AMENDED AGENDA

MEETING OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF HOLLISTER REDEVELOPMENT AGENCY

DATE: Thursday, April 24, 2014 Time: 3:00 P.M. City Hall 375 Fifth St., Hollister, CA

ANYONE WISHING TO ADDRESS THE OVERSIGHT BOARD PLEASE STEP FORWARD AND STATE YOUR NAME AND ADDRESS TO THE SECRETARY

This Oversight Board has been created pursuant to §34161 through §34190 of the Health and Safety Code for the sole purpose of overseeing the actions of the Successor Agency to the City of Hollister Redevelopment Agency. In accordance with §34179 (h) of the Health and Safety Code, all Oversight Board ("Board") actions shall not be effective for five business days, pending a request for review by the State Department of Finance ("Department"). In the event that the Department requests a review of a given Board action, it shall have forty days from the date of its request to approve the Oversight Board action or return it to the Board for reconsideration. In the event that the Department returns the Board action to the Board for reconsideration, the Board shall resubmit the modified action for Department approval, and the modified Board action shall not become effective until approved by the Department.

Persons who wish to speak on matters set for Public Hearing will be heard when the presiding officer calls for comments from those persons who are in support of/or in opposition hereto. After persons have spoken, the hearing is closed and brought to Commission level for discussion and action. There is no further comment permitted from the audience unless requested by the Chairman.

Call to Order

Pledge of Allegiance

Roll Call: Members: Bill Avera, Jamie De La Cruz, Holly McWhinnie, Steve Kinsella, Robert Scattini, Helen Swanson, John Tobias

Verification of Agenda Posting

A. Approval of Minutes:

1. Approve minutes of the special meeting of March 27, 2014. **[Pages 3-4]**

B. Communications from the Public on Items Not Listed on the Agenda: This is the time for anyone in the audience to speak on any item not on the agenda and within the subject matter jurisdiction of the Oversight Board. When the Oversight Board calls your name, please come to the podium, state your name and address for the record, and speak to the Board. Each speaker will be limited to two minutes. Please note that state law prohibits the Oversight Board from discussing or taking action on any item not on the agenda.

C. Consent – None

D. New Business [PAGES 5-13]

1. **Resolution No. 2014-05 OB**, Resolution 2014-05 OB A Resolution of the Oversight Board Approving the Issuance of Bonds to Refund Outstanding Bonds of the Former Redevelopment Agency, Making Certain Determinations, and Providing Other Matters Relating

The Oversight Board will consider a resolution approving the issuance of bonds to Refund the $33 million dollar 2003 Tax Allocation Bond of the Former Hollister Redevelopment Agency to reduce the annual principal and interest

Reports of the Successor Agency, Board, and County Auditor Controller.

1. Reports from Successor Agency Staff.
2. Reports from the Oversight Board members.
3. Report from the County Auditor Controller.

ADJOURNMENT

NEXT REGULAR MEETING: May 22, 2014

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the City Clerk's office at City Hall, 375 Fifth Street, Hollister and the Development Services Department, Successor Agency Office 339 Fifth Street, Monday through Thursday, 8:00 am to noon, 1:00 pm to 5 pm (offices closed between 12:00 and 1:00 p.m. and the last Friday of the month). Such documents are also available on the City of Hollister website at www.hollister.ca.gov subject to staff's ability to post the documents before the meeting.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (831) 636-4300 Ext 16. Notification of 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.102-35.104 ADA Title II].

MINUTES

SPECIAL MEETING OF OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER

March 27, 2014

Director De La Cruz called the meeting to order at 3:01 p.m.

PLEDGE OF ALLEGIANCE: Director Kinsella led the pledge of allegiance.

VERIFICATION OF AGENDA POSTING: The meeting agenda was posted at City Hall on March 25, 2014 at 2:40 p.m. per Government Code Section 65954.2(a).

ROLL CALL:

Present:	Bill Avera, Jaime De La Cruz, Steve Kinsella, Robert Scattini , Helen Swanson
Absent:	Holly McWhinnie, John Tobias
Staff Present:	Brett Miller, Mary Paxton, Renee Perales
San Benito County Staff Present:	Janet Norris

1. **Approval of Minutes:**

ACTION: Director Kinsella moved to approve the minutes of the February 27, 2014 Oversight Board meeting. Director Scattini seconded. Motion passed 5-0-2.

COMMUNICATIONS FROM THE PUBLIC: None

CONSENT CALENDAR: None

OLD BUSINESS: None

NEW BUSINESS:

Report C-1 Resolution 2014-04 OB a resolution directing Successor Agency staff to initiation proceedings to refund a $33,000,000 tax allocation bond

ACTION: The Board received the report from staff requesting direction to initiate proceedings to refund the outstanding 2003 Tax Allocation Bond of the former Redevelopment Agency. Director Scatinni moved to approved Resolution 2014-04 OB with an amendment requiring the staff to retain a Fiscal consultant prior to retaining legal and fiscal consultants for the bond refunding process. Director Kinsella seconded the motion. Motion passed 6-0-2.

Report D-1 Reports from Successor Agency Staff. None.

Report D-2 Reports from the Oversight Board Members: None.

Report D-3 Reports from the Oversight County Auditor Controller: None

ADJOURNMENT:

ACTION: Director Scattini made a motion to adjourn the meeting at 3:30 p.m. Director Avera seconded. Motion carried 5-0-2.

_____
Chair of the Oversight Board

ATTEST:

_____
William B. Avera, Secretary

STAFF REPORT
SUCCESSOR AGENCY AGENDA

DATE: April 17, 2014
STUDY SESSION DATE: N/A

AGENDA ITEM: D.1
MEETING DATE: April 24, 2014

- **TITLE OF ITEM**: The Oversight Board will consider a resolution to proceed with a proposed refunding of the 2003 Tax Allocation Bonds to reduce the annual payments for existing bond debt titled: Resolution 2014-05 OB of the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Hollister Approving the Issuance of Bonds to Refund Outstanding Bonds of the Former Redevelopment Agency; Making Certain Determinations, and Providing Other Matters Relating to Thereto

- **BRIEF DESCRIPTION:** The Oversight Board will consider a resolution to proceed with a proposed refunding on the former City of Hollister Redevelopment Agency (RDA) 2003 Tax Allocation Bonds.

STAFF RECOMMENDATION: Staff recommends that the Oversight Board receives the report and adopts Resolution 2014-05 OB.

DEPARTMENT SUMMARY: Staff is requesting the Oversight Board to approve Resolution 2014-05 OB to proceed with a proposed refunding on the former Redevelopment Agency of the City of Hollister's 2003 Tax Allocation Bonds.

Overview: In 2011, the State enacted AB x1 26 which ended redevelopment agencies and created successor agencies with responsibility for managing the obligations of former redevelopment agencies and unwinding their activities. Subsequent legislation in 2012, AB 1484, clarified the ability of successor agencies to refinance outstanding bonds for debt service savings. The law sets up a process under which the State Department of Finance (DOF) must review and approve a proposed bond refunding before a successor agency can proceed.

The Oversight Board approved Resolution 2014-04 OB on March 27, 2014 directing the Successor Agency to begin the process of initiating refunding of the 2003 Tax Allocation Bond of the former RDA and securing a Financial Advisor and a fiscal and legal team for the refunding process. The Resolution also stipulated that the Financial Advisor must first review and accept the fiscal and legal team to assure that the lowest long term financing is obtained with the refunding process. The Financial Advisor has been retained and has accepted the fiscal and legal team.

The Successor Agency will consider two resolutions on April 21, 2014 related to the refunding process included as Attachments A and B to this report. Proposed Resolution 2014-06 SA could direct staff to proceed and submit the request to the Oversight Board and Department of Finance for approvals. Proposed Resolution 2014-07 OB requests subordination of County pass-through payments for the proposed refunding bonds, as has been done on prior tax allocation bonds. Staff will bring executed copies of the resolutions to the April 27, 2014 Oversight Board meeting.

A copy of the draft Bond Indenture is provided in Attachment C. A copy of the draft Bond Purchase Agreement is provided in Attachment D and a copy of the Debt Service Savings Analysis prepared by an independent financial advisor (Public Financial Management) is provided in Attachment E. .

If the Oversight Board approves Resolution 2014-05 OB, the resolution and materials provided in Attachments C through E will be submitted to the Department of Finance (DOF). The DOF has 5 days to review the materials or request a 60 day extension of its review period; we expect them to request a full 65 day review. Staff is pursuing an accelerated review process to take advantage of current favorable interest rates. During that time period, staff and the financing team will continue efforts to prepare the bond financing for market.

Before issuing the proposed bond refunding, staff will return to the Successor Agency, in late June or early July, to review and approve final bond documents including the Preliminary Official Statement (POS), the Bond Purchase Agreement (BPA), and the Bond Indenture and authorize the refunding issue.

Proposed Refunding: The 2003 Tax Allocation Bonds are currently outstanding in the amount of $33.6 million with semi-annual debt service payments payable through October 1, 2032. The 2003 Bonds may be refinanced on any interest payment date (April 1 or October 1) without redemption penalty. The proposed refunding bonds would be issued on parity with the former Agency's 2009 Tax Allocation Bonds, outstanding in the amount of $7.3 million, which can't be refinanced without penalty until 2019.

In the last year, more than 36 tax allocation refunding bonds totaling over $1 billion have been completed for other successor agencies throughout the state. These financings have been generally well received by bond investors. Based on current market conditions with a modest interest rate "cushion", the proposed refunding is expected to generate approximately $1.9 million in net present value savings or 5.7% of the refunded par and approximately $145,000 in average annual cash flow savings. The County Auditor controller has calculated the estimated distribution of the cash flow savings. Due to prior pass through agreements with the former Hollister Redevelopment Agency, there would be no distribution to Hazel Hawkins Hospital District, the San Benito County Water District and San Benito County. The greatest

benefits would be to the school districts as shown in the following table.

Estimated Distribution of Funds to Taxing Entities from Proposed Refunding of the 2003 Tax Allocation Bond

Taxing Entity	Estimated Distribution of $145,000
Hollister Elementary School District	$53,672
City of Hollister	$19,577
Gavilan Community College District/ Santa Clara County Equalization	$15,352
San Benito High School District	$44,256
San Benito County Schools	$6,033
San Benito County	$0 (pass-through)
San Benito Hospital District	$0 (pass-through)
San Benito County Water District	$0 (pass-through)

Source: E-mail communication March 20, 2014, Janet Norris, Property Tax & Special Accounting Analyst, San Benito County Auditor Controller's Office

This refunding of a bond does not constitute a project under the California Environmental Quality Act (CEQA) and review under CEQA is not required.

