furnished, or (ii) adequate provision therefor, reasonably satisfactory to the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding has been reserved on the financial statements of the County Office.

“OFAC” means the U.S. Department of the Treasury’s Office of Foreign Assets Control, and any successor thereto.

“Other Taxes” means any present or future stamp or documentary taxes and any other excise or property taxes, charges or similar levies which arise from the Certificate Documents or payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents.

“PATRIOT Act” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended from time to time, and any successor statute.

“Prime Rate” means a fluctuating rate of interest per annum equal to the greater of (a) zero percent (0.0%) and (b) the U.S. Bank Prime Rate of interest publicly announced from time to time by U.S. Bank National Association as the U.S. Bank Prime Rate. The U.S. Bank Prime Rate of interest is a rate set by U.S. Bank National Association based upon various factors including U.S. Bank National Association’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the U.S. Bank Prime Rate announced by U.S. Bank National Association shall take effect at the opening of business on the day specified in the public announcement of such change.

“Purchaser Letter” means the Purchaser Letter that, except as otherwise provided in the Final Adjustment Period Additional Provisions, is to be executed by the transferee of a Certificate and delivered to the Board and the Trustee in connection with the transfer of such Certificate, the form of which is attached to the Final Adjustment Period Additional Provisions as Appendix 1.

“Risk-Based Capital Guidelines” means (a) the risk-based capital guidelines in effect in the United States on the Delivery Date, including transition rules, and (b) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations adopted prior to the Delivery Date.

“Sanctions” means sanctions administered or enforced from time to time by the U.S. government, including those administered by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty’s Treasury [or other relevant sanctions authority].

“Set Aside” means, with respect to any payment received by an Owner from or on behalf of the Board, the subsequent invalidation of such payment, declaration that such payment constitutes a fraudulent conveyance or preferential transfer, set aside of such payment, required repayment of such payment (including pursuant to any settlement entered into by any Owner in its discretion) to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause.

“Settlement Amount” means, with respect to a Person and any Hedge Agreement, any amount payable by such Person under the terms of such Hedge Agreement in respect of, or intended to compensate the other party for, the value of such Hedge Agreement upon early termination thereof.

“Taxes” means any and all present or future taxes, duties, levies, imposts, deductions, charges or withholdings, and any and all liabilities with respect to the foregoing, but excluding Excluded Taxes and Other Taxes.

“Transactions” means the execution and delivery of the Certificates, the purchase of the Certificates by the Initial Purchaser, the execution and delivery by the Board of the Certificate Documents, the lease of the Property and the performance by the Board of its obligations (including payment obligations) under the Certificate Documents (including any amounts to reimburse any Owner for any advances or expenditures by it under any of the Certificate Documents).

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Incorporation into Lease Agreement. The provisions of this Article are incorporated into the Lease Agreement.

Section 2.02. Reliance. All representations and warranties made by the Board in the Certificate Documents and in any written certificates, information, opinions or documents delivered as part of the proceedings for the execution and delivery of the Certificates are made with the understanding that the Owners are relying upon the accuracy of such representations and warranties. Notwithstanding that the Owners may conduct their own investigation as to some or all of the matters covered by such representations and warranties, the Owners are entitled to rely on all such representations and warranties as a material inducement to the Owners' purchase of the Certificates.

Section 2.03. Existence and Power. The Board is a county board of education duly organized and validly existing under the Laws of the State and has the power and authority to own its properties and to carry on its businesses as now being conducted and as currently contemplated to be conducted hereafter. The County Office is a county office of education duly organized and validly existing under the Laws of the State and has the power and authority to own its properties and to carry on its businesses as now being conducted and as currently contemplated to be conducted hereafter.

Section 2.04. Due Authorization. (a) The Board has the power, and has taken all necessary action to authorize the Certificate Documents to which it is a party and to execute, deliver and perform its obligations under the Certificate Documents to which it is a party in accordance with their respective terms.

(b) The Board is duly authorized to own its property (real, personal or mixed) under the Laws of all Governmental Authorities having the jurisdiction to regulate such ownership, and the Board has obtained all requisite approvals of all such Governmental Authorities required to be obtained for such purposes. The County Office is duly authorized to own its property (real, personal or mixed) under the Laws of all Governmental Authorities having the jurisdiction to regulate such ownership, and the County Office has obtained all requisite approvals of all such Governmental Authorities required to be obtained for such purposes.

(c) All authorizations and approvals necessary for the Board to enter into the Certificate Documents and to perform the transactions contemplated thereby and to conduct its business activities and own its property have been obtained and remain in full force and effect and are subject to no further administrative or judicial review. No other authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required for the due execution, delivery and performance by the Board of the Certificate Documents.

Section 2.05. Valid and Binding Obligations. The Certificate Documents to which the Board is a party has been duly executed and delivered by the Board and are legal, valid and binding obligations of the Board enforceable in accordance with their respective terms, except as

such enforceability may be limited by (a) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar Law affecting creditors' rights generally, (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), or (c) the limitations on legal remedies against county boards of education in the State.

Section 2.06. Noncontravention; Compliance with Law. (a) The execution, delivery and performance of the Certificate Documents in accordance with their respective terms do not and will not (i) require any consent or approval of any creditor of the Board or the County Office, (ii) violate any Governmental Requirements, which violation could reasonably be expected to have a Material Adverse Effect, (iii) conflict with, result in a breach of or constitute a default under any Contract to which the Board or the County Office is a party or by which it or any of its property may be bound, which conflict, breach or default could reasonably be expected to have a Material Adverse Effect, or (iv) result in or require the creation or imposition of any Lien upon or with respect to the Property, other than Permitted Encumbrances.

(b) Each of the Board and the County Office is in compliance with all Governmental Requirements, except for noncompliance that, singly or in the aggregate, has not caused and could not reasonably be expected to have a Material Adverse Effect.

Section 2.07. Pending Litigation and Other Proceedings; Pending Legislation and Decisions. (a) No Material Litigation is pending and, to the knowledge of the Board, no Material Litigation is threatened.

(b) There is no amendment, or to the knowledge of the Board, proposed amendment to the Constitution of the State or any State Law or any administrative interpretation of the Constitution of the State or any State Law or any proposition or referendum (or proposed proposition or referendum) or other ballot initiative, or any legislation that has passed either house of the legislature of the State, or any judicial decision interpreting any of the foregoing, the effect of which could reasonably be expected to have a Material Adverse Effect.

Section 2.08. Financial Statements. The balance sheet of the County Office as of June 30, 2018 and the related statement of revenues and expenses and changes in financial position for the Fiscal Year then ended and the auditors' reports with respect thereto, are complete and correct and fairly present the financial condition, changes in financial position and results of operations of the County Office at such dates and for such periods, and were prepared in accordance with Generally Accepted Accounting Principles. Since the period of such statements, there has been no change which would have a Material Adverse Effect.

Section 2.09. Defaults. (a) No Event of Default and no Default has occurred and is continuing or exists.

(b) No default by the Board or the County Office exists under any Contract or judgment, decree or order, except for defaults that, singly or in the aggregate, have not had and could not reasonably be expected to have a Material Adverse Effect.

Section 2.10. No Material Adverse Change. Since the most current date of the written information, financial or otherwise, supplied by the Board to the Initial Purchaser:

(a) there has been no change in the assets, liabilities, financial position or results of operations of the Board or the County Office which could reasonably be expected to have a Material Adverse Effect.

(b) neither the Board nor the County Office has incurred any obligations or liabilities which could reasonably be expected to have a Material Adverse Effect; and

(c) the Board has not incurred any Material Indebtedness, other than such as may be represented by the Certificate Documents, and the County Office has not incurred any Material Indebtedness.

Section 2.11. Insurance. The Board currently maintains insurance as required by Article V of the Lease Agreement.

Section 2.12. Accuracy of Information. All written information, reports and other papers and data furnished by the Board to the Initial Purchaser (and, to the best knowledge of the Board, furnished by a third party on behalf of the Board to the Initial Purchaser) were, at the time the same were so furnished, complete and correct in all material respects and insofar as necessary to give the Initial Purchaser a true and accurate knowledge of the subject matter and were provided in expectation of the Initial Purchaser's reliance thereon in purchasing the Certificates. No fact is known to the Board which has had or, so far as the Board can now reasonably foresee, may in the future have a Material Adverse Effect, which has not been set forth in the financial statements previously furnished to the Initial Purchaser or in other such information, reports, papers and data or otherwise disclosed in writing to the Initial Purchaser prior to the Delivery Date. Any financial, budget and other projections furnished to the Initial Purchaser by the Board or its agents were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of the conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the Delivery Date, represent the Board's best estimate of its future financial performance. No document furnished nor any representation, warranty or other written statement made to the Initial Purchaser in connection with the negotiation, preparation or execution of the Certificate Documents contains or will contain any untrue statement of a material fact or omits or will omit to state (as of the date made or furnished) any material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were or will be made, not misleading.

Section 2.13. Anti-Corruption Laws; Sanctions. The Board, the County Office and the officers and employees of the County Office and, to the knowledge of the Board, [the members of the Board and the agents of the County Office,] are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. [The Board has implemented and maintains in effect for itself and the County Office policies and procedures to ensure compliance by the Board, the County Office and the members of the Board and the officers, employees and agents of the County Office, with Anti-Corruption Laws and applicable Sanctions.] None of the Board, the County Office or, to the knowledge of the Board, any members of the Board or any officer, employee, agent or Affiliate of the County Office, is an individual or entity that is, or is 50% or more owned (individually or in the aggregate, directly or indirectly) or controlled by individuals or entities (including any agency, political subdivision or instrumentality of any government) that are (i) the target of any Sanctions or (ii) located,

organized or resident in a country or territory that is, or whose government is, the subject of Sanctions (currently Crimea, Cuba, Iran, North Korea and Syria).

Section 2.14. Concerning the Property; Certificate Attributes. (a) The Board has a valid and enforceable fee simple interest in the Property, subject only to Permitted Encumbrances.

(b) The Property complies and shall comply with all applicable restrictive covenants, zoning ordinances, building Laws and other applicable Laws (including without limitation, the Americans with Disabilities Act, as amended). The current zoning classification of the Property and any covenants and restrictions affecting the Property permit the current use of the Property.

(c) No notice of taking by eminent domain or condemnation of any part of the Property has been received, and the Board has no knowledge that any such proceeding is contemplated.

(d) No part of the Property has been damaged as a result of any fire, explosion, accident, flood or other casualty which is not now fully restored.

(e) The Property has legal vehicular and pedestrian access to public roads, sewer, water and all other appropriate utilities are available at ordinary costs at the Property through public or unencumbered private easements, and in sufficient quantities to serve the Property; and if applicable, required written approvals of septic tanks or wells have been issued by all appropriate Governmental Authorities.

(f) The Board has made a review of its records relating to the Property and, based upon such review, since the date of issuance of the ALTA extended coverage owner's title insurance policy or policies or any endorsements thereto provided by the Board in respect of the Property pursuant to Section 5.02 of the Lease Agreement (i) the Property has been and continues to be free of all Liens, charges and encumbrances, (ii) neither the Board nor the County Office has mortgaged, pledged, assigned or transferred any interest of the Board or the County Office in the Property by voluntary act or by operation of law, or otherwise, and (iii) neither the Board nor the County Office has taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, in the case of clause (i), (ii) or (iii), which Lien, charge, encumbrance, mortgage, pledge, assignment, transfer or action, if taken or omitted, would, upon the amendment of the Lease Agreement on or after December 1, 2019, impair the coverage of any such title insurance policy or policies insuring the Board's leasehold interest under the Lease Agreement or the availability of proceeds of such policy or policies in effect immediately prior to such amendment.

(g) So long as these Additional Provisions are in effect, the Certificates will not (i) be assigned a separate rating by any Rating Agency, (ii) registered with DTC or other securities depository, (iii) offered or sold pursuant to any type of offering document or official statement, or (iv) assigned a CUSIP number.