ATTACHMENTS: Resolution 2014-05 OB, Attachment A -Proposed Successor Agency Resolutions 2014-06 SA directing staff to refund the 2003 Bond, Attachment B - Proposed Successor Agency Resolution 2014-07 SA directing staff to request the County to subordinate; Attachment C- Indenture, Attachment D - Form of Bond Purchase Agreement, Attachment E - Financial Advisor Debt Service Savings Report

FINANCIAL IMPACT: Refunding could result in an increase in property tax distribution to the City of Hollister (11% share) and other taxing entities.
DEPARTMENT: Development Services
CONTACT PERSON: Mary M. Paxton
DEPARTMENT HEAD: William B. Avera
PHONE NUMBER: (831) 636-4360 Ext 16

RESOLUTION NO. 2014-05 OB

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER APPROVING THE ISSUANCE OF BONDS TO REFUND OUTSTANDING BONDS OF THE FORMER REDEVELOPMENT AGENCY, MAKING CERTAIN DETERMINATIONS, AND PROVIDING OTHER MATTERS RELATING THERETO

WHEREAS, under Section 34172(a) of the California Health and Safety Code (all Section references hereinafter being to that Code), the Redevelopment Agency of the City of Hollister (the "Former Agency") has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the City of Hollister has become the successor entity to the Former Agency (the "Successor Agency");

WHEREAS, a Redevelopment Plan of the Hollister Community Development Project Area (the "Project Area") was approved by Ordinance No. 611, adopted by the City Council of the City of Hollister (the "City") on July 19, 1983;

WHEREAS, to finance and refinance redevelopment activities for the Project Area, the Former Agency has, under its Resolution No. 85-10R, adopted on September 30, 1985, as amended, issued several series of its Redevelopment Agency of the City of Hollister, Hollister Community Development Project Tax Allocation Bonds (the "Former Agency Bonds");

WHEREAS, two series of the Former Agency Bonds remain outstanding, being the Series 2003 Bonds (the "Series 2003 Bonds") and the Series 2009 Bonds (the "Series 2009 Bonds");

WHEREAS, Assembly Bill 26, enacted on June 29, 2011 ("ABx1-26), amended the Community Redevelopment Law and added Part 1.85 to Division 24 of the Health and Safety Code; ABx1-26 ordered the dissolution of all California redevelopment agencies, including the Former Agency, and the vesting of all authority, rights, powers, duties and obligations of redevelopment agencies in successor agencies as therein defined; pursuant to ABx1-26, the City of Hollister (the "City") thereafter designated itself as the Successor Agency to the Redevelopment Agency of the City of Hollister (the "Successor Agency");

WHEREAS, Assembly Bill 1484, enacted on June 27, 2012 ("AB 1484") further amended the Community Redevelopment Law, and also amended ABx1-26; as used in this resolution, "Law" means the Community Redevelopment Law, as amended and supplemented by ABx1-26 and AB 1484;

WHEREAS, ABx1-26, as amended by AB 1484, authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding

Law") to provide debt service savings within the parameters set forth in Section 34177.5(a)(1) of the Law (the "Statutory Savings Parameters");

WHEREAS, this oversight board (the "Oversight Board") has been established for the Successor Agency pursuant to Section 34179 of the Law;

WHEREAS, the Successor Agency has caused an independent financial advisor, Public Financial Management, Inc., to prepare an analysis of the potential debt service savings (the "Debt Service Savings Analysis") based on estimated interest rates as of the date of the Debt Service Savings Analysis, that will accrue to the Successor Agency and to applicable taxing entities as a result of the refunding of all or a portion of the Series 2003 Bonds (the "Refunded Bonds";

WHEREAS, to provide debt service savings, the Successor Agency desires to issue bonds (the "Bonds") under to the Law and the Refunding Law to refund the Refunded Bonds;

WHEREAS, the Successor Agency has filed with this Oversight Board a copy of its Resolution No. 2014-06 SA, adopted on April 21, 2014 (the "Bond Resolution"), by which the Successor Agency has requested that this Oversight Board approve the issuance of the Bonds, as authorized by Section 34177.5(f) and 34180(b) of the Law, it being understood that, as part of its approval, the Oversight Board will, as authorized by Section 34177.5(f), direct that the Successor Agency recover its related costs in connection with the issuance of the Bonds; and

WHEREAS, the Successor Agency has also submitted to this Oversight Board a copy of the Debt Service Savings analysis, and the form of the Indenture under which the Bonds will be issued and the Bond Purchase Agreement under which the Bonds will be sold.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Hollister, as follows:

1. Approval of Issuance of the Bonds. The Oversight Board approves the issuance of the Bonds, and finds that the issuance is in the financial interests of the taxing entities, so long as the Statutory Savings Parameters set forth in Section 34177.5(a)(1) of the Law are satisfied with respect to the proposed refunding. The Successor Agency shall make diligent efforts to ensure that the lowest long-term cost financing is obtained through the refunding.

The Indenture and the Bond Purchase Agreement are approved in the form submitted to this Oversight Board, subject to revisions approved by the Successor Agency's Authorized Officers in accordance with the Bond Resolution, and the actions taken by those Authorized Officer, in accordance with the Bond Resolution related to the issuance and sale of the Bonds, the refunding of the Refunded Bonds, and the consummation of the transactions contemplated in the Bond Resolution, and approved.

2. Determinations by the Oversight Board. This Oversight Board makes the following determinations upon which the Successor Agency is authorized to rely in its issuance of the Bonds;

(a) The Successor Agency is authorized, as provided in Section 34177.5(f) of the Law, to recover its costs related to the issuance of the Bonds from the proceeds thereof, including the cost of reimbursing the City for administrative staff time spent with respect to the authorization, issuance, sale and delivery of the Bonds;

(b) The application of proceeds of the Bonds by the Successor Agency to the refunding of the Refunded Bonds and the establishment of a reserve, as well as the payment by the Successor Agency of costs of issuance of the Bonds, as provided in Section 34177.5(a) of the Law, shall be implemented by the Successor Agency promptly upon delivery of the Bonds to their initial purchaser, notwithstanding Section 34177.3 of the Law (or any other provision of law to the contrary), without the approval of the Oversight Board, the California Department of Finance, the San Benito County Auditor-Controller or any other person or entity other than the Successor Agency; and

(c) The Successor Agency shall be entitled to receive its full allocation of administrative cost allowance pursuant to Section 34181(a)(3) of the Law without any deductions with respect to continuing costs related to the Bonds, such as trustee's fees, auditing and fiscal consultant fees, and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and the Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183 of the Law.

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PASSED AND ADOPTED by the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Hollister, this _____ day of _____, 2014, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____

Chair,

RESOLUTION NO. 2014-___SA

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER REQUESTING OVERSIGHT BOARD APPROVAL OF THE ISSUANCE OF BONDS TO REFUND OUTSTANDING BONDS OF THE FORMER REDEVELOPMENT AGENCY; AUTHORIZING THE ISSUANCE OF THE BONDS; APPROVING THE FORM, EXECUTION AND DELIVERY OF AN INDENTURE AND OTHER DOCUMENTS, AND PROVIDING OTHER MATTERS RELATING TO THEIR ISSUANCE

WHEREAS, the Redevelopment Agency of the City of Hollister (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code;

WHEREAS, a Redevelopment Plan of the Hollister Community Development Project Area (the "Project Area") was approved by Ordinance No. 611, adopted by the City Council of the City of Hollister (the "City") on July 19, 1983;

WHEREAS, to finance and refinance redevelopment activities for the Project Area, the Former Agency has, under its Resolution No. 85-10R, adopted on September 30, 1985, as amended, issued several series of its Redevelopment Agency of the City of Hollister, Hollister Community Development Project Tax Allocation Bonds (the "Former Agency Bonds"); Article IV of the Resolution provides that the Former Agency may issue one or more series of Additional Bonds (as defined therein) for the purposes set forth in and subject to the terms and conditions of the Resolution;

WHEREAS, two series of the Former Agency Bonds remain outstanding, being the Series 2003 Bonds (the "Series 2003 Bonds") and the Series 2009 Bonds (the "Series 2009 Bonds");

WHEREAS, Assembly Bill 26, enacted on June 29, 2011 ("ABx1-26), amended the Community Redevelopment Law and added Part 1.85 to Division 24 of the Health and Safety Code; ABx1-26 ordered the dissolution of all California redevelopment agencies, including the Former Agency, and the vesting of all authority, rights, powers, duties and obligations of redevelopment agencies in successor agencies as therein defined; pursuant to ABx1-26, the City of Hollister (the "City") thereafter designated itself as the Successor Agency to the Redevelopment Agency of the City of Hollister (the "Successor Agency");

WHEREAS, Assembly Bill 1484, enacted on June 27, 2012 ("AB 1484") further amended the Community Redevelopment Law, and also amended ABx1-26; as used in this resolution, "Law" means the Community Redevelopment Law, as amended and supplemented by ABx1-26 and AB 1484;

WHEREAS, ABx1-26, as amended by AB 1484, authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") to provide debt service savings within the parameters set forth in Section 34177.5(a)(1) of the Law (the "Statutory Savings Parameters");

WHEREAS, an oversight board (the "Oversight Board") has been established for the Successor Agency under Section 34179 of the Law;

WHEREAS, the Successor Agency has caused an independent financial advisor, Public Financial Management, Inc., to prepare an analysis of the potential debt service savings (the "Debt Service Savings Analysis") based on estimated interest rates as of the date of the Debt Service Savings Analysis, that will accrue to the Successor Agency and to applicable taxing entities as a result of the refunding of all or a portion of the Series 2003 Bonds (the "Refunded Bonds");

WHEREAS, to provide debt service savings, this Successor Agency desires to issue bonds (the "Bonds") under Section 34177.5(a)(1) of the Law and the Refunding Law to refund the Refunded Bonds;

WHEREAS, there has been submitted to this Successor Agency the form of the indenture (the "Indenture") under which the Bonds, secured by property tax revenues (formerly tax increment prior to the effective date of the Law) deposited in the Redevelopment Property Tax Trust Fund established under Section 34172(c) of the Law, will be issued;

WHEREAS, there has also been submitted to this Successor Agency the form of the bond purchase agreement (the "Bond Purchase Agreement") under which the Bonds will be sold to Stifel, Nicolaus & Company, Incorporated and Stinson Securities, LLC (together, the "Underwriter");

WHEREAS, the Successor Agency requests that the Oversight Board approve the issuance of the Bonds under the Indenture, and the sale of the Bonds to the Underwriter under the Bond Purchase Agreement, as authorized by Section 34177.5(f) and 34180(b) of the Law, it being understood that, as part of such approval, the Oversight Board will, as authorized by Section 34177.5(f) of the Law, direct that the Successor Agency recover its costs related to the issuance of the Bonds; and

WHEREAS, the Successor Agency desires to subordinate to the Bonds certain amounts otherwise required to be paid to affected taxing agencies under Section 34183(a)(1) of the Law;

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER FINDS, DETERMINES, AND ORDERS, AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct.

Section 2. Savings through Issuance of Bonds. Based on the conclusions set forth in the Debt Service Savings Analysis through the proposed refunding, the Successor Agency is expected to satisfy the Statutory Savings Parameters. The Bonds will only be issued if such conditions are satisfied.

Section 3. Approval of Issuance of the Bonds. The Successor Agency authorizes and approves the issuance of the Bonds under Section 34177(a)(1) of the Law, the Refunding Law, and Article IV of the Former Agency's Resolution No. 85-10R, adopted on September 30, 1985, as amended, related to the issuance of Additional Bonds, subject to the approval of the Oversight Board, provided that the Statutory Savings Parameters are satisfied.

This Resolution, together with the Indenture to be executed pursuant to Section 4, shall be deemed a Supplemental Resolution, as defined in the Former Agency's Resolution No. 85-10R.

Section 4. Indenture. Subject to the approval of the Oversight Board, the Successor Agency approves the form of the Indenture prescribing the terms and provisions of the Bonds and the application of the proceeds thereof, including the establishment of a reserve. Any "Authorized Officer", being the Mayor, as the Chair and presiding officer of the Successor Agency, the City Manager, as the chief administrative officer of the Successor Agency, or the Assistant City Manager, as the assistant administrative officer of the Successor Agency, is authorized and directed to execute, and the City Clerk, as the Secretary of the Successor Agency, is authorized and directed to attest, the Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with the City Clerk, with changes, deletions and additions as the Authorized Officer approves, the approval to be conclusively evidenced by the execution and delivery of the Indenture to the Trustee.

The appointment of Union Bank, N.A., as trustee (the "Trustee") under the Indenture, is confirmed.

Section 5. Bond Purchase Agreement. Subject to approval by the Oversight Board, and either review and approval or failure to request review by the California Department of Finance, the Successor Agency approves the form of the Bond Purchase Agreement. Any Authorized Officer is authorized and directed to execute, and the City Clerk, as the Secretary of the Successor Agency is authorized to attest, the Bond Purchase Agreement for and in the name and on behalf of the Successor Agency, in substantially the form on file with the City Clerk, with changes, deletions, and additions as the Authorized Officer deems necessary, desirable or appropriate upon consultation with the financial advisor and bond counsel, the execution to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement, provided that no such change, deletion or addition causes the Statutory Savings Parameters not to be satisfied.

The sale of the Bonds on a negotiated basis will afford more flexibility in the timing of the sale, more cost savings, and more flexibility in the debt structure.

The Secretary shall, within 2 weeks after the Bonds are sold, send a written statement to the California Debt Advisory Commission setting forth the reasons why the Successor Agency determined to sell the Bonds on a negotiated sale basis.

Section 6. Agreements with Financial Advisor, Bond Counsel and Fiscal Consultant. The Successor Agency has reviewed the agreements with Public Financial Management, Inc., as financial advisor, Rosenow Spevacek Group, Inc., as Fiscal Consultant, and Sidley Austin, LLP, as bond counsel, and approves the execution of those agreements by any Authorized Officer.

Section 7. Municipal Bond Insurance and Surety Bond. Any Authorized Officer is authorized and directed to obtain a municipal bond insurance policy and a reserve fund surety bond for the Bonds if it is determined, upon consultation with the Underwriter, that a municipal bond insurance policy, a reserve fund surety bond, or both, will reduce the true interest cost for the Bonds or otherwise enable the Successor Agency to achieve additional savings with respect to the Bonds. Any Authorized Officer is authorized and directed to execute any documents required in connection with the municipal bond insurance policy, reserve fund surety bond, or both.

Section 8. Oversight Board Approval of the Issuance of the Bonds. The Successor Agency requests that the Oversight Board approve the issuance of the Bonds pursuant to this Resolution and the Indenture, and their sale pursuant to the Bond Purchase Agreement.

Section 9. Filing of this Resolution. The Secretary of this Successor Agency is authorized and directed to file a certified copy of this Resolution, the Debt Service Savings Analysis, and the forms of the Indenture and Bond Purchase Agreement with the Oversight Board, and, as provided in §34180(j) of the Law, to submit a copy of these documents to the San Benito County Administrative Officer, the San Benito County Auditor-Controller, and the California Department of Finance.

Section 10. Request of Affected Taxing Entities to Subordinate. The Successor Agency requests, pursuant to Section 34177.5(c)(2) of the Law, that certain affected taxing entities subordinate to the Bonds the amount otherwise required to be paid to that entity pursuant to Section 34183(a)(1) of the Law.

Any authorized Officer is authorized and directed to request of the affected taxing entity that it subordinate to the Bonds the amount otherwise required to be paid to that entity pursuant to Section 34183(a)(1) of the Law, along with a copy of the Debt Service Savings Analysis, being substantial evidence that sufficient funds will be available to pay, when due, the debt service on the Bonds and the payments required to be paid to the affected taxing entities pursuant to Section 34183(a)(1).

Section 11. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency are authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in obtaining the requested approvals by the Oversight Board and the California Department of Finance.

The Authorized Officers and any and all other officers of the Successor Agency are also authorized and directed, on behalf of the Successor Agency, to execute and deliver any and all documents which they, or any of them, may deem necessary or advisable in order to consummate the issuance and sale of the Bonds, the refunding of the Refunded Bonds, and the consummation of the transactions described in this Resolution.

The Secretary is authorized to deliver the referenced documents, upon their execution, to their respective counterparties.

Whenever in this Resolution any officer of the Successor Agency is directed to execute or attest any document or take any action, such execution, attestation, or action may be taken on behalf of that officer by any person designated by that officer to act on his or her behalf in the case the officer is absent or unavailable.

Any action heretofore taken by any officer of the Successor Agency, with respect to the consummation of the transactions described in this Resolution, is ratified and approved.

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PASSED AND ADOPTED by the Successor Agency to the Redevelopment Agency of the City of Hollister, this 21st day of April, 2014, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Ignacio Velazquez, Chairman

ATTEST:

Geri Johnson, City Clerk

APPROVED AS TO FORM:

L+G LLP Attorneys at Law, Brad Sullivan

RESOLUTION NO. 2014-_____ SA

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER REQUESTING THAT THE COUNTY OF SAN BENITO SUBORDINATE ITS INTEREST IN TAX INCREMENT REVENUES TO PROPOSED BONDED INDEBTEDNESS OF THE SUCCESSOR AGENCY

WHEREAS, the Redevelopment Agency of the City of Hollister (the "Former Agency") and the County of San Benito (the "County") entered into an Agreement (the "Agreement"), dated December 10, 1984, with respect to the sharing of tax increment revenues generated within the Hollister Community Development Project Area (the "Project Area");

WHEREAS, Section 2 of the Agreement provides that the Former Agency may request the County to subordinate its interest in the tax increment revenues payable to the County under the Agreement in order to allow the Former Agency to pledge those tax increment revenues to, and secure payment of, Former Agency bonded indebtedness incurred for the Project Area;

WHEREAS, for each of the several series of bonds previously issued by the Former Agency that are secured by tax increment revenues, the County has, pursuant to the Agreement, subordinated its interests in the tax increment revenues payable to the County under the Agreement to the payment of the bonds; and

WHEREAS, Assembly Bill 26, enacted on June 29, 2011 ("ABx1-26), amended the Community Redevelopment Law and added Part 1.85 to Division 24 of the Health and Safety Code; ABx1-26 ordered the dissolution of all California redevelopment agencies, including the Former Agency, and the vesting of all authority, rights, powers, duties and obligations of redevelopment agencies in successor agencies as therein defined; pursuant to ABx1-26, the City of Hollister (the "City") thereafter designated itself as the Successor Agency to the Redevelopment Agency of the City of Hollister (the "Successor Agency");

WHEREAS, Assembly Bill 1484, enacted on June 27, 2012 ("AB 1484") further amended the Community Redevelopment Law, and also amended ABx1-26; as used in this Indenture, "Law" means the Community Redevelopment Law, as amended and supplemented by ABx1-26 and AB 1484;

WHEREAS, this Successor Agency is proposing to issue a series of bonds, being the Successor Agency's 2014 Tax Allocation Refunding Bonds (the "Series 2014 Bonds"), to be secured by tax increment revenues in order to provide debt service savings that will accrue;

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER FINDS, DETERMINES, AND ORDERS, as follows:

1. The above recitals are true and correct.

2. Request is made of the County of San Benito to subordinate its interest in tax increment revenues payable to the County under the Agreement, in order to allow the Successor Agency to pledge those tax increment revenues to, and secure payment of, proposed Successor Agency bonded indebtedness, being its Series 2014 Bonds, being issued to provide debt services savings that will accrue.

3. In the event that tax increment revenues that are otherwise payable to the County under the Agreement are used by the Agency to pay the proposed bonded indebtedness or meet any reserve fund requirements related thereto, it is understood that those tax increment revenues will be treated as an advance by the County and be repaid by the Agency with interest and upon such other terms as are agreed upon by the parties at the time those tax increment revenues are first advanced by the County to the Agency.

4. In accordance with Section 2 of the Agreement, Successor Agency staff is directed to submit to the County a debt service savings analysis demonstrating the Successor Agency's ability to pay the bonded indebtedness without demand anticipated to be made on the tax increment payments payable to the County under the terms of the Agreement, as well as a certified copy of this Resolution.

*****

PASSED AND ADOPTED by the Successor Agency to the Redevelopment Agency of the City of Hollister, this 21st day of April, 2014, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

Ignacio Velazquez, Chairman

ATTEST:

Geri Johnson, City Clerk

APPROVED AS TO FORM:

L+G LLP Attorneys at Law, Brad Sullivan

ATTACHMENT B

INDENTURE

by and between the

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER

and

UNION BANK, N.A.
as Trustee

Dated as of _____ 1, 2014

relating to

$[Bond Amount]
Successor Agency to the Redevelopment Agency of the City of Hollister
(Hollister Community Development Project)
2014 Tax Allocation Refunding Bonds

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INDENTURE

THIS INDENTURE (the "Indenture") is made and entered into as of _____ 1, 2014, by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER, a public entity organized and existing under the laws of the State of California (the "Successor Agency"), and UNION BANK, N.A. a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

RECITALS OF FACT:

A. The Redevelopment Agency of the City of Hollister (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under the provisions of the Community Redevelopment Law of the State of California (the "Community Redevelopment Law"), constituting Part 1 of Division 24 of the Health and Safety Code;

B. A Redevelopment Plan (the "Redevelopment Plan") of the Hollister Community Development Project Area (the "Project Area") was approved by Ordinance No. 611, adopted by the City Council of the City of Hollister (the "City") on July 19, 1983;

C. To finance and refinance redevelopment activities for the Project Area, the Former Agency has, under its Resolution No. 85-10R, adopted on September 30, 1985, as amended, issued several series of its Redevelopment Agency of the City of Hollister, Hollister Community Development Project Tax Allocation Bonds (the "Former Agency Bonds");

D. Two series of the Former Agency Bonds remain outstanding, being the Series 2003 Bonds (the "Series 2003 Bonds") and the Series 2009 Bonds (the "Series 2009 Bonds");

E. Assembly Bill 26, enacted on June 29, 2011 ("ABx1-26), amended the Community Redevelopment Law and added Part 1.85 to Division 24 of the Health and Safety Code; ABx1-26 ordered the dissolution of all California redevelopment agencies, including the Former Agency, and the vesting of all authority, rights, powers, duties and obligations of redevelopment agencies in successor agencies as therein defined; pursuant to ABx1-26, the City of Hollister (the "City") thereafter designated itself as the Successor Agency to the Redevelopment Agency of the City of Hollister (the "Successor Agency");

Assembly Bill 1484, enacted on June 27, 2012 ("AB 1484") further amended the Community Redevelopment Law, and also amended ABx1-26; as used in this Indenture, "Law" means the Community Redevelopment Law, as amended and supplemented by ABx1-26 and AB 1484;

F. ABx1-26, as amended by AB 1484, authorizes the Successor Agency to issue bonds under Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") to provide debt service savings within the parameters set forth in Section 34177.5(a)(1) of the Law (the "Statutory Savings Parameters");

G. The Successor Agency has caused an independent financial advisor, Public Financial Management, Inc., to prepare an analysis of the potential debt service savings (the "Debt Service Savings Analysis") based on estimated interest rates as of the date of the Debt Service Savings Analysis, that will accrue to the Successor Agency and to applicable taxing entities as a result of the refunding of [all/a portion] of the Series 2003 Bonds (the "Refunded Bonds");

H. To provide debt service savings, this Successor Agency desires to issue bonds (the "Bonds") under the Law and the Refunding Law, on parity to the outstanding Series 2009 Bonds, to provide funds to refund [all/a portion of] the Series 2003 Bonds;

I. An oversight board (the "Oversight Board") has been established for the Successor Agency under Section 34179 of the Law; the Oversight Board has, by its Resolution No. 2014-_____OB, adopted on ____, 2014, approved the issuance of the Bonds;

J. The Trustee is the fiscal agent for the Series 2003 Bonds and the 2009 Bonds;

K. In order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured, and to secure the payment of the principal of and interest and redemption premium (if any) on the Bonds, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture; and

L. All acts and proceedings required by law necessary to make the Bonds when executed by the Successor Agency, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes set forth in this Indenture in accordance with its terms, have been done or taken.