Section 2.15. Defaults; Negative or Qualified Certification. Neither the Board nor the County Office has defaulted in the payment of any Indebtedness in the past five years or, if the Board or the County Office has defaulted in the payment of any such Indebtedness, the Board

has fully disclosed to the Initial Purchaser in writing the particulars of any such default and all actions taken by the Board or the County Office to remedy such default and to avoid any similar default in the future. The County Office has not, in the past five years, received from the Superintendent of Schools of the county in which the County Office is located or the State Superintendent of Public Instruction pursuant to Section 1240(l) of the California Education Code any negative or qualified certification of ability to meet fiscal year obligations or, if the County Office has received such qualified or negative certification, the Board has fully disclosed to the Initial Purchaser in writing the particulars of any such certification and all actions taken by the County Office to remedy the situation leading to such certification and to avoid any similar certification in the future.

Section 2.16. Essentiality. The Property is an essential asset of the Board and the County Office necessary to serve the needs of the Board and the County Office. The Board believes that at all times while any Rental Payments or any obligation of the Board under the Certificate Documents remains unpaid, the Property will remain an essential asset of the Board and the County Office.

Section 2.17. Sovereign Immunity. The Board does not enjoy any rights of immunity on the grounds of sovereign immunity in respect of its obligations under the Certificate Documents. To the extent the Board has or hereafter may acquire under any applicable law any right to immunity from set-off or legal proceedings on the grounds of sovereignty, the Board hereby waives, to the extent permitted by law, such rights to immunity for itself in respect of its obligations under the Certificate Documents.

Section 2.18. Usury. The terms of the Certificate Documents regarding the calculation and payment of interest and fees do not violate any applicable usury laws.

ARTICLE III

ADDITIONAL TRUST AGREEMENT PROVISIONS

Section 3.01. Incorporation into Trust Agreement. The provisions of this Article are incorporated into the Trust Agreement.

Section 3.02. Reporting Requirements. The Board shall keep or cause to be kept proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of the Board and the County Office in accordance with Generally Accepted Accounting Principles, and will furnish to the Owners each of the following:

(a) as soon as available, and in any event within 180 days after the close of each Fiscal Year of the County Office, the financial statements of the County Office which shall be audited and reported on without qualification by independent certified public accountants reasonably acceptable to the Owners and shall be certified to the Board by such accountants as (i) having been prepared in accordance with GAAP (applied on a basis consistent with that of the preceding year), (ii) fairly presenting the financial condition of the County Office as at the end of such Fiscal Year and reflecting its operations during such Fiscal Year, and (iii) showing all material liabilities, direct or contingent, and disclosing the existence of any off balance sheet transactions, and shall include, without limitation, balance sheets, profit and loss statements and statements of cash flows, together with notes and supporting schedules, all on a consolidated and consolidating basis and in reasonable detail and including a copy of any management letter or audit report provided to the County Office by such auditors; provided, however, that any such independent certified public accountants shall be deemed reasonably acceptable to the Owners to the extent initially approved by the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding until such time that the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding notify the Board that such accountants are no longer acceptable and, provided, further, that Vavrineck, Trine, Day & Co., LLP is deemed to be acceptable to the Owners as such independent certified public accountants;

(b) as required by and filed with the Board and the State Department of Education, the County Office's first interim report for the period July 1 through October 31 to be received by the Owners no later than December 31, its second interim report for the period November 1 through January 31 to be received by the Owners no later than March 31, and its fiscal year end unaudited financial statement to be received by the Owners no later than September 30, accompanied in each case by a Written Certificate of the Board substantially in the form described in paragraph (c), below;

(c) Simultaneously with the delivery of each set of financial statements referred to in paragraphs (a) and (b), above, a Written Certificate of the Board (i) stating that the Board has made a review of activities during the preceding period, for the purpose of determining whether or not the Board has complied with all of the terms, provisions and conditions of the Certificate Documents to which it is a party, (ii)

certifying to compliance with each applicable financial covenant in the Certificate Documents, and (iii) certifying that, to the best of the Board's knowledge, the Board has kept, observed, performed and fulfilled each and every covenant, provision and condition of the Certificate Documents on its part to be performed and no Event of Default or Default has occurred, or if an Event of Default or Default has occurred such Written Certificate shall specify such event or condition, the nature and status thereof and any remedial steps taken or proposed to correct such event or condition;

(d) Promptly upon execution of any amendment, modification or supplement to any of the Certificate Documents, a true and correct copy of such amendment, modification or supplement;

(e) Copies of all filings made by or on behalf of the Board pursuant to the Continuing Disclosure Agreement promptly after such filings are made;

(f) Copies of all Hedge Agreements to which the Board or the County Office is a party and all documents related thereto promptly following the execution and delivery of such agreements and documents;

(g) Promptly upon request by an Owner, copies of any financial statement or report furnished to any other holder of any securities or long term Indebtedness of the Board or the County Office pursuant to the terms of any indenture, loan or credit or similar agreement, including each modification of the foregoing prepared and delivered to any such Person and not otherwise required to be furnished to the Owners pursuant to the Certificate Documents;

(h) Copies of all material written reports and other material information filed or delivered by the Board or the County Office to or with any Governmental Authority which has jurisdiction over the affairs of the Board or the County Office, which is a creditor of the Board or the County Office, or which issues debt on behalf of the Board or the County Office, and copies of any material reports of governmental audits, inspections or other investigations of the Board, the County Office or the Property;

(i) Copies of all filings by the Board or the County Office with, or reports submitted by the Board or the County Office to, any Rating Agency; and

(j) Such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Board, the County Office or the Property as an Owner may from time to time reasonably request.

Section 3.03. Notices. The Board shall provide to the Owners:

(a) immediate notice by telephone, promptly confirmed in writing, of any event, action or failure to take any action which constitutes a Default or an Event of Default;

(b) prompt written notice of an action, suit or proceeding before any Governmental Authority against the Board, the County Office or the Property that involves a claim equal to or greater than \$500,000;

(c) prompt written notice of any Material Litigation or any investigation, inquiry or similar proceeding by any Governmental Authority with respect to any matter that relates to or could impact the obligation of the Board to make the Rental Payments under the Lease Agreement;

(d) prompt written notice of any event which has or is reasonably anticipated to have a Material Adverse Effect;

(e) a copy of any notice, certification, demand or other writing or communication given by the Corporation or Trustee to the Board or by the Board to the Corporation or Trustee under or in connection with any Certificate Document, in each case promptly after the receipt or giving of the same;

(f) a copy of any change in the investment policy of the County Office from that in effect on the Delivery Date or in the investment policy of the Orange County Investment Pool from that in effect on the Delivery Date; and

(g) immediate notice of any resignation of the Trustee.

Section 3.04. Offering Memoranda and Official Statements. As soon as practicable after the sale of any securities payable from the general fund of the County Office with respect to which an offering memorandum or official statement was prepared, the Board shall provide the Owners with a copy of such offering memorandum or official statement.

Section 3.05. Access to Books, Records and Accounts; Communication with Accountant. The Board shall permit the duly authorized representatives of the Owners, or cause such authorized representatives to be permitted, during the County Office's normal administrative business hours, to enter the property of the Board or the County Office or any parts thereof at reasonable hours and under reasonable conditions, to examine and copy the County Office's books, records and accounts (except such books, records and accounts the County Office is not legally permitted to disclose to such Owners) and to discuss the affairs, finances, business and accounts of the Board and the County Office with the Board members and the officers and employees of the County Office. The Board authorizes the Owners to communicate directly with the County Office's accountants, and authorizes and shall instruct such accountants to communicate with, disclose and make available to the Owners, any and all financial statements and other supporting financial documents, schedules and information relating to the County Office with respect to the business, results of operations and financial condition and other affairs of the County Office. The Board shall make available, or cause to be made available, the Registration Books for inspection and copying by the Owners, at reasonable hours and under reasonable conditions. The Board shall make available, or cause to be made available, the books and documents referred to in Section 10.05 of the Trust Agreement for inspection by the Owners during regular business hours and upon reasonable notice and under reasonable conditions as agreed to by the Trustee.

Section 3.06. Maintenance of Existence. The Board shall preserve and maintain its existence as a county board of education duly organized and validly existing under the laws of the State, and its rights, franchises and privileges material to the conduct of its business and shall not, without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, initiate proceedings to reorganize, merge or consolidate with or into any Person, wind up, liquidate or dissolve its affairs (or suffer any liquidation or dissolution) or convert, sell, assign, transfer, lease or otherwise dispose of (or agree to do any of the foregoing at any future time), whether in one transaction or a series of transactions, all or substantially all of its property or assets. The Board shall cause the County Office to preserve and maintain its existence as a county office of education duly organized and validly existing under the laws of the State, and its rights, franchises and privileges material to the conduct of its business and shall not, without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, initiate proceedings to reorganize, merge or consolidate the County Office with or into any Person, wind up, liquidate or dissolve the affairs of the County Office (or suffer any liquidation or dissolution) or authorize the conversion, sale, assignment, transfer, lease or other disposition of (or the agreement to do any of the foregoing at any future time), whether in one transaction or a series of transactions, all or substantially all of the property or assets of the County Office.

Section 3.07. Compliance with Certificate Documents. The Board shall comply in all material respects with the terms and conditions of the Certificate Documents.

Section 3.08. Compliance with Laws. The Board shall comply with all applicable Laws, and shall cause the County Office to comply with all applicable Laws, including all Environmental Regulations, noncompliance with which could reasonably be expected to have a Material Adverse Effect.

Section 3.09. Financial Covenants. (a) The Board shall cause to be maintained as at each June 30 and December 31, commencing December 31, 2019, available and unrestricted reserves in the general fund of the County Office on such date, as a percentage of expenditures, transfers out and uses, in excess of the greater of (i) 3%, or (ii) such other amount as may be required by State law for county office of education of the size of the County Office.

(b) The Board shall maintain, or cause to be maintained, County Office Ratings equal to or above “BBB+” by S&P and “Baa1” by Moody’s or the equivalent thereof by any other Rating Agency with a County Office Rating then in effect. The Board shall maintain the confidential long-term unenhanced ratings assigned by S&P to the Certificates until the date any issuer credit ratings are assigned by one or more Rating Agencies to the County Office. The Board shall not cause or permit the confidential long-term unenhanced rating assigned by S&P to the Certificates to become public or request or apply for or cause or permit a public long-term unenhanced rating to be assigned by one or more Rating Agencies to the Certificates. Upon notice from S&P that the confidential long-term unenhanced ratings assigned by S&P to the Certificates are under review, the Board shall request S&P to convert such rating into an issuer credit rating assigned to the County Office. Upon receipt of such issuer credit rating, the Board shall thereafter maintain County Office Ratings consisting solely of issuer credit ratings assigned by one or more Rating Agencies to the County Office.

(c) The Board shall not issue or incur, or authorize the issuance or incurrence of, any Indebtedness payable from the general fund of the County Office in an aggregate principal amount in excess of \$10,000,000, other than (i) Indebtedness payable out of the revenues attributable to the same Fiscal Year in which such Indebtedness is issued or incurred, and (ii) Indebtedness issued or incurred to refund or refinance existing Indebtedness that results in net present value savings in debt service on Indebtedness payable from the general fund of the County Office.

Section 3.10. Accounting Methods. The Board shall not adopt, permit or consent to any change in the method of accounting of the County Office, other than as permitted or required by Generally Accepted Accounting Principles.

Section 3.11. Negative or Qualified Certification. The Board shall notify the Owners within three Business Days of the receipt from the Superintendent of Schools of the county in which the County Office is located or the State Superintendent of Public Instruction pursuant to Section 1240(l) of the California Education Code of any negative or, if not otherwise included in the most recent interim report delivered pursuant to Section 3.02(b) of the Final Adjustment Period Additional Provisions, any qualified certification of the County Office's ability to meet fiscal year obligations and shall include with such notice (or interim report, if applicable) a description of the particulars of such certification and all action which the County Office intends to take to remedy the situation leading to such certification and to avoid any similar certification in the future. The Board shall cause the County Office to take action diligently and in good faith and in a timely manner to remedy the situation leading to such certification and to avoid any similar certification in the future within 30 days after any such certification relating to the then-current or next following fiscal year obligations or within 90 days after any such certification relating to any other subsequent fiscal year obligations.

Section 3.12. Short-Term Rating. If the Certificates do not have a short-term rating, the Board shall timely apply for a short-term rating on the Certificates, or cause such ratings to be applied for, so as to receive a short-term rating thereon by no later than 20 days prior to the date the Certificates are to be converted to a Daily Rate Mode or a Weekly Rate Mode.

Section 3.13. Judgments. The Board shall not permit the entry of any monetary judgment against, the filing of any tax lien against or the issuance of any writ of garnishment, attachment or execution against the property of, or debts due, the Board or the County Office that is not discharged or stayed within 30 days of entry, subject, in each case, to the right of the Board to contest, or cause to be contested, the same as Matters Contested in Good Faith.

Section 3.14. Hedge Agreements. The Board shall not enter into any Hedge Agreement, or permit the County Office to enter into any Hedge Agreement, without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding.

Section 3.15. Most Favored Nations Covenant. In the event that, in connection with a lease financing similar to the Transactions, the Board enters into any Contract (or any amendment, supplement or modification thereto) with a Person, which Contract (or amendment, supplement or modification) provides such Person with additional or more restrictive covenants,

additional or different events of default and/or greater rights or remedies related thereto than are provided in the Certificate Documents (other than such covenants, events of default, rights or remedies that relate specifically to the property that is the subject of such lease financing or are applicable only because of the nature of such property), the Board shall provide the Owners with a copy of each such Contract (or amendment, supplement or modification) within five Business Days of the effective date of any such Contract and, in any event, such additional or more restrictive covenants, such additional or different events of default and/or greater rights and remedies shall, unless otherwise stipulated by the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, automatically be deemed to be incorporated into the Certificate Documents, and the Owners shall have the benefits of such additional more restrictive covenants, additional or more restrictive events of default and/or such greater rights and remedies as if specifically set forth therein for so long as any such Contract that provides for such additional or more restrictive covenants, such additional or different events of default and/or such greater rights and remedies remain in effect. Upon the request of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, the Board shall promptly enter into an amendment to the applicable Certificate Document to incorporate therein and make a part thereof such additional or more restrictive covenants, additional or different events of default and/or greater rights or remedies.

Section 3.16. Further Assurances. The Board shall, upon the request of any Owner, from time to time, execute and deliver and, if necessary, file, register and record such further amendments and other documents and instruments and take such further action as may be reasonably necessary to effect the provisions of the Certificate Documents. Except to the extent it is exempt therefrom, the Board shall pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Certificate Documents and such instruments of further assurance.

Section 3.17. Amendments. The Board shall not amend, modify or supplement any of the Certificate Documents without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding. The Board shall not request or enter into any modification, amendment, consent or waiver of or pertaining to the terms of the Certificate Documents without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding.

Section 3.18. Certain Information. The Board shall not include in any offering document any information concerning any Owner that is not supplied in writing, or otherwise approved, by such Owner expressly for inclusion therein.

Section 3.19. Inconsistent Action. The Board shall not take any action, or cause the Trustee to take any action under the Trust Agreement, inconsistent with the rights of the Owners under the Certificate Documents, or take any action which would result in the Board's payment obligations under the Certificate Documents not ranking at least equal in right of payment with all unsecured obligations of the Board to other creditors or, so long as any of the Board's

obligations under the Certificate Documents remain unpaid or any Certificates remain Outstanding, terminate any of the Certificate Documents.

Section 3.20. Right to Cure. If any Default, Event of Default or event of nonperformance specified in any Certificate Document shall occur, then in addition to any other rights or remedies available to the Trustee or the Owners under such Certificate Document or under applicable Law, the Owners may cure such Default, Event of Default or event of nonperformance; provided, however, that the Owners shall have no obligation to effect such a cure.

Section 3.21. Certain Payments With Respect to the Certificates. Payments of interest evidenced by a Certificate shall be made to the Owner thereof by wire transfer thereof to the account specified by such Owner to the Trustee in writing and, if no such account is specified, such payments shall be made as specified in Section 2.03 of the Trust Agreement. Payments of principal evidenced by a Certificate upon prepayment of all or a portion thereof pursuant to Section 4.03 of the Trust Agreement shall be made to the Owner thereof, without presentation and surrender of such Certificate, by wire transfer thereof to the account specified by such Owner to the Trustee in writing and, if no such account is specified, such payments shall be made as specified in Section 2.03 of the Trust Agreement; provided, however, that, subsequent to any such payment, no transfer of such Certificate shall be made unless, prior to such transfer (a) such Owner presents such Certificate to the Trustee for notation thereon of the portion of the principal evidenced thereby so prepaid, or (b) such Owner presents and surrenders such Certificate to the Trustee in exchange for a new Certificate evidencing the unprepaid principal evidenced by such Certificate.

Section 3.22. Anti-Corruption Laws; Sanctions; Anti-Money Laundering Compliance. (a) The Board shall not use, and the Board shall ensure that the County Office and the members of the Board and the officers, employees and agents of the County Office shall not use, the proceeds of the Certificates in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws. [The Board shall not, and the Board shall ensure that the County Office shall not, directly or indirectly, use the proceeds of the Certificates, or lend, contribute or otherwise make available such proceeds to any other Person, (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions, or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Certificates, whether as underwriter, advisor, investor, or otherwise).]

(b) The Board shall, and shall cause the County Office to, comply in all material respects with all Anti-Corruption Laws and applicable Sanctions and perform in all material respects its obligations under material agreements to which it is a party. The Board shall, and shall cause the County Office, to maintain in effect and enforce policies and procedures designed to ensure compliance by the Board, the County Office and the members of the Board and the officers, employees [and agents] of the County Office with Anti-Corruption Laws and applicable Sanctions. The Board shall not use or allow any tenants or subtenants to use, or permit the County Office to use or allow any tenants or subtenants to use, the Board's property for any

business activity that violates any federal or state law or that supports a business that violates any federal or state law.

(c) The Board shall, and shall cause the County Office to, provide such information and take such actions as are reasonably requested by an Owner in order to assist such Owner in maintaining compliance with anti-money laundering laws and regulations.

Section 3.23. Optional Prepayment of Certificates. Certificates in the Final Adjustment Period shall not be subject to optional prepayment prior to the final Principal Payment Date.

Section 3.24. [Board's Deemed Knowledge. For purposes of the Certificate Documents, the Board shall be deemed to have knowledge of any fact, event or circumstance of which the County Office has knowledge.]

ARTICLE IV

ADDITIONAL LEASE AGREEMENT PROVISIONS

Section 4.01. Incorporation into Lease Agreement. The provisions of this Article are incorporated into the Lease Agreement.

Section 4.02. [Reserved]

Section 4.03. Maintenance of Property. The Board shall operate and maintain the Property, in accordance with all Governmental Requirements including, without limitation, such zoning, sanitary, pollution and safety Laws as may be binding upon the Board. The Board shall maintain and operate the Property and all engines, boilers, pumps, machinery, apparatus, fixtures, fittings and equipment of any kind in or that shall be placed in any building or structure now or hereafter at any time constituting part of the Property which are material to the operation of the Property, in good repair, working order and condition (reasonable wear and tear excepted), and shall from time to time make or cause to be made all needful and proper replacements, repairs, renewals and improvements so that the efficiency and value of the Property will not be impaired.

Section 4.04. Liens. (a) The Board shall not directly or indirectly, create, incur or assume any Lien on or with respect to the Property, other than Permitted Encumbrances.

(b) The Board shall discharge or cause to be discharged all Liens on the Property, or any part thereof, other than Permitted Encumbrances, subject, in each case, to the right of the Board to contest the same as Matters Contested in Good Faith.

(c) Simultaneously with any amendment to the Lease Agreement, the Board shall furnish to the Owners a Written Certificate of the Board representing and warranting that the Board has made a review of its records relating to the Property and that, based upon such review, since the date of issuance of the ALTA extended coverage owner's title insurance policy or policies or any endorsements thereto provided by the Board in respect of the Property pursuant to Section 5.02 of the Lease Agreement (i) the Property has been and continues to be free of all Liens, charges and encumbrances, (ii) the Board has not mortgaged, pledged, assigned or transferred any interest of the Board in the Property by voluntary act or by operation of law, or otherwise, and (iii) the Board has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, in the case of (i), (ii) or (iii), which Lien, charge, encumbrance, mortgage, pledge, assignment, transfer or action, if taken or omitted, would, upon any such amendment to the Lease Agreement, impair the coverage of any such title insurance policy or policies insuring the Board's leasehold interest under the Lease Agreement or the availability of proceeds of such policy or policies in effect immediately prior to such amendment

Section 4.05. Disposition of the Property; Uses. (a) The Board shall not sell, lease or otherwise dispose of any portion of the Property except with the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding.

(b) The Board shall not abandon, vacate or close the Property, other than as permitted under Section 3.07 of the Lease Agreement.

(c) Without the prior written consent of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, the Board shall not (i) seek, make or consent to any change in the zoning, any entitlements or conditions of use of the Property, (ii) grant any easement, license or other right in the Property or any portion thereof that may in any way impair the value of the Property or the validity, priority or security of the Lease Agreement or the coverage of any title insurance policy insuring the Board's leasehold interest under the Lease Agreement or that could cause a material adverse effect on the permissible uses of the Property, (iii) make any application for or record any tract map, parcel map, condominium plan, condominium declaration, or plat of subdivision with respect to the Property, or (iv) otherwise record or execute any documents or instruments affecting the Property that may in any material way impair the value of the Property or the validity, priority or security of the Lease Agreement or the coverage of any title insurance policy insuring the Board's leasehold interest under the Lease Agreement or that could cause a material adverse effect on the permissible uses of the Property.

Section 4.06. Prepayment of Base Rental Payments. (a) [Base Rental Payments evidenced by Certificates in the Final Adjustment Period shall not be subject to prepayment prior to the final Principal Payment Date.][The Board may prepay, from any source of available funds, all or any portion of the Base Rental Payments by depositing with the Trustee moneys or securities as provided, and subject to the terms and conditions set forth, in Article XII of the Trust Agreement sufficient to make such Base Rental Payments when due.]

(b) [If less than all of the Base Rental Payments are prepaid pursuant to this Section then, as of the date of a deposit pursuant to subsection (a) of this Section, the principal and interest components of the Base Rental Payments shall be recalculated in order to take such prepayment into account, which recalculated amounts the Board shall provide to the Trustee in a Written Certificate of the Board. The Board agrees that if, following a partial prepayment of Base Rental Payments, the Property is damaged or destroyed or taken by eminent domain, or a defect in title to the Property is discovered, the Board shall not be entitled to, and by such prepayment waives the right of, abatement of such prepaid Base Rental Payments and the Board shall not be entitled to any reimbursement of such Base Rental Payments.]

(c) [If all of the Base Rental Payments are prepaid in accordance with the provisions of the Lease Agreement then, as of the date of such deposit pursuant to subsection (a) of this Section, the term of the Lease Agreement shall be terminated.]

(d) [Before making any prepayment pursuant to this Section, the Board shall give written notice to the Trustee specifying the portion, which may be all, of the principal component of each Base Rental Payment to be prepaid.]

Section 4.07. Notices. The address set forth below shall be the address for the Owners of the Additional Provisions Certificates pursuant to Section 11.02 of the Lease Agreement:

U.S. Bank National Association
633 West Fifth Street, 25th Floor
Los Angeles, California 90071
Attention: Ashley Martin, Senior Vice President

ARTICLE V

ADDITIONAL RENTAL PAYMENTS; LATE PAYMENT RATE; DOWNGRADE RATE; INDEMNIFICATION

Section 5.01. Incorporation into Lease Agreement. The provisions of this Article are incorporated into the Lease Agreement.

Section 5.02. Fees, Expenses and Liabilities. (a) The Board shall pay, as Additional Rental Payments under the Lease Agreement, within 30 days after demand:

(i) a fee for each amendment of any Certificate Document, consent by the Owners or waiver by the Owners under any Certificate Document, in each case in a minimum amount of \$2,500;

(ii) the reasonable fees and out of pocket expenses for counsel or other reasonably required consultants to the Owners in connection with advising the Owners as to their rights and responsibilities under the Certificate Documents or in connection with responding to requests from the Board for approvals, consents, amendments and waivers;

(iii) any Expense incurred or Liability paid by or on behalf of the Owners, together with interest at the Additional Provisions Rate on such amount incurred or paid from the date when the same is incurred or paid until the same shall be paid to the Owners by the Board;

(iv) any other fees charged by the Owners for any activity with respect to the Certificate Documents requested by the Board or required under the terms of the Certificate Documents determined in accordance with such Owner's then-current fee schedule; and

(v) all reasonable fees, costs and expenses of any consultants providing services to Owners in accordance with the Certificate Documents.