Therefore, in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Bonds issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions set forth in the Bonds and this Indenture, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants contained in this Indenture, and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is acknowledged, the Successor Agency and the Trustee covenant and agree, for the benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The Successor Agency has reviewed all proceedings heretofore taken and has found, as a result of that review, and finds and determines that all things, conditions and acts required by law to exist, have happened, or have been performed precedent to and in connection with the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, under each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture.

Section 1.02. Definitions. Unless the context otherwise requires, for all purposes of this Indenture, and of any certificate, opinion or other document mentioned in this Indenture, the terms defined in this Section 1.02 have the following meanings:

"Annual Debt Service" means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds in that Bond Year, assuming that the Outstanding Bonds are retired as scheduled and (b) the principal amount of the Outstanding Bonds payable by their terms in that Bond Year.

"Bond" or "Bonds" means the Successor Agency to the Redevelopment Agency of the City of Hollister (Hollister Community Development Project), 2014 Tax Allocation Refunding Bonds.

"Bond Counsel" means (a) Sidley Austin LLP, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Successor Agency, of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

"Bond Year" means any twelve-month period beginning on _____ 2 in any year and ending on the next succeeding _____ 1, both dates inclusive, except that the first Bond Year begins on the Closing Date and ends on _____ 1, 2014.

"Business Day" means a day of the year on which banks in San Francisco, California, are not required or permitted to be closed and on which the New York Stock Exchange is not closed.

"Chairman" means the Chairman of the Successor Agency or other duly appointed officer of the Successor Agency authorized by the Successor Agency by resolution to perform the functions of the Chairman in the event of the Chairman's absence or disqualification.

"City" means the City of Hollister, California, a municipal corporation and general law city duly organized and existing under the laws of the State.

"Closing Date" means the date on which the Bonds are delivered by the Successor Agency to the original purchaser thereof.

"Code" means the Internal Revenue Code of 1986 in effect on the date of issuance of the Bonds or (except as otherwise referenced in this Indenture) as it may be amended to apply to obligations issued on the date of original issuance of the Bonds, together with applicable regulations promulgated, and applicable official public guidance published, under the Code.

"Continuing Disclosure Certificate" means the Continuing Disclosure Certificate executed by the Successor Agency dated as of the Closing Date, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, bond insurance premiums, rating Successor Agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

"Costs of Issuance Account" means the account by that name established and held by the Trustee under Section 3.03.

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

"Debt Service Fund" means the fund by that name established and held by the Trustee under Section 4.03.

"Defeasance Obligations" means (i) cash, (ii) Federal Securities and (iii) Permitted Investments listed under subsection (b) of the definition, excluding Permitted Investments listed under (b) (iv) and (vi).

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under Section 2.11.

"Depository System Participant" means any participant in the Depository's book-entry system.

"Dissolution Act" means ABx1-26, as amended by AB 1484.

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

"Event of Default" means any of the events described in Section 8.01.

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

greater than the yield on a reasonably comparable direct obligation of the United States, as certified in writing by the Successor Agency to the Trustee.

"Federal Securities" means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official fiscal year period.

"Former Agency" means the Redevelopment Agency of the City of Hollister, a public body corporate and politic duly organized and existing under the Law, and dissolved by the Dissolution Act.

"Indenture" means this original Indenture, as originally entered into, as it may be amended or supplemented by any Supplemental Indenture entered under the provisions of the Indenture.

"Independent Accountant" means any accountant or firm of accountants duly licensed or registered or entitled to practice under the laws of the State, appointed by the Successor Agency, and who, or each of whom:

(a) is in fact independent and not under domination of the Successor Agency;

(b) does not have any substantial interest, direct or indirect, with the Successor Agency; and

(c) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Independent Redevelopment Consultant" means any consultant or firm of consultants appointed by the Successor Agency, and who, or each of whom:

(a) is judged by the Successor Agency to have experience in matters relating to the collection of Tax Revenues or otherwise with respect to the financing of redevelopment projects;

(b) is in fact independent and not under domination of the Successor Agency;

(c) does not have any substantial interest, direct or indirect, with the Successor Agency; and

(d) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Interest Account" means the account by that name established and held by the Trustee under Section 4.03(a).

"Interest Payment Date" means _____ 1 and _____ 1 in each year, commencing on _____, so long as any of the Bonds remain Outstanding hereunder.

"Law" means the Community Redevelopment Law, as amended and supplemented by ABx1-26, and AB 1484, each as defined in the recitals of this Indenture.

"Maximum Annual Debt Service" means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year as certified in writing by the Successor Agency to the Trustee.

"Moody's" means Moody's Investors Service or its successor.

"Nominee" means (a) initially, Cede & Co., as nominee of DTC, and (b) any other nominee of the Depository designated under Section 2.11(a).

"Outstanding" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except:

(a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and

(c) Bonds in lieu of or in substitution for which other Bonds have been authorized, executed, issued and delivered by the Successor Agency under this Indenture.

"Oversight Board" means the Oversight Board for the Successor Agency duly constituted from time to time under Section 34179 of the Law.

"Owner" or "Bondowner" means, with respect to any Bond, the person in whose name the ownership is registered on the Registration Books.

"Parity Bonds" means the Series 2009 Bonds, and any loans, bonds, notes, advances or indebtedness payable from Tax Revenues on a parity with the Bonds, and issued or incurred under and in accordance with the provisions of Section 4.04.

"Parity Bonds Instrument" means any resolution, indenture, trust agreement or other instrument authorizing the issuance of Parity Bonds.

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

"Pass-Through Agreement" means the agreement between the Former Agency and the County, dated December 10, 1984, the agreement having been entered into under Section 33401 of the Law.

"Permitted Investments" means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein, but only to the extent they are acquired at Fair Market Value:

(a) Federal Securities;

(b) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the

Successor Agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) obligations of the Federal Financing Bank; (iv) debentures of the Federal Housing Administration; (v) participation certificates of the General Services Administration; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of the Government National Mortgage Association; (vii) guaranteed Title XI financings of the U.S. Maritime Administration; (viii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development;

(c) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the Successor Agency itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of the Federal National Mortgage Association (excluding stripped mortgage securities which are valued greater than par on the portion of unpaid principal); (iv) senior debt obligations of the Student Loan Marketing Association; (v) obligations (but only the interest component of stripped obligations) of the Resolution Funding Corporation; and (vi) consolidated system wide bonds and notes of the Farm Credit System;

(d) money market funds (including funds of the Trustee or its affiliates) registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of "AAAm-G", "AAAm", or "AAm", and, if rated by Moody's, rated Aaa, Aa1 or Aa2, including funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services;

(e) certificates of deposit secured at all times by collateral described in (a) or (b) above, which have a maturity of one year or less, which are issued by commercial banks, including affiliates of the Trustee, savings and loan associations or mutual savings banks, and the collateral is held by a third party, and the Trustee on behalf of the Bond Owners has a perfected first security interest in the collateral;

(f) certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates) which are fully insured by the Federal Deposit Insurance Corporation;

(g) investment agreements, including guaranteed investment contracts, which, are general obligations of an entity whose long term debt obligations, or claims paying ability, respectively, or which are collateralized so as to be is rated in one of the two highest rating categories by Moody's or S&P or which are collateralized so as to be rated in one of the two highest rating categories by Moody's or S&P;

(h) commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1" or better by S&P;

(i) bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by those agencies;

(j) federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P;

(k) repurchase agreements for thirty (30) days or less (more than thirty (30) days which provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Trustee and the transfer of cash from the Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Trustee in exchange for the securities at a specified date, which satisfy the following criteria:

(i) repurchase agreements must be between the Trustee and (A) a primary dealer on the Federal Reserve reporting dealer list which falls under the jurisdiction of the Securities Investors Protection Corporation and which are rated "A" or better by Moody's and S&P, or (B) a bank rated "A" or better by Moody's and S&P;

(ii) the written repurchase agreement contract must include the following: (A) securities acceptable for transfer, which may be direct U.S. government obligations, or federal Successor Agency obligations backed by the full faith and credit of the U.S. government; (B) the term of the repurchase agreement may be up to 30 days; (C) the collateral must be delivered to the Trustee or a third party acting as agent for the Trustee simultaneous with payment (perfection by possession of certificated securities); (D) the Trustee must have a perfected first priority security interest in the collateral; (E) the collateral must be free and clear of third-party liens and, in the case of a broker which falls under the jurisdiction of the Securities Investors Protection Corporation, are not subject to a repurchase agreement or a reverse repurchase agreement; (F) failure to maintain the requisite collateral percentage, after a two day restoration period, will require the Trustee to liquidate the collateral; (G) the securities must be valued weekly, marked-to-market at current market price plus accrued interest and the value of collateral must be equal to 104% of the amount of cash transferred by the Trustee to the dealer bank or securities firm under the repurchase agreement plus accrued interest (unless the securities used as collateral are obligations of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, in which case the collateral must be equal to 105% of the amount of cash transferred by the Trustee to the dealer bank or securities firm under the repurchase agreement plus accrued interest). If the value of securities held as collateral falls below 104% of the value of the cash transferred by the Trustee, then additional cash or acceptable securities must be transferred; and

(iii) a legal opinion must be delivered to the Trustee to the effect that the repurchase agreement meets guidelines under state law for legal investment of public funds;

(l) pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P; however, pre-refunded municipal bonds rated by S&P only (i.e., no Moody's rating) are only acceptable if the pre-refunded municipal bonds were pre-refunded with cash, direct U.S. or U.S. guaranteed obligations or AAA rated pre-refunded municipal bonds; and

(m) the Local Agency Investment Fund of the State of California, created under Section 16429.1 of the California Government Code, to the extent the Trustee is authorized to deposit and withdraw from the Fund directly in its own name; and

"Plan Limits" means the limitation contained in the Redevelopment Plan on the number of dollars of taxes which may be divided and allocated to the Successor Agency under the Redevelopment Plan, as that limitation is prescribed by Section 33333.4 of the Law.

"Principal Account" means the account by that name established and held by the Trustee under Section 4.03(b).

"Principal Corporate Trust Office" means the principal corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the Successor Agency. However, with respect to presentation of Bonds for payment or for registration of transfer and exchange, such term means the corporate trust office of the Trustee in San Francisco, CA, or other place as designated by the Trustee.

"Prior Tax Revenues" means all taxes pledged and annually allocated within the Plan Limits, following the Closing Date, and paid to the Successor Agency with respect to the Project Area under Article 6 of Chapter 6 (commencing with section 33670) of the Law and section 16 of Article XVI of the Constitution of the State, or under other applicable State laws, and all payments, subventions and reimbursements, if any, to the Successor Agency specifically attributable to ad valorem taxes lost by reason of tax exemptions and tax rate limitations; but excluding all other amounts of such taxes (if any): (i) required to be deposited into the Low and Moderate Income Housing Fund of the Successor Agency under section 33334.3 of the Law for increasing and improving the supply of low and moderate income housing, (ii) amounts payable by the State to the Successor Agency under Chapter 1.5 of Part 1 of Division 4 of Title 2 (commencing with section 16110) of the California Government Code, or (iii) payable by the Successor Agency under Section 33607.5 of the Law or under the Pass-Through Agreement except, and only to the extent that, any amounts so payable are payable on a basis subordinate to the payment of the Bonds.

"Project Area" has the meaning given to that term in the recitals.

"Recognized Obligation Payment Schedule" means the schedule by that name prepared before each six-month fiscal period in accordance with the requirements of Section 34177(l) of the Law.

"Record Date" means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding that Interest Payment Date, whether or not that fifteenth (15th) calendar day is a Business Day.

"Redemption Account" means the account by that name established and held by the Trustee under Section 4.03(d).

"Redevelopment Obligation Retirement Fund" means the fund established and held by the Successor Agency under Section 34170.5(a) of the Law. In the event that the Redevelopment Property Tax Trust Fund provisions of the Dissolution Act are determined by a court in a final judicial decision to be invalid and, in place of the invalid provisions, remaining provisions of the Law, or the equivalent, become applicable to the Bonds or Parity Bonds, then the term "Redevelopment Property Tax Trust Fund" means the Special Funds required to be created by the Successor Agency under Section 4.02.

"Redevelopment Plan" has the meaning given to that term in the recitals hereto.

"Redevelopment Property Tax Trust Fund" means the fund established under Section 34170.5(b) of the Law and administered by the San Bonito County Auditor –Controller.

"Registration Books" means the records maintained by the Trustee under Section 2.08 for the registration and transfer of ownership of the Bonds.

"Refunded Bonds" has the meaning given to that term in the recitals hereto.

"Refunding Law" means Article 11 (commencing with Section 53580) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State, and the acts amendatory thereof and supplemented thereto.

"Reserve Account" means the account by that name established and held by the Trustee under Section 4.03(c).

"Reserve Requirement" means the lesser of (i) 10 percent of the original principal amount of the Bonds; (ii) 125% of average Annual Debt Service; or (iii) Maximum Annual Debt Service.

"S&P" means Standard & Poor's Ratings Services or its successor.

"Securities Depositories" means DTC and, in accordance with then current guidelines of the Securities and Exchange Commission, other addresses and other securities depositories as the Successor Agency may designate in a Written Request of the Successor Agency delivered to the Trustee.

"Series 2009 Bonds" means the Former Agency's $8,000,000 Hollister Community Development Project Tax Allocation Bonds, Series 2009, dated July 29, 2009, that are Outstanding.

"Series 2003 Bonds" means the Former Agency's $35,000,000 Hollister Community Development Project Tax Allocation Bonds, Series 2003, dated August 20, 2003, that are Outstanding.

"Special Fund" means the fund of that name created by the Successor Agency under Section 4.02 in the event that Tax Revenues consist of Prior Tax Revenues, to be maintained as a special fund under the Community Redevelopment Law for the deposit of Tax Revenues from the Redevelopment Area.

"State" means the State of California.

"Successor Agency" means the Successor Agency to the Redevelopment Agency of the City of Hollister, a public entity duly organized and existing under the Law. In the event that Tax Revenues consist of Prior Tax Revenues, the term "Successor Agency" means the Former Agency or other successor to the Successor Agency.

"Supplemental Indenture" means any resolution, agreement or other instrument which has been duly adopted or entered into by the Successor Agency, but only if and to the extent that the Supplemental Indenture is authorized under the Indenture.

"Tax Revenues" means the monies deposited from time to time in the Redevelopment Property Tax Trust Fund established under subdivision (c) of Section 34172 of the Law, as provided in paragraph (2) of subdivision (a) of Section 34183 of the Law [other than amounts deposited therein to pay debt service on Series 2003 Bonds not being refunded pursuant to this Indenture, and the Series 2009 Bonds?]. In the event that the applicable property tax revenues provisions of the Dissolution Act are determined by a court in a final judicial decision to be invalid and, in place of the invalid provisions of the Dissolution Act, remaining provisions of the Law, or the equivalent, shall become applicable to the Bonds, then the term "Tax Revenues" means the Prior Tax Revenues.

"Trustee" means The Union Bank, N.A., as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

"Written Request of the Successor Agency" or "Written Certificate of the Successor Agency" means a request or certificate, in writing signed by the Chief Administrative Officer, Secretary, or Treasurer of the Successor Agency or by any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose.

Section 1.03. Rules of Construction. All references to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01. Authorization of Bonds. Bonds in the aggregate principal amount of _____ Dollars ($[Bond Amount]) are authorized to be issued by the Successor Agency under and subject to the terms of this Indenture, the Law, and the Refunding Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and redemption premiums (if any) and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Bonds shall be designated the "Successor Agency to the Redevelopment Agency of the City of Hollister (Hollister Community Development Project) 2014 Tax Allocation Refunding Bonds".

Section 2.02. Terms of Bonds. The Bonds be dated as of the Closing Date, and be issued in fully registered form without coupons in the denomination of $5,000 or any integral multiple thereof. The Bonds shall mature and bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

Maturity Date (August 1)	Principal Amount	Interest Rate Per Annum

[To Come]

Interest on a Bond (including the final interest payment upon maturity or earlier redemption) shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding that Interest Payment Date, the interest to be paid by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date, to the Owner at the address of the Owner as it appears on the Registration Books as of that Record Date; except that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of $1,000,000 or more who has furnished written wire instructions to that effect to the Trustee prior to that Record Date. Principal of and redemption premium (if any) on any Bond shall be paid upon presentation and surrender of the Bond, at maturity or redemption, at the Principal Corporate Trust Office of the Trustee. Both the principal of and interest and premium (if any) on the Bonds shall be payable in lawful money of the United States of America.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of its authentication, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from that Interest Payment Date; or (b) a Bond is authenticated on or before _____ 15, 2014, in which event it shall bear interest from the Closing Date; except that, if as of the date of authentication of any Bond, interest on the Bond is in default, the Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Bond.

Section 2.03. Redemption of Bonds.

(a) Optional Redemption. The Bonds maturing on or before _____ 1, 20__, are not subject to optional redemption prior to maturity. The Bonds maturing on and after _____1, 20__, are subject to redemption, at the option of the Successor Agency on any date on or after _____ 1, 20__, as

a whole or in part, by those maturities as determined by the Successor Agency, and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest to the date fixed for redemption, without premium.

The Successor Agency is required to give the Trustee written notice of its intention to redeem Bonds under this subsection (a), with a designation of the principal amount and maturities to be redeemed, at least sixty (60) days prior to the date fixed for the redemption (or a later date as is acceptable to the Trustee, and transfer to the Trustee for deposit in the Debt Service Fund all amounts required for the redemption at least five (5) Business Days prior to the date fixed for the redemption.

(b) Notice of Redemption. The Trustee, on behalf and at the expense of the Successor Agency, shall mail (by first class mail, postage prepaid) notice of any redemption at least thirty (30) but not more than sixty (60) days prior to the redemption date, to (i) the Owners of any Bonds designated for redemption, at their respective addresses as they appear on the Registration Books, and (ii) the Securities Depositories and to the Municipal Securities Rulemaking Board Electronic Municipal Market Access (EMMA) system accessible at the emma.msrb.org website; but the mailing is not a condition precedent to the redemption, and neither failure to receive the notice nor any defect therein will effect the validity of the proceedings for the redemption of the Bonds or the cessation of the accrual of interest thereon. The notice shall state the redemption date and the redemption price, that the redemption is conditioned upon the timely delivery of the redemption price by the Successor Agency to the Trustee for deposit in the Redemption Account, shall designate the CUSIP number of the Bonds to be redeemed, the individual number of each Bond to be redeemed or that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and require that the Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on the Bonds will not accrue from and after the redemption date.

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

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for that purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of the check or other transfer.

(c) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then, upon surrender of the Bond, the Successor Agency shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(d) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption has been deposited with the Trustee, the called Bonds will cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest will accrue thereon from and after the redemption date specified in such notice.

(e) Manner of Redemption. Whenever any Bonds or portions thereof are to be selected for redemption by lot, the Trustee shall make selection, in the manner as it determines appropriate, and notify the Successor Agency of its selection to the extent Bonds are no longer held in book-entry form. In the event of redemption of Bonds by lot, the Trustee shall assign to each Bond then Outstanding a distinctive number for each $5,000 of the principal amount of each of those Bonds. The Bonds to be redeemed shall be the Bonds to which were assigned numbers, but only so much of the principal amount of each Bond of a denomination of more than $5,000 will be redeemed as shall equal $5,000 for each number assigned to it and selected. All Bonds redeemed or purchased pursuant to this Section 2.03 shall be cancelled and destroyed.

Section 2.04. Form of Bonds. The Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear on the Bonds, shall be substantially in the form set forth in Exhibit A, which is attached and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Execution of Bonds. The Bonds will be executed on behalf of the Successor Agency by the signature of its [Executive Director] and the signature of its Secretary who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile signature. If any officer whose signature appears on any Bond ceases to be that officer before delivery of the Bonds to the purchaser, the signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Successor Agency by the persons that are, at the actual date of the execution of the Bond, are the proper officers of the Successor Agency although on the date of that Bond the person shall not have been that officer.

Only the Bonds that bear a Certificate of Authentication in the form hereinbefore set forth, executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and the Certificate shall be conclusive evidence that those Bonds have been duly authenticated and delivered and are entitled to the benefits of this Indenture. In the event temporary Bonds are issued pursuant to Section 2.09, the temporary Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, may be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of that person, upon surrender of the Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. Whenever any Bond or Bonds is surrendered for registration of transfer, the Successor Agency will execute and the Trustee shall authenticate and deliver a new Bond or Bonds, of like series, interest rate, maturity and principal amount of authorized denomination. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds under this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer will be paid by the Successor Agency.

The Trustee may refuse to transfer, under the provisions of this Section 2.06, any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or any Bonds selected by the Trustee for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of

the same series, interest rate and maturity. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds under this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange will be paid by the Successor Agency.