(b) If at any time any Governmental Authority shall require revenue or other documentary stamps or any other tax in connection with the execution or delivery of the Certificate Documents, then, to the extent permitted by law, the Board shall pay as Additional Rental Payments under the Lease, when due and payable, for all such stamps, taxes and fees, including interest and penalties thereon.

(c) The obligations of the Board under this Section incurred or accrued during the term of the Lease Agreement shall survive the payment of the Certificates and the termination of the Certificate Documents.

Section 5.03. Increased Payments. (a) If, on or after the Delivery Date, the adoption of any law or any governmental or quasi-governmental rule, regulation, policy, guideline or directive (whether or not having the force of law), or any change in the interpretation, promulgation, implementation or administration thereof by any governmental or quasi-governmental authority, central bank or comparable agency charged with the interpretation or

administration thereof, including, notwithstanding the foregoing, all requests, rules, rulings, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act, regardless of the date enacted, adopted or issued, or compliance by an Owner with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(i) subjects an Owner to any Taxes, or changes the basis of taxation of payments (other than with respect to Excluded Taxes) to an Owner in respect of the Certificate Documents or payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents;

(ii) imposes or increases or deems applicable any reserve, liquidity ratio, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, an Owner (other than reserves and assessments taken into account in determining the interest rate evidenced by the Certificates); or

(iii) imposes any other condition the result of which is to increase the cost to an Owner of owning the Certificates or receiving payments by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents, or reduces any amount receivable by an Owner in connection with the Certificate Documents or payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents, or requires an Owner to make any payment calculated by reference to the amount of Certificates owned by such Owner or the amount of the payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents or interest or fees received by it with respect thereto, by an amount deemed material by such Owner,

and the result of any of the foregoing is to increase the cost to such Owner of owning the Certificates or receiving payments by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents or to reduce the return received by such Owner in connection with the Certificate Documents or payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents, then, within 15 days of demand by such Owner, the Board shall pay such Owner, as an Additional Rental Payment under the Lease Agreement, such additional amount or amounts as will compensate such Owner for such increased cost or reduction in amount received.

(b) If an Owner determines the amount of capital or liquidity required or expected to be maintained by such Owner, or any Person controlling such Owner, is increased as a result of a Change, then, within 15 days of demand by such Owner, the Board shall pay such Owner, as an Additional Rental Payment under the Lease Agreement, the amount necessary to compensate for any shortfall in the rate of return on the portion of such increased capital or liquidity that such Owner determines is attributable to the Certificate Documents or payment by the Board of Base Rental Payments, Additional Rental Payments or other amounts under the Certificate Documents, (after taking into account such Owner's policies as to capital adequacy or liquidity).

(c) A certificate of the Owner claiming compensation under this Section 5.03 and setting forth the additional amount or amounts to be paid to it hereunder (accompanied by a statement specifying the reasons therefor) shall be conclusive in the absence of manifest error.

(d) So long as the Lease Agreement has not been terminated, the obligations of the Board under this Section shall survive the payment of the Certificates and the termination of the Certificate Documents.

Section 5.04. Late Payment Rate. Any Base Rental Payment which shall not be paid by the Board when due and payable under the terms of the Lease Agreement shall bear interest from the date when the same is due until the same shall be paid at the Additional Provisions Rate. Any Additional Rental Payment payable to an Owner which shall not be paid by the Board when due and payable under the terms of the Lease Agreement shall bear interest from the date when the same is due until the same shall be paid at the Additional Provisions Rate. All computations of such interest shall be made on the basis of a 360-day year consisting of twelve 30 day months.

Section 5.05. Downgrade Rate. Notwithstanding the provisions of Section 3.02 of the Lease Agreement, upon the occurrence and during the continuance of a Downgrade Event, so long as no Event of Default has occurred and is continuing, the interest components of the Base Rental Payments shall accrue at the Downgrade Rate.

Section 5.06. Indemnification. To the extent permitted by law, in addition to, but not in duplication of, any and all other rights of reimbursement, indemnification, subrogation and other similar rights pursuant to the Certificate Documents and under law or equity, the Board hereby covenants and agrees to defend, indemnify and hold harmless the Indemnitees from and against any and all Liabilities by reason of or directly or indirectly in connection with any of the Transactions including (a) the execution and delivery or transfer of, or payment or failure to pay under, any Certificate Document, (b) the execution and delivery, offering, purchase, sale or remarketing of the Certificates, (c) the use of the proceeds of the Certificates, (d) the use or occupancy of the Property by the Board or any other Person, including liabilities resulting from or relating to any accident, injury or death of any individual or any Environmental Regulations or Hazardous Materials, (e) the untruth or material inaccuracy of any warranty or representation undertaken or given by the Board in any Certificate Document or in any certificate furnished thereunder or the breach or nonperformance by the Board of any covenant of the Certificate Documents or the occurrence of any Default or Event of Default under any Certificate Document, or (f) any delay or omission of the Board in paying any stamp, taxes or fees payable by the Board under Section 5.02(b) of the Final Adjustment Period Additional Provisions; provided, however, that the Board shall not be required to indemnify an Indemnatee for any Liabilities to the extent, but only to the extent, caused by the willful misconduct or gross negligence of such Indemnatee as determined in a final, non-appealable judgment. If any proceeding shall be brought or threatened against an Indemnatee by reason of or in connection with the events described in clause (a), (b), (c), (d), (e) or (f), as a condition of indemnity hereunder each Indemnatee shall promptly notify the Board in writing and the Board shall assume the defense thereof, including the employment of counsel satisfactory to such Indemnatee and the payment of all reasonable costs of litigation. Notwithstanding the preceding sentence, each Indemnatee shall have the right to employ its own counsel and to determine its own defense

of such action in any such case, but the fees and expenses of such counsel shall be at the expense of such Indemnatee unless (i) the employment of such counsel shall have been authorized in writing by the Board, or (ii) the Board, after due notice of the action, shall not have employed counsel satisfactory to such Indemnatee to have charge of such defense, in either of which events the reasonable fees and expenses of counsel for such Indemnatee shall be borne by the Board. The obligations of the Board under this Section shall survive the payment of the Certificates and the termination of the Certificate Documents.

ARTICLE VI

ADDITIONAL LEASE AGREEMENT EVENTS OF DEFAULT

Section 6.01. Incorporation into Lease Agreement. The provisions of this Article are incorporated into the Lease Agreement.

Section 6.02. Additional Events of Default. In addition to the events specified in Section 6.01 of the Lease Agreement, the occurrence, from time to time, of any one or more of the following events shall constitute an Event of Default under the Lease Agreement:

(a) the Board shall fail to perform any term, covenant, condition or provision of Sections 3.05, 3.06, 3.09, 3.10, 3.11, 3.12, 3.17, 3.18, 3.19, 4.04 or 4.05 of the Final Adjustment Period Additional Provisions, Sections 7.01, 7.08 or 8.10 of the Trust Agreement or Article V or Section 11.05 of the Lease Agreement;

(b) any representation or warranty made by or on behalf of the Board in the Certificate Documents or in any certificate, financial or other statement furnished by or on behalf of the Board to the Owners pursuant to or in the Certificate Documents shall prove to have been inaccurate, misleading or incomplete in any material respect when made;

(c) the Board or the County Office shall default in the performance of any of its respective obligations under any Contract (other than, in the case of the Board, the Certificate Documents) with the Initial Purchaser or any Owner of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding or an Affiliate thereof;

(d) the Board or the County Office shall default in the payment of any amount when due in respect of any Indebtedness owed to the Initial Purchaser or any Owner of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding or an Affiliate thereof or the Board or the County Office shall default in the payment when due of any amount due in respect of any Material Indebtedness, or the Board or the County Office shall default under any Contract under or pursuant to which such Indebtedness is incurred or issued, and continuance of such default beyond the period of grace, if any, allowed with respect thereto, or the Board or the County Office has acted or failed to act under any such Contract, the consequence of which is that such Indebtedness becomes, or is capable of becoming, immediately due and payable (or, with respect to any Hedge Agreement, which results in such Hedge Agreement being terminated early or being subject to early termination);

(e) a Certificate Document or any material provision of a Certificate Document shall at any time, for any reason, cease to be the legal, valid and binding obligation of the Board or the Corporation or shall cease to be in full force and effect, or shall be declared to be unenforceable, invalid or void, or the validity or enforceability thereof shall be contested by the Board or the Corporation, or the Board or the Corporation shall renounce the same or deny that it has any further liability thereunder;

(f) any party to any of the Certificate Documents breaches its obligation thereunder (beyond any applicable notice and cure period) and such failure is likely to have, in the reasonable judgment of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, a Material Adverse Effect;

(g) any court of competent jurisdiction or other Governmental Authority with jurisdiction to rule on the validity of the Certificate Documents shall find or rule that a material provision of a Certificate Document is not valid or not binding on the Board;

(h) any assignment, pledge or security interest created by any of the Certificate Documents at any time and for any reason (except as expressly permitted to be released by the terms of such Certificate Document) shall fail to be fully enforceable with the priority required by such Certificate Document, or, except as permitted under the Certificate Documents, the Board shall so assert in writing,

(i) the entry or filing of one or more judgments or orders or of any similar decrees or decisions for the payment of money that, individually or in the aggregate, equals or exceeds \$500,000 against the Board or the County Office, and (i) such judgment, order, decree or decision shall be undischarged, unstayed or unbonded (by property other than the Property) for a period of 30 consecutive days, or (ii) any action shall be taken by a judgment creditor to attach, execute or levy upon all or any portion of the Property or any funds or accounts established under the Certificate Documents to enforce any such Judgment, which the Board fails to satisfy or cause the removal or return of within 60 days of the date of such attachment, execution or levy;

(j) the Board or the County Office shall fail to keep in full force and effect any material permit or approval issued by any Governmental Authority and such failure is likely to have, in the reasonable judgment of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, a Material Adverse Effect;

(k) any event occurs that could reasonably be expected, in the reasonable judgment of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, to result in a Material Adverse Effect;

(l) any levy, seizure or attachment of the Property or any funds or accounts established under the Certificate Documents or a substantial part of the property, assets or business of the Board or the County Office, which the Board or the County Office fails to satisfy or cause the removal or return of within 60 days of the date of such levy, seizure or attachment;

(m) the Board or the County Office is dissolved or its existence is terminated;

(n) the Board adopts a resolution to authorize any action or event that would constitute an Event of Default under any Certificate Document;

(o) the County Office receives from the Superintendent of Schools of the county in which the County Office is located or the State Superintendent of Public

Instruction pursuant to Section 1240(l) of the California Education Code any negative or qualified certification of ability to meet fiscal year obligations and the County Office fails, in the reasonable judgment of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, to remedy the situation leading to such certification and to avoid any similar certification in the future within 30 days after any such certification relating to the then-current or next following fiscal year obligations or within 90 days after any such certification relating to any other subsequent fiscal year obligations; or

(p) the County Office's outside independent auditor fails or refuses to deliver an unqualified opinion with respect to the financial statements of the County Office for a Fiscal Year within 210 days after the end of such Fiscal Year.

ARTICLE VII

CONSENT TO JURISDICTION; JUDICIAL REFERENCE

Section 7.01. Incorporation into Trust Agreement. The provisions of this Article are incorporated into the Trust Agreement.

Section 7.02. [Jurisdiction; Venue; Waiver of Jury Trial]. (a) EACH OF THE BOARD, THE CORPORATION AND THE TRUSTEE HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR STATE COURT SITTING IN THE COUNTY OF LOS ANGELES IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY CERTIFICATE DOCUMENTS AND EACH OF THE BOARD, THE CORPORATION AND THE TRUSTEE HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE INITIAL PURCHASER TO BRING PROCEEDINGS AGAINST THE BOARD, THE CORPORATION OR THE TRUSTEE OR TO ENFORCE RIGHTS AND REMEDIES IN RESPECT OF COLLATERAL IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY THE BOARD, THE CORPORATION OR THE TRUSTEE AGAINST THE INITIAL PURCHASER OR ANY AFFILIATE OF THE INITIAL PURCHASER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY CERTIFICATE DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN THE COUNTY OF LOS ANGELES.]

(b) Each of the Board, the Corporation, the Trustee and the Initial Purchaser hereby irrevocably waives, to the fullest extent permitted by law, any and all right to trial by jury in any legal proceeding arising out of or relating to the Certificate Documents or the transactions contemplated thereby involving or affecting the Initial Purchaser or the rights or interests of the Initial Purchaser. Each of the Board, the Corporation and the Trustee further agrees that, in the event of litigation, it will not personally or through its agents or attorneys seek to repudiate the validity of this Section, and it acknowledges that it freely and voluntarily agreed to waive trial by jury as provided herein in order to induce the Initial Purchaser to consent to the Final Adjustment Period. If and to the extent that the foregoing waiver of the right to a jury trial is unenforceable for any reason in such forum, the provisions set forth below in Section 7.03 shall apply unless the Board, the Corporation[, the Initial Purchaser] and the Trustee mutually take such action as is necessary within such forum to enforceably and irrevocably waive the right to a jury trial.

Section 7.03. Judicial Reference. (a) For purposes of this Section (i) "Parties" means, collectively, the Board, the Corporation, the Trustee and the Initial Purchaser, and (ii) "Disputes" mean any and all disputes, claims and controversies arising out of, connected with or relating to the Certificate Documents or the transactions contemplated thereby involving or affecting the Initial Purchaser or the rights or interests of the Initial Purchaser.

(b) Any and all Disputes that are brought before a forum in which pre-dispute waivers of the right to trial by jury are invalid under applicable law shall be subject to the terms of this Section in lieu of the jury trial waivers otherwise provided in the Certificate Documents. Disputes may include, without limitation, tort claims, counterclaims, claims brought as class actions, claims arising from the Certificate Documents executed in the future, disputes as to whether a matter is subject to judicial reference, or claims concerning any aspect of the past, present or future relationships arising out of or connected with the Certificate Documents. [Notwithstanding the foregoing, this paragraph shall not apply to any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act or any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement or any similar master agreement governing any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, fixed-price physical delivery contracts, whether or not exchange traded, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing).]

(c) Any and all Disputes shall be heard by a referee and resolved by judicial reference pursuant to California Code of Civil Procedure Sections 638 et seq.

(d) The referee shall be a retired State court judge or an attorney licensed to practice law in the State with at least ten years’ experience practicing commercial law. The Parties shall not seek to appoint a referee that may be disqualified pursuant to California Code of Civil Procedure Section 641 or 641.2 without the prior written consent of all Parties.

(e) If the Parties are unable to agree upon a referee within ten calendar days after one Party serves a written notice of intent for judicial reference upon the other Parties, then the referee shall be selected by the court in accordance with California Code of Civil Procedure Section 640(b).

(f) The referee shall render a written statement of decision and shall conduct the proceedings in accordance with the California Code of Civil Procedure, the Rules of Court, and the California Evidence Code, except as otherwise specifically agreed by the Parties and approved by the referee. The referee’s statement of decision shall set forth findings of fact and conclusions of law. The decision of the referee shall be entered as a judgment in the court in accordance with the provisions of California Code of Civil Procedure Sections 644 and 645. The decision of the referee shall be appealable to the same extent and in the same manner that such decision would be appealable if rendered by a judge of the superior court.

(g) Notwithstanding the preceding agreement to submit Disputes to a judicial referee, the Parties and the other Certificate Documents preserve, without diminution, certain rights and remedies at law or equity and under the Certificate Documents that such Parties may employ or exercise freely, either alone or in conjunction with or during a Dispute. Each Party shall have and

hereby reserves the right to proceed in any court of proper jurisdiction or by self-help to exercise or prosecute the following remedies, as applicable: (A) all rights to foreclose against any real or personal property or other security by exercising a power of sale granted in the Certificate Documents or under applicable law or by judicial foreclosure and sale, including a proceeding to confirm the sale, (B) all rights of self-help including peaceful occupation of property and collection of rents, setoff, and peaceful possession of property, (C) obtaining provisional or ancillary remedies including injunctive relief, sequestration, garnishment, attachment, appointment of receiver and in filing an involuntary bankruptcy proceeding, and (D) when applicable, a judgment by confession of judgment. Preservation of these remedies does not limit the power of a judicial referee to grant similar remedies that may be requested by a party in a Dispute. No provision in the Certificate Documents regarding submission to jurisdiction and/or venue in any court is intended or shall be construed to be in derogation of the provisions in any Certificate Document for judicial reference of any Dispute. The Parties do not waive any applicable federal or state substantive law (including without limitation the protections afforded to banks under 12 U.S.C. § 91 or any similar applicable state law) except as provided herein.

(h) If a Dispute includes multiple claims, some of which are found not subject to this Section, the Parties shall stay the proceedings of the [claims][Disputes or part or parts thereof] not subject to this Section until all other [claims][Disputes or parts thereof] are resolved in accordance with this Section. If there are Disputes by or against multiple parties, some of which are not subject to this Section, the Parties shall sever the Disputes subject to this Section and resolve them in accordance with this Section.

(i) During the pendency of any Dispute that is submitted to judicial reference in accordance with this Section, each of the Parties to such Dispute shall bear equal shares of the fees charged and costs incurred by the referee in performing the services described in this Section. The compensation of the referee shall not exceed the prevailing rate for like services. The prevailing Party shall be entitled to reasonable court costs and legal fees, including customary attorney fees, expert witness fees, paralegal fees, the fees of the referee and other reasonable costs and disbursements charged to the party by its counsel, in such amount as is determined by the referee.

(j) In the event of any challenge to the legality or enforceability of this Section, the prevailing Party shall be entitled to recover the costs and expenses from the non-prevailing Party, including reasonable attorneys' fees, incurred by it in connection therewith.

(k) THE PROVISIONS OF THIS SECTION CONSTITUTE A "REFERENCE AGREEMENT" BETWEEN OR AMONG THE PARTIES WITHIN THE MEANING OF AND FOR PURPOSES OF CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638.

ARTICLE VIII

ADDITIONAL MISCELLANEOUS TRUST AGREEMENT PROVISIONS

Section 8.01. Incorporation into Trust Agreement. The provisions of this Article are incorporated into the Trust Agreement.

Section 8.02. Transfer Restrictions on the Certificates. Each Certificate is transferrable by the Owner thereof as provided in Section 2.07 of the Trust Agreement, except that no such transfer shall be made unless there is delivered to the Board and the Trustee a completed and duly executed Purchaser Letter.

Section 8.03. Owners' Approval of Special Counsel. The selection by the Board of the firm of nationally recognized bond counsel to act as Special Counsel pursuant to the Trust Agreement, shall be subject to the approval of the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, which consent shall not be unreasonably withheld. Orrick, Herrington & Sutcliffe LLP is deemed to be approved by the Owners as Special Counsel.

Section 8.04. No Deductions. Except as otherwise required by law, each payment by the Board to any Owner under the Certificate Documents shall be made without setoff or counterclaim and without withholding for or on account of any present or future taxes (other than any tax measured by or based upon the overall net income of such Owner imposed by any jurisdiction having control over such Owner) imposed by or within the jurisdiction in which the Board is domiciled, any jurisdiction from which the Board makes any payment hereunder, or (in each case) any political subdivision or taxing authority thereof or therein. If any such withholding is so required, the Board shall make the withholding, pay the amount withheld to the appropriate Governmental Authority before penalties attach thereto or interest accrues thereon and forthwith pay such additional amount as may be necessary to ensure that the net amount actually received by such Owner free and clear of such taxes (including such taxes on such additional amount) is equal to the amount which such Owner would have received had such withholding not been made. The Board shall indemnify any Owner, within 15 days after demand therefor, for the full amount in respect of any such taxes, penalties or interest [payable or] paid by such Owner or required to be withheld or deducted from a payment to such Owner and any reasonable expenses arising therefrom or with respect thereto, whether or not any such taxes, penalties or interest were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Board by such Owner shall be conclusive absent manifest error. If the Board pays any such taxes, penalties or interest, it shall deliver official tax receipts evidencing that payment or certified copies thereof to such Owner on or before the thirtieth day after payment.

Section 8.05. Right of Setoff. Upon the occurrence and during the continuance of an Event of Default, each Owner may at any time and from time to time, without notice to the Board (any such notice being expressly waived by the Board), set-off and apply any and all deposits (general or special, time or demand, provisional or final, but not including trust accounts) at any time held and any other indebtedness or other payment obligation at any time owing by such Owner or any Affiliate thereof to or for the credit or the account of the Board,

regardless of the currency of such deposits or indebtedness, against any and all of the obligations and liabilities of the Board to such Owner now or hereafter existing arising under or connected with the Certificate Documents, irrespective of whether or not such Owner shall have made any demand therefor and although such obligations may be contingent and unmatured. Such Owner shall promptly notify the Board after any such set off and application referred to in the preceding sentence, provided that the failure to give such notice shall not affect the validity of such set off and application. The rights of each Owner under this Section are in addition to other rights and remedies which such Owner may have including, without limitation, other rights of set-off.

Section 8.06. No Implied Waiver; Cumulative Remedies. No course of dealing and no delay or failure of any Owner in exercising any right, power or privilege under the Certificate Documents shall affect any other or future exercise thereof or the exercise of any right, power or privilege; nor shall any single or partial exercise of any such right, power or privilege or any abandonment or discontinuance of steps to enforce such a right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies of the Owners under the Certificate Documents are cumulative and not exclusive of any rights or remedies which the Owners would otherwise have under any Certificate Document, at law or in equity.

Section 8.07. Duration. All representations and warranties of the Board contained in the Certificate Documents or made in connection therewith shall survive the making of and shall not be waived by the execution and delivery of the Certificate Documents or any investigation by any Owner. All covenants and agreements of the Board contained in the Certificate Documents shall continue in full force and effect from and after the Delivery Date until the payment obligations of the Board under the Certificate Documents have been indefeasibly paid in full and fully discharged; provided, however, that the obligations of the Board under Article V of the Final Adjustment Period Additional Provisions and under each other provision of any Certificate Document granting a right of indemnity or reimbursement in favor of the Owners shall survive the payment of the Certificates and the termination of the Certificate Documents.

Section 8.08. Certain Pledges. Any Owner may at any time pledge or grant a security interest in all or any portion of its Certificates to secure obligations of such Owner, including any pledge or assignment to secure obligations to a Federal Reserve Bank.

Section 8.09. Preferences. To the extent that any Owner receives any payment from or on behalf of the Board which payment or any part thereof is subsequently Set Aside, then, to the extent of any such Set Aside, except with respect to Rental Payments abated pursuant to Section 3.07 of the Lease Agreement, the obligations or part thereof intended to be satisfied shall be revived and continue in full force and effect, as if such payment had not been received by such Owner or such Set Aside had not occurred.

Section 8.10. Standard of Conduct by Owners; Liability of Owners. Nothing contained in any Certificate Document shall limit the right of any Owner to exercise its business judgment or to act, in the context of the granting or withholding of any consent under any Certificate Document, in a subjective manner, so long as such Owner's exercise of its business judgment or action is made or undertaken in good faith. The Board and the Owners intend by the foregoing to set forth and affirm their entire understanding with respect to the standard pursuant

to which any Owner's actions are to be judged and the parameters within which any such Owner's discretion may be exercised hereunder and under the other Certificate Documents. As used herein, "good faith" means honesty in fact in the conduct and transaction concerned.

Section 8.11. PATRIOT Act Notice. The following notification is provided to the Board pursuant to Section 326 of the PATRIOT Act: The Board is notified by the Final Adjustment Period Additional Provisions that pursuant to the requirements of the PATRIOT Act each Owner may be required to obtain, verify and record information that identifies the Board, which information includes the name and address of the Board and other information that will allow such Owner to identify the Board in accordance with the PATRIOT Act. The Board hereby agrees that it shall promptly provide such information upon request by such Owner.