The Trustee may refuse to exchange, under the provisions of this Section 2.07, any Bonds during the fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or any Bonds selected by the Trustee for redemption.

Section 2.08. Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Successor Agency, upon reasonable prior notice to the Trustee; and, upon presentation for that purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Successor Agency, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond will be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive Bonds. If the Successor Agency issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Principal Corporate Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for the temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds will be entitled to the same benefits under this Indenture as definitive Bonds.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond becomes mutilated, the Successor Agency, at the expense of the Owner of such Bond, will execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Successor Agency and the Trustee and, if such evidence be satisfactory to both and indemnity satisfactory to them is given, the Successor Agency, at the expense of the Owner, will execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the Successor Agency). The Successor Agency may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Successor Agency and the Trustee related to the execution, authentication and delivery of the Bond. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued under this Indenture.

Section 2.11. Book-Entry System.

(a) Original Delivery. The Bonds will be initially delivered in the form of a separate single fully registered Bond without coupons (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the ownership of each Bond will be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds will be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which is registered in the name of the Nominee, neither the Successor Agency nor the Trustee shall have any responsibility or obligation to any Depository System Participant or to any person on behalf of which the Depository System Participant holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, neither the Successor Agency nor the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the Successor Agency elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The Successor Agency and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of the Bond for the purpose of payment of principal, premium and interest on the Bond, for the purpose of giving notices of redemption and other matters with respect to the Bond, for the purpose of registering transfers of ownership of the Bond, and for all other purposes. The Trustee shall pay the principal of and interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than a Bond Owner shall receive a Bond evidencing the obligation of the Successor Agency to make payments of principal, interest and premium, if any, under this Indenture. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new nominee in its place, and subject to the provisions of this Indenture with respect to Record Dates, the new nominee shall become the Nominee hereunder for all purposes; and, upon receipt of the written notice, the Successor Agency will promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the Successor Agency and the Trustee shall execute and deliver to the Depository a letter representing such matters as are necessary to so qualify the Bonds. The execution and delivery of the letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Successor Agency or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bond Owners. The Trustee agrees to comply with all provisions in the letter with respect to the giving of notices thereunder by the Trustee. In addition to the execution and delivery of the letter, upon written request of the Depository or the Trustee, the Successor Agency may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the Successor Agency determines to terminate the Depository, then the Successor Agency will discontinue the book-entry system with the Depository. In that event, the Depository shall cooperate with the Successor Agency and the Trustee in the issuance of replacement Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of

the Nominee, to the Trustee on or before the date the replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository, the Successor Agency fails to identify another Securities Depository to replace the Depository, then the Bonds will no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Article II. Prior to its termination, the Depository shall furnish the Trustee with the names and addresses of the Depository System Participants and their respective ownership interests.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on the Bond and all notices with respect to the Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS OF BONDS

Section 3.01. Issuance of Bonds. Upon the execution and delivery of this Indenture, the Successor Agency will execute and deliver to the Trustee Bonds in the aggregate principal amount of _____ _____ Dollars ($[Bond Amount]) and the Trustee shall authenticate and deliver the Bonds upon the Written Request of the Successor Agency.

Section 3.02. Application of Proceeds of Sale. On the Closing Date the proceeds of sale of the Bonds will be paid to the Trustee and applied as follows:

(a) The Trustee shall deposit the amount of $_____ in the Costs of Issuance Account.

(b) The Trustee shall deposit the amount of $_____ in the Escrow Fund.

(c) The Trustee shall deposit the amount of $_____ in the Reserve Account.

Section 3.03. Costs of Issuance Account. There is established a separate account to be known as the "Costs of Issuance Account", to be held by the Trustee in trust. The moneys in the Costs of Issuance Account shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred, and that the payment is a proper charge against the Cost of Issuance Account. On the date which is six (6) months following the Closing Date, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the Costs of Issuance Account shall be withdrawn by the Trustee and transferred to the Interest Account of the Debt Service Fund, and the Costs of Issuance Account shall be closed.

Section 3.04. Escrow Fund. There is established with the Trustee as a separate fund, to be maintained distinct from all other funds of the Trustee, the Escrow Fund, to the credit of which a deposit shall be made as required by Section 3.02(b), resulting in a total deposit to the Escrow Fund of $_____. Money in the Escrow Fund shall be held by the Trustee and disbursed for the payment of the redemption price of the Refunded Bonds, which shall be paid on the dates, and in the amounts specified in Exhibit C hereto.

Pending disbursement to pay the redemption price of the Refunded Bonds, the Trustee shall hold the moneys in the Escrow Fund uninvested. Any funds remaining in the Escrow Fund after the payment in full of the Refunded Bonds shall be transferred to the Debt Service Fund, and, in any event, not later than _____, 2014.

ARTICLE IV

SECURITY OF BONDS AND PARITY BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. Except as provided in Section 6.06, the Bonds and any Parity Bonds will be equally secured by a pledge of, security interest in and lien on all of the Tax Revenues, and a first and exclusive pledge of, security interest in and lien upon all of the Tax Revenues in the Redevelopment Obligation Retirement Fund, and the Special Funds (if applicable), without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. In addition, the Bonds will be equally secured by all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, [the Sinking Account], the Reserve Account and the Redemption Account, and the pledge and lien created with respect to the Bonds by Section 34177.5 of the California Health & Safety Code. Except for the Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds or any Parity Bonds.

In consideration of the acceptance of the Bonds by those who hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or in this Indenture.

Section 4.02. Redevelopment Obligation Retirement Fund; Deposit of Tax Revenues. The Successor Agency has established the Redevelopment Obligation Retirement Fund pursuant to Section 34170.5(a) of the Law, which the Successor Agency will continue to hold and maintain while Bonds and any Parity Bonds are Outstanding. The Successor Agency will transfer all of the Tax Revenues received in any Bond Year to the Redevelopment Obligation Retirement Fund promptly upon receipt by the Successor Agency, until the time during that Bond Year as the amounts on deposit in the Redevelopment Obligation Retirement Fund equal the aggregate amounts required to be transferred to the Trustee for deposit into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to Section 4.03 and any accounts created under any Parity Bonds Instrument for the payment of debt service on Parity Bonds issued thereunder .

All Tax Revenues received by the Successor Agency during any Bond Year, in excess of the amount required to be deposited in the Redevelopment Obligation Retirement Fund during that Bond Year pursuant to the preceding paragraph of this Section 4.02, shall be released from the pledge and lien of this Indenture for the security of the Bonds and any Parity Bonds and applied by the Successor Agency in accordance with the Law, including but not limited to the payment of any amounts due and owing to the United States of America under Section 5.14. Prior to the payment in full of the principal of and interest on the Bonds and any Parity Bonds and the payment in full of all other amounts payable hereunder and under any Parity Bonds Instrument, the Successor Agency will not have any beneficial right or interest in the moneys on deposit in the Redevelopment Obligation Retirement Fund, except as may be provided in this Indenture and in any Parity Bonds Instrument.

In the event that the Redevelopment Property Tax Trust Fund provisions of the Dissolution Act are determined by a court in a final judicial decision to be invalid and, in place of the invalid provisions, remaining provisions of the Law, or their equivalent, become applicable to the Bonds, then the Successor Agency shall immediately create a fund, entitled "Successor Agency to the Redevelopment Agency of the

City of Hollister, Hollister Community Development Project, 2014 Tax Allocation Refunding Bonds – Special Fund". Thereafter, until all the Bonds have been fully paid or discharged, the Successor Agency will :

(a) deposit Prior Tax Revenues in the Special Fund; and

(b) transfer the Prior Tax Revenues to the Trustee pursuant to Section 4.03.

Section 4.03. Deposit of Amounts by Trustee. There is established a trust fund to be known as the Debt Service Fund, which shall be held by the Trustee. Moneys in the Redevelopment Obligation Retirement Fund will be transferred by the Successor Agency to the Trustee in the following amounts, at the following times, and deposited by the Trustee in the following respective special accounts, which are established or continued in the Debt Service Fund, and in the following order of priority:

(a) Interest Account. On or before the third (3rd) Business Day preceding each Interest Payment Date, the Successor Agency will withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee, for deposit in the Interest Account an amount which, when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on that Interest Payment Date. No transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it becomes due and payable (including accrued interest on any Bonds redeemed prior to maturity under this Indenture).

(b) Principal Account. On or before the third (3rd) Business Day preceding _____ 1 in each year beginning _____ 1, _____, the Successor Agency will withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Bonds on the next _____ 1. No transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next _____ 1 on all of the Outstanding Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds as it becomes due and payable.

(c) Reserve Account. There is hereby created a Reserve Account to secure the payment of debt service on the Bonds in the event other amounts are insufficient for that purpose. In the event that the amount on deposit in the Reserve Account at any time because of a draw thereon becomes less than the Reserve Requirement, the Trustee shall promptly notify the Successor Agency of that fact. Promptly upon receipt of the notice, the Successor Agency will transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. If there is not be sufficient Tax Revenues to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the Successor Agency will be obligated to continue making transfers as Tax Revenues become available in the Redevelopment Obligation Retirement Fund until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No transfer and deposit need be made to the Reserve Account so long as there is on deposit therein a sum at least equal to the Reserve Requirement. All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account, and then to the Principal Account, in such order, in the event of any deficiency at any time in any of such accounts or for

the retirement of all the Bonds then Outstanding, except that, so long as the Successor Agency is not in default hereunder, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before two (2) Business Days preceding each _____ 1 and _____ 1 by the Trustee and deposited in the Interest Account. All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and transferred to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made under this Section 4.03.

(d) Redemption Account. On or before the Business Day preceding any date on which Bonds are to be redeemed under Section 2.03(a), the Trustee shall withdraw from the Debt Service Fund any amount transferred by the Successor Agency pursuant to Section 2.03(a) for deposit in the Redemption Account, that amount being the amount required to pay the principal of the Bonds to be redeemed on the date set for redemption under Section 2.03(a). All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds to be redeemed pursuant to Section 2.03(a) on the date set for redemption. Interest due on Bonds to be redeemed on the date set for redemption shall, if applicable, be paid from funds available therefor in the Interest Account

Section 4.04. Parity Bonds. In addition to the Bonds, the Successor Agency may issue or incur Parity Bonds in the principal amount as will be determined by the Successor Agency. The Successor Agency may issue and deliver Parity Bonds subject to the following specific conditions, which are made conditions precedent to the issuance and delivery of Parity Bonds issued under this Section:

(a) The Law allows the issuance of the Parity Bonds, as evidenced by an opinion of Bond Counsel to that effect, delivered to the Trustee and the Successor Agency.

(b) No Event of Default shall have occurred and be continuing, and the Successor Agency is otherwise in compliance with all covenants set forth in this Indenture.

(c) The Tax Revenues received or to be received for the then current Fiscal Year are, as shown in a Report prepared by an Independent Redevelopment Consultant filed with the Successor Agency, at least equal to one hundred _____ percent (__%) of Maximum Annual Debt Service on the Bonds and any Parity Bonds to be outstanding following issuance of the Parity Bonds.

(d) The related Parity Bonds Instrument provides that:

(i) Interest on the Parity Bonds, which bears interest at a fixed rate of interest, is payable on _____ 1 and _____ 1 in each year of the term of the Parity Bonds, except the first twelve month period during which interest may be payable on any February 1 and August 1;

(ii) The principal of the Parity Bonds is payable on _____ 1 in any year in which principal is payable; and

(iii) The Trustee acts as trustee for the owners of the Parity Bonds, and identified as trustee in the Parity Bonds Instrument.

(e) The Successor Agency delivers to the Trustee a Written Certificate of the Successor Agency certifying that the conditions precedent to the issuance of the Parity Bonds set

forth in subsections (a), (b), (c), and (d) above have been satisfied, upon which Written Certificate of the Successor Agency the Trustee may rely conclusively in determining whether those conditions have been satisfied.

ARTICLE V

OTHER COVENANTS OF THE SUCCESSOR AGENCY

Section 5.01. Punctual Payment. The Successor Agency shall punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds together with the premium thereon, if any, in strict conformity with the terms of the Bonds and of this Indenture. The Successor Agency shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Supplemental Indentures and the Bonds. Nothing herein contained shall prevent the Successor Agency from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

Section 5.02. Limitation on Additional Indebtedness; Against Encumbrances. The Successor Agency covenants that, so long as the Bonds are Outstanding, the Successor Agency will not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues, excepting only the Bonds, the Series 2009 Bonds, and any other Parity Bonds. The Successor Agency will not otherwise encumber, pledge or place any charge or lien upon any of the Tax Revenues or other amounts pledged to the Bonds superior to the pledge and lien created in the Indenture for the benefit of the Bonds.

Section 5.03. Extension of Payment. The Successor Agency will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any Bond or claim for interest is extended or funded, whether or not with the consent of the Successor Agency, that Bond or claim for interest so extended or funded will not be entitled, in case of default under the Indenture, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which have not been so extended or funded.

Section 5.04. Payment of Claims. The Successor Agency will promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. However, nothing contained in the Indenture shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith contests the validity of those claims.

Section 5.05. Books and Accounts; Financial Statements. The Successor Agency will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Successor Agency and the City of Hollister, in which complete and correct entries will be made of all transactions relating to the Tax Revenues, the Redevelopment Property Tax Trust Fund, and the Redevelopment Obligation Retirement Fund. The books of record and accounts will at all times during business hours be subject to the inspection of the Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Successor Agency will cause to be prepared, within one hundred and eighty (180) days after the close of each Fiscal Year so long as the Bonds are Outstanding, complete audited financial statements with respect to that Fiscal Year showing the Tax Revenues, all disbursements of Tax Revenues and the financial condition of the Successor Agency, including the balances in all funds and accounts relating to the Project Area, as of the end of that Fiscal Year. The Successor Agency shall furnish a copy of the

financial statements to any Owner upon reasonable request of that Owner, and at the expense of that Owner.

Section 5.06. Protection of Security and Rights of Owners. The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the Closing Date, the Bonds will be incontestable by the Successor Agency.

Section 5.07. Payments of Taxes and Other Charges. Except as otherwise provided in the Indenture, the Successor Agency will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges which may hereafter be lawfully imposed upon the Successor Agency or the properties then owned by the Successor Agency in the Project Area, or upon the Tax Revenues when the same shall become due. However, nothing contained in the Indenture shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith contests the validity of those taxes, assessments or charges. The Successor Agency will duly observe and conform with all valid requirements of any governmental authority relative to the Project Area or any part thereof.

Section 5.08. Compliance with the Law; Recognized Obligation Payment Schedules. The Successor Agency will comply with all of the requirements of the Law. The Successor Agency will take all actions required under the Law to include in a Recognized Obligation Payment Schedule for each six-month period scheduled debt service on the Bonds, as well as any amount required hereunder to replenish the Reserve Account, so as to enable the San Benito County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund for deposit in the Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required to enable the Successor Agency to pay timely principal of, and interest on, the Bonds coming due in the applicable six-month period, including, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and State Department of Finance, to the extent necessary, the amounts to be held by the Successor Agency as a reserve until the next six-month period, as contemplated by Section 34171(d)(1)(A) of the California Health and Safety Code, that are necessary to provide for the payment of principal and interest hereunder when the next property tax allocation is projected to be insufficient to pay all obligations due hereunder in the following six-month period including the inclusion on the applicable Recognized Obligation Schedule the amounts set forth in the Recognized Obligation Debt Service Schedule attached hereto as Exhibit B. The Recognized Obligation Debt Service Schedule will not be amended except by Supplemental Indenture entered into pursuant to Article VII.

Section 5.09. Plan Limits. If and to the extent that the Plan Limits apply to the Successor Agency under the Law, the Successor Agency agrees that the aggregate amount of the annual debt service to be paid on all outstanding obligations payable from Tax Revenues will at no time exceed 95% of the amount of Tax Revenues which the Successor Agency is permitted to receive under the Plan Limits. In the event that the amount of the annual debt service at any time equals or exceeds 95% of Tax Revenues which the Successor Agency is permitted to receive under the Plan Limits, all Tax Revenues thereafter received by the Successor Agency will immediately be deposited with the Trustee and deposited by the Trustee into a special escrow fund (which will be held by the Trustee to be applied for the sole purpose of paying the principal of and interest on the Bonds (including upon early redemption)).

Section 5.10. Dissolution Act Invalid; Maintenance of Tax Revenues. In the event that the applicable property tax revenues provisions of the Dissolution Act are determined by a court in a final judicial decision to be invalid and, in place of the invalid provisions, remaining provisions of the Law, or the equivalent, become applicable to the Bonds, the Successor Agency will comply with all requirements of the Law to insure the allocation and payment to it of the Tax Revenues, including without limitation the timely filing of any necessary statements of indebtedness with appropriate officials of the County and,

in the case of amounts payable by the State, appropriate officials of the State. In the event that the applicable property tax revenues provisions of the Dissolution Act are determined by a court in a final judicial decision to be invalid and neither remaining provisions of the Law, nor the equivalent, replace the invalid provisions, then an Event of Default will have occurred and the remedies upon an Event of Default contained in Article VIII will apply.

Section 5.11. No Arbitrage. The Successor Agency will not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Bonds which, if that action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bonds would have caused the Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

Section 5.12. Private Activity Bond Limitation. The Successor Agency will assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

Section 5.13. Federal Guarantee Prohibition. The Successor Agency will not take any action or permit or suffer any action to be taken if the result would be to cause any of the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

Section 5.14. Rebate Requirement. The Successor Agency will take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that that section is applicable to the Bonds.

Section 5.15. Maintenance of Tax-Exemption. The Successor Agency will take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as that interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bonds.

Section 5.16. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the Continuing Disclosure Certificate will not be an Event of Default hereunder. However, any Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Successor Agency to comply with its obligations under this Section 5.16.

Section 5.17. Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits under this Indenture.

ARTICLE VI

THE TRUSTEE

Section 6.01. Duties, Immunities and Liabilities of Trustee.

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

(b) The Successor Agency may remove the Trustee at any time, unless an Event of Default has occurred and then be continuing, and will remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time the Successor Agency has knowledge that the Trustee has ceased to be eligible in accordance with subsection (e) of this Section, or has become incapable of acting, or has been adjudged bankrupt or insolvent, or a receiver of the Trustee or its property has been appointed, or any public officer has taken control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case the removal will be accomplished by the giving of written notice of the removal by the Successor Agency to the Trustee, whereupon the Successor Agency will appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of its resignation to the Successor Agency and by giving the Owners notice of its resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving notice of resignation, the Successor Agency will promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee will become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee has been appointed and accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation, the resigning Trustee or any Owner (on behalf of the Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Successor Agency for the appointment of a successor Trustee, and the court may, after notice (if any) as it may deem proper, appoint a successor Trustee. Any successor Trustee appointed under the Indenture shall signify its acceptance of the appointment by executing, acknowledging and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and thereupon the successor Trustee, without any further act, deed or conveyance, will become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of the predecessor Trustee, with like effect as if originally named Trustee under the Indenture. However, at the Written Request of the Successor Agency or the request of the successor Trustee, the predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to that successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under the Indenture and pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions set forth in the Indenture. Upon request of the successor Trustee, the Successor Agency will execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to the successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and

obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency will mail a notice of the succession of the Trustee to the Owners at their respective addresses shown on the Registration Books. If the Successor Agency fails to mail the notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause the notice to be mailed at the expense of the Successor Agency.

(e) Any Trustee appointed under the provisions of this Section in succession to the Trustee must be a financial institution having a trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company must have) a combined capital and surplus of at least $75,000,000, and subject to supervision or examination by federal or state authority. If the financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of the financial institution will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee ceases to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

Section 6.02. Merger or Consolidation. Any bank or trust company into which the Trustee may be merged or converted or with which may be consolidated or any bank or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided the bank or trust company is eligible under subsection (e) of Section 6.01, is the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Trustee.

(a) The recitals of facts in the Indenture and in the Bonds shall be taken as statements of the Successor Agency, and the Trustee will not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of the Indenture or of the security for the Bonds or the tax status of interest thereon nor will the Trustee incur any responsibility in respect thereof, other than as expressly stated in the Indenture. The Trustee is, however, responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee is not liable in connection with the performance of its duties hereunder, except for its own negligence or intentional misconduct. The Trustee is not liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any Bonds with the same rights it would have if it were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not the committee represents the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee is not liable for any error of judgment made by a responsible employee or officer, unless the Trustee has been negligent in ascertaining the pertinent facts.

(c) The Trustee is not liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under the Indenture.

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

(e) The Trustee is not deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer has actual knowledge thereof, or has received written notice thereof from the Successor Agency at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no Event of Default has occurred and is continuing under the Indenture. Except as otherwise expressly provided in the Indenture, the Trustee is not bound to ascertain or inquire as to the performance or observance by any other party of any of the terms, conditions, covenants or agreements in the Indenture or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default under the Indenture. The Trustee is not responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the Successor Agency's certificates to establish the Successor Agency's compliance with its financial covenants under the Indenture, including, without limitation, its covenants regarding the deposit of Tax Revenues into the Redevelopment Obligation Retirement Fund and the investment and application of moneys on deposit in the Redevelopment Obligation Retirement Fund (other than its covenants to transfer such moneys to the Trustee when due).

The Trustee has no liability or obligation to the Bondowners with respect to the payment of debt service on the Bonds by the Successor Agency or with respect to the observance or performance by the Successor Agency of the other conditions, covenants and terms contained in the Indenture, or with respect to the investment of any moneys in any fund or account established, held or maintained by the Successor Agency under the Indenture or otherwise.

No provision of the Indenture requires the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the Indenture, or in the exercise of any of its rights or powers. The Trustee is entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

The Trustee may execute any of the trusts or powers, or perform any duties under the Indenture either directly or by or through agents, attorneys or receivers, and the Trustee is not responsible for any intentional misconduct or negligence on the part of any agent, attorney or receiver appointed with due care by it under the Indenture.