Section 8.12. Notices. The address set forth below shall be the address for the Owners of the Additional Provisions Certificates pursuant to Section 14.05 of the Trust Agreement:

U.S. Bank National Association
633 West Fifth Street, 25th Floor
Los Angeles, California 90071
Attention: Ashley Martin, Senior Vice President

Section 8.13. Document Imaging and Electronic Transactions. Each Owner is permitted to create electronic images of the Certificate Documents and to destroy paper originals of any such imaged documents. Any such images maintained by such Owner as a part of its normal business processes shall be given the same legal effect as the paper originals. Each Owner is permitted to convert the Certificate Documents into a "transferable record" under the Uniform Electronic Transactions Act ("UETA"), with the image of such instrument in such Owner's possession constituting an "authoritative copy" under UETA.

Section 8.14. Redaction. Subject to applicable law, in the event on or subsequent to December 1, 2019 the Corporation, the Board or the County Office proposes to deliver or cause to be delivered to the Board's dissemination agent for dissemination under the Continuing Disclosure Agreement, or directly to the Municipal Securities Rulemaking Board, a copy of these Final Adjustment Period Additional Provisions, the Trust Agreement or the Lease Agreement (including without limitation any amendments hereto or thereto), the Corporation or the Board, as applicable, shall first provide the Initial Purchaser a reasonable opportunity to review, and to reasonably request the redaction of certain information contained in, the forms of such documents proposed to be delivered to its dissemination agent for dissemination under the Continuing Disclosure Agreement, or directly to the Municipal Securities Rulemaking Board. The Initial Purchaser agrees to review and provide any such request for redaction to such documents in a timely manner to permit the Board to comply with its obligations under the Continuing Disclosure Agreement. The Corporation, the Board or the County Office shall only provide or cause to be provided to the Board's dissemination agent for dissemination under the Continuing Disclosure Agreement, or directly to the Municipal Securities Rulemaking Board, a redacted copy of these Final Adjustment Period Additional Provisions, the Lease Agreement or the Trust Agreement (including without limitation any amendments hereto or thereto) that redacts any pricing and confidential information contained in such forms which could be used in a fraudulent manner, such as any bank routing or account numbers, staff names and contact

information, such redactions only as permitted under and subject to applicable law and as are reasonably requested by the Initial Purchaser.

APPENDIX 1

FORM OF PURCHASER LETTER

Orange County Board of Education
Certificates of Participation
(Esplanade Restructuring Program)

[Date]

Orange County Department of Education Facilities Corporation
c/o Orange County Department of Education
200 Kalmus Drive
Costa Mesa, California 92628
Attention: Associate Superintendent, Business Services Division

Orange County Board of Education
c/o Orange County Department of Education
200 Kalmus Drive
Costa Mesa, California 92628
Attention: Associate Superintendent, Business Services Division

Ladies and Gentlemen:

In connection with the purchase of Orange County Board of Education Certificates of Participation (Esplanade Restructuring Program) evidencing principal in the aggregate amount of \$_____ (the "Certificates"), executed and delivered pursuant to the Trust Agreement dated as of February 1, 2012, by and among Orange County Department of Education Facilities Corporation (the "Corporation"), Orange County Board of Education (the "Board") and U.S. Bank National Association, as trustee (the "Trustee"), as amended and supplemented by the First Supplemental Trust Agreement, dated as of December 1, 2019 (as so amended and supplemented, the "Trust Agreement"), by and among the Board, the Corporation and the Trustee, the undersigned (the "Purchaser") certifies as set forth below. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Trust Agreement.

1. The Purchaser has such knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, that it is capable of evaluating the risks and merits of the investment represented by the purchase of the Certificates.

2. The Purchaser has authority to purchase the Certificates and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Certificates.

3. The undersigned is a duly appointed, qualified and acting representative of the Purchaser and is authorized to cause the Purchaser to make the certifications, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

4. The Purchaser is: [check one]
- ☐ a national bank, the business of which is substantially confined to banking.
 - ☐ a banking institution organized under the law of any state, territory, or the District of Columbia, the business of which is substantially confined to banking and is supervised by the state or territorial banking commission or similar official.
5. The Purchaser understands that no comprehensive offering statement is being provided with respect to the Certificates. The Purchaser has made its own inquiry and analysis with respect to the Corporation, the Board, the Property, the Certificates and the security therefor, and other material factors affecting the security for and payment of the Certificates.
6. The Purchaser acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Corporation, the Board, the Property, the Certificates and the security therefor, to which a reasonable purchaser would attach significance in making decisions to purchase, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Corporation, the Board, the Property, the Certificates and the security therefor, so that as a reasonable purchaser, it has been able to make its decision to purchase the Certificates.
7. The Purchaser understands that the Certificates (i) are not registered or otherwise qualified for sale under any federal or state laws, (ii) are not listed on any stock or other securities exchange, and (iii) carry no rating from any credit rating agency.
8. The Purchaser is not purchasing the Certificates for more than one account or with a view to distributing the Certificates; provided, however, that the Purchaser reserves the right to sell, transfer or redistribute the Certificates, but agrees that any such sale, transfer or distribution by the Purchaser shall be to a Person:
- (a) that is an affiliate of the Purchaser that itself is a national bank, or any banking institution organized under the law of any state, territory, or the District of Columbia, the business of which is substantially confined to banking and is supervised by the state or territorial banking commission or similar official (a "Qualified Transferee");
 - (b) that is a trust or other custodial arrangement established by the Purchaser or one of its affiliates, the owners of any beneficial interest in which are limited to Qualified Transferees;
 - (c) that the Purchaser reasonably believes to be a Qualified Transferee; or
 - (d) that executes a purchaser letter substantially in the form of this letter.

Very truly yours,

[PURCHASER]

By: _____

Name: _____

Title: _____

1

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On _____, 2019, before me, _____, Notary Public, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ [SEAL]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____)
) ss
COUNTY OF _____)

On _____, 2019, before me, _____, Notary Public, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ [SEAL]

OWNER'S CONSENT

December 1, 2019

Orange County Board of Education
c/o Orange County Department of Education
200 Kalmus Drive
Costa Mesa, California 92628
Attention: Associate Superintendent, Business Services Division

Orange County Board of Education
Certificates of Participation
(Esplanade Restructuring Program)
originally evidencing principal in the amount of \$16,200,000
(the "**Certificates**")

Ladies and Gentlemen:

The undersigned, U.S. Bank National Association (the "**Owner**") hereby agrees to enter into this Owner's Consent (this "**Owner's Consent**") with the Orange County Board of Education, a county board of education organized and existing under the laws of the State of California (the "**Board**"), setting forth the terms and conditions for the delivery by the Owner of its written consent as described herein with respect to the above-referenced Certificates. This agreement is made subject to the written acceptance hereof by the Board and delivery of such acceptance to the Owner (in the form of one or more executed counterparts hereof) at or prior to 8:00 A.M., New York, New York time, on the date hereof. Upon such acceptance, this Owner's Consent will be in full force and effect in accordance with its terms and will be binding upon the Owner and the Board. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Trust Agreement, as defined below.

The Board previously leased certain real property and the improvements thereto (the "**Property**") to the Orange County Department of Education Facilities Corporation, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the "**Corporation**") pursuant to a Ground Lease, dated as of February 1, 2012 (the "**Ground Lease**"), and the Board subleased the property back from the Corporation pursuant to a Lease Agreement, dated as of February 1, 2012 (the "**Original Lease Agreement**"). The Certificates were executed and delivered pursuant to a Trust Agreement dated as of February 1, 2012 (the "**Original Trust Agreement**") by and among the Corporation, the Board and U.S. Bank National Association, as trustee (the "**Trustee**") evidencing direct, fractional undivided interests in the base rental payments to be made under the Lease Agreement. All rights of the Corporation to receive such base rental payments were assigned without recourse by the Corporation to the Trustee pursuant to an Assignment Agreement, dated as of February 1, 2012 (the "**Assignment**").

Agreement”). The Board also entered into a Continuing Disclosure Agreement dated as of February 1, 2012 (the “**Continuing Disclosure Agreement**”) with the Trustee.

The Owner initially purchased the Certificates on February 1, 2012 and subsequently consented to a Change in Mode from the Initial Mode to the Unenhanced Extended Rate Mode on December 1, 2015, which was the Change Date for the Initial Mode, and to an Adjustment Period from and including December 1, 2015 to but not including December 1, 2019 to be in effect upon such Change in Mode.

Concurrently with the delivery of the Written Consent hereunder, the Board and the Corporation desire to amend certain provisions of the Original Trust Agreement pursuant to a First Supplemental Trust Agreement, dated as of December 1, 2019 (the “**First Supplemental Trust Agreement**”), by and among the Board, the Corporation and the Trustee, and to amend certain provisions of the Original Lease Agreement pursuant to a First Amendment to Lease Agreement, dated as of December 1, 2019 (the “**First Amendment to Lease Agreement**”), by and between the Board and the Corporation, so as to change the final Principal Payment Date to June 1, 2029, establish an Adjustment Period commencing on December 1, 2019 and ending on the day prior to such Principal Payment Date, establish an Adjusted Interest Rate for such Adjustment Period, establish the Additional Provisions for such Adjustment Period, establish an advance base rental payment fund to be held by the Trustee under the Trust Agreement and provide for related changes and modifications therein. The Certificates currently evidence principal in an amount equal to \$11,990,000 (the “**Current Outstanding Amount**”).

1. Upon the terms and conditions and based on the representations, warranties and covenants hereinafter set forth, the Owner hereby agrees to deliver its written consent substantially in the form of **Exhibit A** hereto (the “**Written Consent**”) to the Trustee at or prior to 9:00 A.M., New York, New York time, on December 1, 2019, which is the Change Date for the immediately preceding Adjustment Period. The Board shall pay to the Owner a nonrefundable one-time arrangement fee in connection with the delivery of the Written Consent equal to 0.35% of the Current Outstanding Amount (i.e. \$[41,965.00]) (the “**Consent Arrangement Fee**”), which shall be due and payable on the Closing Date (as defined below), and the Owner hereby directs the Board to transfer such amount to US Bancorp Investments, Inc., a division of U.S. Bank National Association, in immediately available funds by wire transfer to the account specified to the Board by US Bancorp Investments, Inc., a division of U.S. Bank National Association, on or prior to the Closing Date. Any costs incurred pursuant to Paragraph 9 hereof shall be paid by the Board in immediately available funds by wire transfer to the account specified to the Board by the Owner on or prior to the Closing Date.

2. The Certificates, the Original Trust Agreement, as amended and supplemented by the First Supplemental Trust Agreement (as so supplemented, the “**Trust Agreement**”), the Assignment Agreement, the Original Lease Agreement, as amended by the First Amendment to Lease Agreement (as so amended, the “**Lease Agreement**”), and the Ground Lease are referred to herein as the “**Corporation Documents**”. The Certificates, the Trust Agreement, the Lease Agreement, the Ground Lease and the Continuing Disclosure Agreement are referred to herein as the “**Board Documents**.” The Board Documents, the Corporation Documents and this Owner’s Consent are collectively referred to herein as the “**Certificate Documents**”. An

official statement, prospectus, offering circular, or other comprehensive offering statement has not been provided with respect to the Certificates.

3. Upon delivery of the Written Consent to the Trustee at or prior to 9:00 A.M., New York, New York time, on December 1, 2019, which is the Change Date for the immediately preceding Adjustment Period, the terms of the Final Adjustment Period shall be as set forth in the Written Consent, during which Final Adjustment Period new additional provisions substantially in the form of **Exhibit B** hereto (the “**Additional Provisions**”) shall be amended into the Lease Agreement pursuant to the First Amendment to Lease Agreement and, in accordance with said First Amendment to Lease Agreement, shall be effective during the Final Adjustment Period, and the Additional Provisions shall be amended into the Trust Agreement pursuant to the First Supplemental Trust Agreement and, in accordance with said First Supplemental Trust Agreement, shall be effective during the Final Adjustment Period. In addition, upon delivery of the Written Consent to the Trustee at or prior to 9:00 A.M., New York, New York time, on December 1, 2019, which is the Change Date for the immediately preceding Adjustment Period, the Certificates shall evidence interest at the Adjusted Interest Rate set forth in the Written Consent or, if and to the extent provided in the Lease Agreement, at the Additional Provisions Rate, which interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Certificates shall not be assigned a CUSIP number. The Certificates shall not be subject to optional prepayment prior to the final Principal Payment Date.

4. The Board hereby represents and warrants to and covenants with the Owner as follows:

(a) The Board is, and at all times will be, a county board of education organized and existing under the laws of the State of California.

(b) The Board (i) on the Delivery Date had full legal right, power and authority to execute and deliver the Board Documents executed and delivered on such date and to consummate the transactions contemplated thereby and (ii) has, and on the Closing Date will have, full legal right, power and authority to execute and deliver this Owner’s Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement and to consummate the transactions contemplated by this Owner’s Consent and the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement).

(c) Prior to the acceptance hereof, the Board has duly authorized the execution and delivery of this Owner’s Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement and the performance by the Board of the obligations contained in this Owner’s Consent and the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) and prior to the Closing Date the Board will have duly authorized the (i) execution and delivery of this Owner’s Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement, (ii) performance by the Board of the obligations contained in this Owner’s Consent and the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement), and

(iii) consummation by the Board of all transactions contemplated hereby and by the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement).

(d) All consents, approvals, authorizations or orders or notices to, or filings, registrations or declarations with, any court or governmental authority, board, agency, commission or body having jurisdiction (i) which were required on behalf of the Board on the Delivery Date for the execution and delivery by the Board of the Board Documents executed and delivered on such date or the consummation by the Board of the transactions contemplated thereby were obtained on or prior to the Delivery Date or (ii) which are required on behalf of the Board on the Closing Date for the execution and delivery by the Board of this Owner's Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement or the consummation by the Board of the transactions contemplated hereby and by the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) have been obtained or will be obtained prior to the Closing Date.

(e) All information concerning the Property and the Board submitted in writing by the Board to the Owner is true and correct in all material respects and does not omit to state a material fact necessary to make the statements therein not misleading.

(f) There is no legal action, suit, proceeding, inquiry or investigation at law or in equity (before or by any court, agency, arbitrator, public board or body or other entity or person) pending or, to the best of Board's knowledge, threatened against or affecting the Board or, to the Board's knowledge, any basis therefor (i) in any way affecting the organization and existence of the Board, (ii) contesting or materially affecting the validity or enforceability of this Owner's Consent or the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement), (iii) contesting the powers of the Board or its authority with respect to this Owner's Consent or the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement), or (iv) wherein an unfavorable decision, ruling or finding would have a material adverse effect on (A) the operations of the Board, (B) the due performance by the Board of this Owner's Consent or the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement), or (C) the validity or enforceability of this Owner's Consent or any of the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement), or the transactions contemplated hereby or by any Board Document (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement).

(g) The Board Documents executed and delivered on the Delivery Date have been duly executed and delivered by the Board and are, and, when executed and delivered by the Board and the other parties thereto, this Owner's Consent will be, and, when the First Supplemental Trust Agreement and the First Amendment to Lease Agreement are executed and delivered by the Board and the other parties thereto, the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) have been duly executed and delivered by the

Board and are, the legal, valid and binding obligations of the Board, enforceable against the Board in accordance with their respective terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

(h) Neither the Board nor the County Office is in material breach of, or default under, any applicable law, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental body or other requirement to which the Board or the County Office, as applicable, is subject material to the conduct of its governmental or financial functions or any contract, indenture, agreement, mortgage, lease, note, commitment or other obligation or instrument to which the Board or the County Office, as applicable, is a party or by which the Board or the County Office, as applicable, or its properties is bound, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute a default or an event of default under any of the foregoing; on the Delivery Date, the authorization, execution and delivery by the Board of the Board Documents executed and delivered on such date and the consummation by the Board of the transactions contemplated thereby were not prohibited by, did not violate any provision of, and did not result in a breach of or default under (i) the organizational documents of the Board, (ii) any applicable law, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental body or other requirement to which the Board or the County Office is subject, or (iii) any contract, indenture, agreement, mortgage, lease, note, commitment or other obligation or instrument to which the Board or the County Office is a party or by which the Board or the County Office or its properties is bound; on the Closing Date, the authorization, execution and delivery by the Board of this Owner's Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement and the consummation by the Board of the transactions contemplated hereby and by the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) are not prohibited by, do not violate any provision of, and will not result in a breach of or default under (i) the organizational documents of the Board, (ii) any applicable law, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental body or other requirement to which the Board is subject, or (iii) any contract, indenture, agreement, mortgage, lease, note, commitment or other obligation or instrument to which the Board is a party or by which the Board or its properties is bound.

(i) The replacement Certificates, evidencing principal in an amount equal to the Current Outstanding Amount, and reflecting a final Principal Payment Date of June 1, 2029, delivered to or upon the order of the Owner on the Closing Date will, in all material respects, substantially conform to the provisions of this Owner's Consent.

(j) The proceeds from the sale of the Certificates were applied as specified in the Trust Agreement.

(k) Between [____], 2019 and the Closing Date, without the prior written consent of the Owner, the Board and the County Office will not have issued any bonds, notes or other obligations for borrowed money.

(l) Any certificates signed by any officer of the Board and delivered to the Owner shall be deemed a representation and warranty by the Board to the Owner, but not by the person signing the same, as to the statements made therein.

(m) The Board's tax identification number is 95-6000943.

(n) The Additional Provisions have been amended into the Original Trust Agreement pursuant to the First Supplemental Trust Agreement and the Additional Provisions have been amended into the Original Lease Agreement pursuant to the First Amendment to Lease Agreement. The Board hereby represents and warrants as to, and agrees to comply with, the matters set forth in the Additional Provisions.

(o) The Certificates have not (a) been assigned a separate rating by any Rating Agency, (b) registered with DTC or other securities depository, (c) offered or sold pursuant to any type of offering document or official statement, or (d) assigned a CUSIP number.

5. The closing with respect to the delivery of the Written Consent will be held at 9:00 a.m., New York, New York time on December 1, 2019 (the "**Closing Date**"). On or before 9:00 a.m., New York, New York time on December 1, 2019, the Board will deposit or cause to be deposited with the Trustee sufficient moneys to pay the costs in connection with the delivery of the Written Consent, which include, but are not limited to, the amounts described in Paragraph 9 hereof. Pursuant to the Trust Agreement, the Trustee will execute and deliver replacement Certificates in physical (non-book entry) form, without CUSIP numbers and unrated, to the Owner or as directed by the Owner, and the Owner will accept such delivery and deliver the Written Consent.

6. The delivery of the Written Consent by the Owner is subject to the satisfaction of the following conditions precedent, in form and substance as is satisfactory to the Owner; provided, that should the Owner deliver the Written Consent prior to its receipt and approval of any of the following items, such delivery shall not be deemed to be a waiver of any documentary requirement.

(a) The Owner shall have received the following Corporation organizational documents:

(i) Copies of the resolutions of the Corporation approving the execution and delivery of the First Supplemental Trust Agreement and the First Amendment to Lease Agreement and the other matters contemplated hereby and thereby, certified by the Secretary of the Corporation as being true and complete and in full force and effect on the Closing Date.

(ii) Copies of the Corporation's articles of incorporation and by-laws, certified by the Secretary of the Corporation as being true and complete and in full force and effect on the Closing Date.

(iii) A certificate by the Secretary of the Corporation certifying the names and signatures of the persons authorized to sign, on behalf of the

Corporation, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement.

(iv) A Certificate of Status issued by the California Secretary of State indicating that the Corporation is authorized to exercise all of its powers, rights and privileges in the State.

(b) The Owner shall have received the following Board documents:

(i) Copies of the resolutions of the Board approving the execution and delivery of this Owner's Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement and the other matters contemplated hereby and thereby, certified by the Clerk of the Board of Education of the Board as being true and complete and in full force and effect on the Closing Date.

(ii) A certificate by the Clerk of the Board certifying the names and signatures of the persons authorized to sign, on behalf of the Board, this Owner's Consent the First Supplemental Trust Agreement and the First Amendment to Lease Agreement.

(c) The Owner shall have received the following financing documents:

(i) An executed original of each of this Owner's Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement and a certification of the Clerk of the Board that the copies of each of the other Certificate Documents and the resolutions of the Board approving the execution and delivery of the Certificate Documents on the Delivery Date previously delivered to the Bank are true, correct and complete and in full force and effect on the Closing Date and a certification of the Secretary of the Corporation that the copies of each of the other Corporation Documents and the resolutions of the Corporation approving the execution and delivery of the Corporation Documents on the Delivery Date previously delivered to the Bank are true, correct and complete and in full force and effect on the Closing Date.

(ii) The replacement Certificates reflecting a final Principal Payment Date of June 1, 2029, and which, in all material respects, substantially conform to the provisions of this Owner's Consent.

(d) The Owner shall have received the following opinions, addressed to the Owner or on which the Owner is otherwise expressly authorized to rely:

(i) From counsel to the Corporation, as to the due authorization, execution and delivery of the First Supplemental Trust Agreement and the First Amendment to Lease Agreement and the validity, binding effect and enforceability of each of the Corporation Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement), and such other customary matters as the Owner may reasonably request.

(ii) From counsel to the Board, as to the due authorization, execution and delivery of this Owner's Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement and the validity, binding effect and enforceability of each of the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement), and such other customary matters as the Owner may reasonably request.

(iii) From Special Counsel, to the effect that the execution and delivery of each of the First Supplemental Trust Agreement and the First Amendment to Lease Agreement is permitted under the Trust Agreement and will not, in and of itself, adversely affect the exclusion of interest evidenced by the Certificates from gross income for purposes of federal income taxation and to the effect that each of this Owner's Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement have been duly executed and delivered by, and each of this Owner's Consent, the Trust Agreement and the Lease Agreement constitutes a valid and binding obligation of, the Board.

(e) The Owner shall have received a certificate of the Board, stating that on and as of the Closing Date (i) the Board is in compliance with all of the terms, provisions and conditions of each financial covenant and any other material provision of the Certificate Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) and any Contract entered into in connection with any Indebtedness; (ii) there is no pending legislation, decision or other matter described in Section 2.07(b) of the Additional Provisions which might adversely affect the consummation of the transactions contemplated hereby or by the Certificate Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement); (iii) all requirements and preconditions to the delivery of the Written Consent by the Owner have been satisfied (other than those which may have been waived by the Owner); (iv) the Board has complied with all agreements and covenants and satisfied all conditions stated in this Owner's Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement on its part to be performed or satisfied at or prior to the Closing Date; (v) since June 30, 2018 there has been no event or occurrence which has caused or might reasonably be anticipated to cause a Material Adverse Effect; (vi) there has been no change in Law (or its interpretation or administration) that may materially adversely affect the consummation of the transactions contemplated hereby or by the Certificate Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement); (vii) each representation and warranty on the part of the Board contained in the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) is true and correct as though made on and as of such date, (viii) no Default or Event of Default has occurred and is continuing or would result from the execution and delivery of this Owner's Consent, the First Supplemental Trust Agreement or the First Amendment to Lease Agreement or the performance of this Owner's Consent or the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement); (viii) no petition by or against the Board has at any time been filed under the United States Bankruptcy Code or under any similar Law; (ix) true, correct and complete copies of this Owner's Consent and each Certificate

Document (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) have been delivered to the Owner and such documents were duly issued, adopted or executed and delivered, have not been modified, amended or rescinded and are in full force and effect; and (x) as to other matters of fact as shall be reasonably requested by the Owner.

(f) The Owner shall have received a certificate of the Corporation, dated the Closing Date, stating that: (i) the representations and warranties of the Corporation contained in the Corporation Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) are correct on and as of the Closing Date as though made on and as of such date; (ii) no petition by or against the Corporation has at any time been filed under the United States Bankruptcy Code, 11 U.S.C. §§101 *et seq.*, as amended, or under any similar law; (iii) no Default or Event of Default has occurred and is continuing, or would result from the Corporation's execution and delivery of the First Supplemental Trust Agreement and the First Amendment to Lease Agreement or the performance of the Corporation Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement); (iv) all conditions precedent to the execution and delivery of the First Supplemental Trust Agreement or the First Amendment to Lease Agreement have been satisfied; (v) the Corporation has duly authorized, executed and delivered the Corporation Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) and the Corporation Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) have not been amended, supplemented or modified, and remain in full force and effect on the Closing Date; (vi) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, or for which actual notice has been received, or, to the knowledge of the Corporation, threatened against or affecting the Corporation (or, to the knowledge of the Corporation, any meritorious basis therefor), contesting or materially affecting the validity or enforceability of the Corporation Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement), contesting the powers of the Corporation or its authority with respect to the Corporation Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) or wherein an unfavorable decision, ruling or finding would adversely affect (x) the transactions contemplated by the Corporation Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) or hereby, or (y) the validity or enforceability of the Corporation Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement); (vii) true, correct and complete copies of the Assignment Agreement and the resolution of the Board of Directors of the Corporation approving the execution and delivery of the Corporation Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) and the other matters contemplated hereby and thereby have been delivered to the Owner and such documents were duly issued, adopted or executed and delivered, have not been modified, amended or rescinded and are in full force and effect; and (viii) as to other matters of fact as shall be reasonably requested by the Owner.

(g) A certificate or signing resolutions of the Trustee certifying the names and signatures of the persons authorized to sign, on behalf of the Trustee, the First Supplemental Trust Agreement and the other documents to be delivered by it thereunder and a certificate of the Trustee as to the due authorization, execution and delivery of the First Supplemental Trust Agreement, the validity, binding effect and enforceability of the Trust Agreement (including the Additional Provisions amended into the Trust Agreement), and such other customary matters as the Owner may reasonably request.

(h) The Owner shall have received such additional legal opinions, certificates, instruments and other documents as the Owner may reasonably request to evidence (i) compliance by the Board and the Trustee with legal requirements, (ii) the truth and accuracy, as of the Closing Date, of the representations of the Board herein contained, and (iii) the due performance or satisfaction by the Board at or prior to the Closing Date of all agreements then to be performed and all conditions then to be satisfied by the Board.

(i) Payment of the Consent Arrangement Fee as directed in this Owner's Consent.

(j) On the Closing Date, (i) each representation and warranty on the part of the Board contained in the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) is true and correct as though made on and as of such date; (ii) no Default or Event of Default has occurred and is continuing or would result from the execution and delivery of this Owner's Consent, the First Supplemental Trust Agreement and the First Amendment to Lease Agreement or the performance of this Owner's Consent or the Board Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement); (iii) since June 30, 2018 there has been no event or occurrence which has caused or might reasonably be anticipated to cause a Material Adverse Effect; (iv) there has been no change in Law (or its interpretation or administration) that may materially adversely affect the consummation of the transactions contemplated hereby or by the Certificate Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement); and (v) no petition by or against the Board has at any time been filed under the United States Bankruptcy Code or under any similar Law.

(k) All other legal matters pertaining to the delivery of the Written Consent and the Certificate Documents shall be satisfactory to the Owner.

7. In the event that on or prior to the Closing Date, the Board is unable to satisfy the conditions to the delivery of the Written Consent by the Owner, the Board unconditionally and irrevocably agrees to pay the Owner in good funds those expenses owed to the Owner pursuant to Paragraph 9. The Owner may, in its discretion, waive any one or more of the conditions imposed by this Owner's Consent for its protection and proceed with the closing on the Closing Date.

8. All representations, warranties and agreements of the Board set forth in or made pursuant to this Owner's Consent will remain operative and in full force and effect, regardless of

any investigations made by or on behalf of the Owner and will survive the delivery of the Written Consent by the Owner hereunder.

9. The Board shall pay all expenses incident to the performance of its obligations hereunder and the delivery of the Written Consent by the Owner hereunder, including but not limited to (i) the cost of the preparation, reproduction, printing, distribution, mailing, execution, delivery, filing and recording, as the case may be, of the Certificate Documents, the Written Consent, and all other agreements and documents required in connection with the consummation of the transactions contemplated hereby, (ii) the cost of the preparation, execution and delivery of Certificates, (iii) the fees and disbursements of Special Counsel, (iv) the fees and expenses of the Owner's Counsel, (v) the fees and expenses of Special Counsel, the Board's financial advisor and program advisor/manager and any structuring agents and (vi) all other fees, expenses and costs incident to the transactions contemplated hereby, including without limitation any California Debt and Investment Advisory Commission and other regulatory bond fees and any rating agency fees and expenses.

10. This Owner's Consent shall inure to the benefit of and be binding upon the Board and the Owner and their respective successors and assigns. Nothing in this Owner's Consent is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and assigns, any legal or equitable right, remedy or claim under or in respect of this Owner's Consent or any provision herein contained. This Owner's Consent and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto and their respective successors and assigns, and for the benefit of no other person, firm or corporation. This Owner's Consent may not be assigned by any party hereto without the prior written consent of the other parties hereto.

11. Any notice or other communications to be given to the Board under this Owner's Consent may be given by delivering the same in writing at its address set forth above. Any notice or other communications to be given the Owner under this Owner's Consent may be given by the same in writing to:

U.S. Bank National Association
633 West Fifth Street, 25th Floor
Los Angeles, California 90071
Attention: Ashley Martin, Senior Vice President
Telephone: (310) 717-5900
Facsimile: (213) 615-6248

12. THIS OWNER'S CONSENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND TOGETHER WITH ANY DISPUTES OR CONTROVERSIES ARISING OUT OF OR RELATING TO THIS OWNER'S CONSENT, SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO CHOICE OF LAW RULES.

13. The covenants and waivers made pursuant to Paragraph 12 shall be irrevocable, and shall be applicable to any subsequent amendments, renewals, supplements or modifications

of this Owner's Consent. In the event of litigation, this Owner's Consent may be filed as a written consent to a trial by the court.

14. In connection with all aspects of the Transactions (including in connection with any amendment, waiver or other modification hereof or of any other Certificate Document), the Board acknowledges and agrees that: (a) (i) the arranging, structuring and other services regarding the Certificate Documents provided by the Owner or any of its Affiliates are arm's length commercial transactions between the Board on the one hand, and the Owner or any of its Affiliates on the other hand, (ii) the Board has consulted its own legal, accounting, tax, financial and other advisors to the extent it has deemed appropriate, and (iii) the Board is capable of evaluating, and understands and accepts, the terms, risks and conditions of the Transactions; (b)(i) the Owner and any of its Affiliates is and has been acting solely as a principal and has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Board, or any other person and (ii) neither the Owner nor any of its Affiliates has any obligation to the Board with respect to the Transactions, except those obligations expressly set forth herein; and (c) the Owner and any of its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Board, and neither the Owner nor any of its Affiliates has any obligation to disclose any of such interests to the Board. To the fullest extent permitted by applicable laws, the Board hereby waives and releases any claims that it may have against the Owner and each of its Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any Transaction.

15. The Certificate Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement) constitute the entire understanding and agreement between the Board and the Owner with respect to the Transactions and the Certificates, and supersede all prior or contemporaneous written or oral understandings, courses of dealing and agreements between the Board and the Owners with respect to the matters addressed in the Certificate Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement). Except as set forth in the Certificate Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement), there are no representations, understandings, stipulations, agreements or promises, oral or written, with respect to the matters addressed in the Certificate Documents (including the Additional Provisions amended into the Trust Agreement and the Lease Agreement).

16. This Owner's Consent may be executed in multiple counterparts, each of which will be an original but all of which together will constitute but one and the same instrument.

17. The provisions of this Owner's Consent are intended to be severable. If any provision of this Owner's Consent shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

18. The Board and the Owner may from time to time enter into agreements amending, modifying or supplementing this Owner's Consent or changing the rights of the Board or the Owner hereunder, and the Owner may from time to time grant waivers or consents to a departure from the due performance of the obligations of the Board hereunder. Any such agreement, waiver or consent must be in writing and shall be effective only to the extent specifically set forth in such writing. In the case of any such waiver or consent relating to any provision hereof, any Default or Event of Default so waived or consented to shall be deemed to be cured and not continuing, but no such waiver or consent shall extend to any other or subsequent Default or Event of Default or impair any right consequent thereto.

19. For purposes of the Certificate Documents, the Board shall be deemed to have knowledge of any fact, event or circumstance of which the County Office has knowledge.

20. Pursuant to Section 2.03(a) of the Trust Agreement, the Owner, as the initial Owner of the Certificates during the Final Adjustment Period set forth in the Written Consent, hereby requests payment of interest evidenced by the Certificates by wire transfer in immediately available funds to the account set forth below:

U.S. Bank
ABA #123000220
c/o Commercial Loan Service - West
Account #00340012160600
Reference: Orange County Board of Education
(Esplanade Restructuring Program)
Attention: Commercial Customer Service

21. USA PATRIOT ACT NOTIFICATION. The following notification is provided to the Board pursuant to Section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107 56 (signed into law October 26, 2001) (the "PATRIOT Act"): The Owner hereby notifies the Board that pursuant to the requirements of the PATRIOT Act, it is required to obtain, verify and record information that identifies the Board, which information includes the name and address of the Board and other information that will allow the Owner to identify the Board in accordance with the Patriot Act. The Board hereby agrees that it shall promptly provide such information upon request by the Owner.

[Signature Page to Owner's Consent]

If the foregoing accurately sets forth our mutual understanding concerning the subject matter hereof, kindly indicate your acceptance by executing this Owner's Consent and returning this executed Owner's Consent to the undersigned.

U.S. BANK NATIONAL ASSOCIATION

By: _____
Name: Ashley Martin
Title: Senior Vice President

[Signatures continued on next page]

[Signature Page to Owner's Consent]

Accepted and agreed to as of the date first above written:

ORANGE COUNTY BOARD OF EDUCATION

By: _____
Name:
Title:

EXHIBIT A
FORM OF WRITTEN CONSENT

WRITTEN CONSENT

The undersigned (the "Owner") is the registered owner of all of the Outstanding Orange County Board of Education Certificates of Participation (Esplanade Restructuring Program) (the "Certificates"), previously delivered pursuant to the Trust Agreement, dated as of February 1, 2012 (the "Original Trust Agreement"), by and among the Orange County Department of Education Facilities Corporation, the Orange County Board of Education (the "Board") and U.S. Bank National Association, as trustee (the "Trustee"). The Certificates evidence direct, fractional undivided interests in the base rental payments to be made under the Lease Agreement, dated as of February 1, 2012 (the "Original Lease Agreement"), by and between the Board and the Authority.

The Board has informed the Owner that it desires to amend certain provisions of the Original Trust Agreement pursuant to a First Supplemental Trust Agreement, dated as of December 1, 2019 (the "First Supplemental Trust Agreement"), by and among the Board, the Corporation and the Trustee. The Original Trust Agreement, as amended and supplemented by the First Supplemental Trust Agreement, is hereinafter referred to as the "Trust Agreement."

The undersigned Owner hereby delivers its written consent, as described in Section 11.01 of the Original Trust Agreement, to the modification and amendment of the Original Trust Agreement by the First Supplemental Trust Agreement, substantially in the form attached hereto as Attachment A.

The Board has also informed the Owner that it desires to amend certain provisions of the Original Lease Agreement pursuant to a First Amendment to Lease Agreement, dated as of December 1, 2019 (the "First Amendment to Lease Agreement"), by and between the Board and the Corporation. The Original Lease Agreement, as amended by the First Amendment to Lease Agreement, is hereinafter referred to as the "Lease Agreement."

The undersigned Owner hereby also delivers its written consent, as described in Section 11.07 of the Original Lease Agreement, to the modification and amendment of the Original Lease Agreement by the First Amendment to Lease Agreement, substantially in the form attached hereto as Attachment B.

The Owner hereby specifies and consents to the Final Adjustment Period from and including December 1, 2019 to but not including June 1, 2029.

The Owner hereby specifies and consents to an Adjusted Interest Rate of _____% per annum to be evidenced by the Certificates during such Final Adjustment Period.

Capitalized terms used herein but not otherwise defined shall have the meanings ascribed thereto in the Trust Agreement.

Date: December 1, 2019

U.S. BANK NATIONAL ASSOCIATION

By: _____
Ashley Martin
Senior Vice President

Attachment A to Written Consent
Form of First Supplemental Trust Agreement

[See attached pages]

Attachment B to Written Consent
Form of First Amendment to Lease Agreement

[See attached pages]

EXHIBIT B
FORM OF ADDITIONAL PROVISIONS

[See attached pages]