The Trustee has no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

Before taking any action under Article VIII or this Article VI at the request of the Owners, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

Section 6.04. Right to Rely on Documents and Opinions. The Trustee is protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and is not required to make any investigation into the facts or matters contained thereon. The Trustee may

consult with counsel, including, without limitation, counsel of or to the Successor Agency, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Trustee, the opinion of that counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee under and in accordance with the Indenture.

The Trustee is not bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his or her ownership is established to the satisfaction of the Trustee.

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

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and be subject at all reasonable times upon reasonable notice to the inspection of the Successor Agency and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06. Compensation and Indemnification. The Successor Agency will pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the Successor Agency and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent the services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a first lien on the Tax Revenues and all funds and accounts held by the Trustee under the Indenture to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent the services are not redundant with those provided by outside counsel).

The Successor Agency further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense and liabilities which it may incur arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or intentional misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07. Deposit and Investment of Moneys in Funds. Moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account, the Redemption Account and the Costs of Issuance Account shall be invested by the Trustee in Permitted Investments as directed by the Successor Agency in the Written Request of the Successor Agency filed with the Trustee at least two (2) Business Days in advance of the making of the investments. In the absence of a Written Request of the

Successor Agency, the Trustee shall invest any of those moneys in Permitted Investments described in clause (d) of the definition thereof, which by their terms mature prior to the date on which those moneys are required to be paid out hereunder. The Trustee shall be entitled to rely conclusively upon the written instructions of the Successor Agency directing investments in Permitted Investments as to the fact that each investment is permitted by the laws of the State, and is not required to make further investigation with respect thereto. With respect to any restrictions set forth in the above list which embody legal conclusions (e.g., the existence, validity and perfection of security interests in collateral), the Trustee shall be entitled to rely conclusively on an opinion of counsel or upon a representation of the provider of the Permitted Investment obtained at the Successor Agency's expense. Moneys in the Reserve Account may only be invested in Permitted Investments having maturities of five (5) years or less. Moneys in the Redevelopment Obligation Retirement Fund may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund are deemed to be part of that fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee under the Indenture shall be deposited in the Interest Account, except that all interest or gain from the investment of amounts in the Reserve Account shall be deposited by the Trustee in the Interest Account to the extent not required to cause the balance in the Reserve Account to equal the Reserve Requirement. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made at the direction of the Successor Agency or otherwise made pursuant to this Section.

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

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee is not liable to pay interest on any moneys received by it, but is liable to account to the Successor Agency for earnings derived from funds that have been invested.

The Successor Agency covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise, containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value.

Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Account will be valued by the Successor Agency at their present value (within the meaning of section 148 of the Code).

Section 6.08. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with industry standards, in which complete and accurate entries shall be made of all transactions relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established under this Indenture. The books of record and account shall be available for inspection by the Successor Agency upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, at least monthly, an accounting of all transactions in the form of its

customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee under this Indenture.

Section 6.09. Appointment of Co-Trustee or Agent. It is the purpose of this Indenture that there be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in that jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that, by reason of any present or future law of any jurisdiction, it may not exercise any of the powers, rights or remedies granted, or hold title to the properties, in trust, under the Indenture, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate co-trustee. If so, the following provisions of this Section 6.09 are adopted:

(a) In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in the separate or co-trustee but only to the extent necessary to enable the separate or co-trustee to exercise those powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by the separate or co-trustee shall run to and be enforceable by either of them; except that, in no event will the Trustee be responsible or liable for the acts or omissions of any co-trustee; and

(b) Should any instrument in writing from the Successor Agency be required by the separate trustee or co-trustee appointed by the Trustee for more fully and certainly vesting in and confirming to it those properties, rights, powers, trusts, duties and obligations, any and all such instruments will, on request, be executed, acknowledged and delivered by the Successor Agency. In case any separate trustee or co-trustee, or a successor to either, becomes incapable of acting, resigns or is removed, all the estates, properties, rights, powers, trusts, duties and obligations of that separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to that separate trustee or co-trustee.

Section 6.10. Other Transactions with Successor Agency. The Trustee, either as principal or agent, may engaged in or be interested in any financial or other transaction with the Successor Agency.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THE INDENTURE

Section 7.01. Amendment With And Without Consent of Owners. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which will become binding upon adoption, without the consent of any Owners, to the extent permitted by law and only for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Successor Agency in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers reserved in the Indenture to, or conferred upon the Successor Agency; or

(b) to make provisions for the purpose of curing any ambiguity, or of curing, correcting, or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that the modifications or amendments do not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or

(c) to amend any provision of the Indenture relating to the requirements of or compliance with the Code to any extent whatsoever, but only if and to the extent that the amendment, in the opinion of Bond Counsel, will not adversely affect the exemption from federal income taxation of interest on any of the Bonds; or

(d) to amend the Recognized Obligation Debt Service Payment Schedule set forth in Exhibit B to take into account the redemption of any Bond prior to its maturity.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which will become binding when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of that Bond, or (b) reduce the percentage of Bonds required for the written consent to any amendment or modification of the Indenture. In no event will any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In addition, the Trustee is entitled to an opinion of counsel concerning the Supplemental Indenture's lack of any material adverse effect on the Owners.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective under this Article VII, this Indenture will be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to that modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification pursuant to this Article VII, the Successor Agency may determine that any or all of the Bonds should bear a notation, by endorsement in form approved by the Successor

Agency, as to the amendment or modification and, in that case, upon demand of the Successor Agency, the Owners of those Bonds shall present those Bonds at the Principal Corporate Trust Office of the Trustee, and a suitable notation as to that amendment or modification shall be made on those Bonds. In lieu of the notation, the Successor Agency may determine that new Bonds should be prepared at the expense of the Successor Agency and executed in exchange for any or all of those Bonds, and in that case, upon demand of the Successor Agency, the Owners of those Bonds shall present those Bonds for exchange at the Principal Corporate Trust Office of the Trustee without cost to those Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by that Owner, provided due notation thereof is made on the Bond.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default is made by the Successor Agency in the due and punctual payment of the principal of or interest on any Bond or Parity Bond when and as the same becomes due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default is made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and the default has continued for a period of thirty (30) days following receipt by the Successor Agency of written notice from the Trustee or any Owner of the occurrence of the default. If, however, in the reasonable opinion of the Successor Agency, the failure stated in the notice can be corrected, but not within the 30 day period, the failure will not constitute an event of default if corrective action is instituted by the Successor Agency within the 30 day period and the Successor Agency thereafter diligently and in good faith cures the failure in a reasonable period of time; or

(c) if the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

If an Event of Default has occurred under this Section and is continuing, the Trustee may, and, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds or any Parity Bonds then Outstanding the Trustee shall, (a) declare the principal of the Bonds and Parity Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon that declaration the same will become immediately due and payable, anything in this Indenture or in the Bonds or Parity Bonds to the contrary notwithstanding, and (b) the Trustee shall, subject to the provisions of Section 8.06, exercise any other remedies available to the Trustee and the Bond Owners and the owners of Parity Bonds in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Successor Agency by telephone promptly confirmed in writing. The notice shall also state whether the principal of the Bonds and Parity Bonds has been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (c) above the Trustee shall, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give the notice to the Owners and the owners of Parity Bonds by mail, which shall include the statement that interest on the Bonds and Parity Bonds will cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds and Parity Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds and Parity Bonds is actually paid on that date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds and Parity Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due has been obtained or entered, the Successor Agency deposits with the Trustee a sum sufficient to pay all principal on the Bonds and Parity Bonds matured prior to the declaration and all matured installments of interest (if any) upon all the Bonds and Parity Bonds, with interest on the overdue installments of principal and interest (to the extent permitted by law), and the reasonable fees and expenses of the Trustee (including the allocated costs and disbursements of its in-house counsel to the extent those services are not redundant with those provided by outside counsel), and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds and Parity Bonds due and payable solely by reason of the declaration) have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate has been made therefor, then, and in every such case, the Trustee shall promptly give written notice of the foregoing to the Owners of the Bonds and the Parity Bonds then Outstanding, and the Owners of at least a majority in aggregate principal amount of the Bonds and Parity Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds and Parity Bonds, rescind and annul the declaration and its consequences. However, no such rescission and annulment shall extend to effect any subsequent default, or impair or exhaust the exercise of any subsequent right or power.

Section 8.02. Application of Funds Upon Acceleration. All of the Tax Revenues and all sums in the funds and accounts established and held by the Trustee hereunder and under a Parity Bonds Instrument upon the date of the declaration of acceleration under Section 8.01, and all sums thereafter received by the Trustee under the Indenture, shall be applied by the Trustee in the following order upon presentation of the several Bonds and Parity Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring the Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent those services are not redundant with those provided by outside counsel) and counsel and any outstanding fees, expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds and Parity Bonds for principal and interest, with interest on the overdue principal and installments of interest at the net effective rate then borne by the Outstanding Bonds and Parity Bonds (to the extent that interest on overdue installments of principal and interest have been collected), and in case the moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds and Parity Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 8.03. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties under the Indenture, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds and Parity Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds and the Parity Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; except that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a

majority in principal amount of the Outstanding Bonds opposing the discontinuance, withdrawal, compromise, settlement or other disposal of the litigation.

Section 8.04. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder or the owner of any Parity Bond issued under a Parity Bonds Instrument shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture or under a Parity Bonds Instrument, unless (a) that Owner has previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute the action, suit or proceeding in its own name; (c) the Owners have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with the request; and (d) the Trustee has refused or omitted to comply with the request for a period of sixty (60) days after the written request has been received by, and the tender of indemnity has been made to, the Trustee.

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

The right of any Owner of any Bond to receive payment of the principal of (and premium, if any) and interest on the Bond as provided in the Indenture, shall not be impaired or affected without the written consent of that Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.05. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Tax Revenues and other amounts pledged hereunder, the principal of and interest on the Bonds to the respective Owners on the respective Interest Payment Dates, as provided in the Indenture, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on a subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of the default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by this Article VIII may be enforced and exercised from time to time and as often as deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy is abandoned or determined adversely to the Owners or the Trustee, the Successor Agency, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if the suit, action or proceeding had not been brought or taken.

Section 8.06. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner has the right to bring to enforce any right or remedy under the Indenture may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated, and the Trustee is appointed

(and the successive respective Owners by taking and holding the Bonds shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing the suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as the attorney-in-fact, except that the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent the services are not redundant with those provided by outside counsel).

Section 8.07. Remedies Not Exclusive. No remedy conferred in the Indenture upon or reserved to the Owners is intended to be exclusive of any other remedy. Every remedy shall be cumulative and in addition to every other remedy given under the Indenture or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency are for the sole and exclusive benefit of the Trustee and the Owners.

Section 9.02. Successor is Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency or the Trustee is named or referred to, the reference is intended to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Indenture. If the Successor Agency pays and discharges the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all or the applicable portion of Outstanding Bonds, as and when they become due and payable; or

(ii) by irrevocably depositing with the Trustee or an escrow agent, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established under this Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal, interest and redemption premiums, or;

(iii) by irrevocably depositing with the Trustee or an escrow agent, in trust, Defeasance Obligations in the amount as an Independent Accountant determines will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established under this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion thereof (including all principal, interest and redemption premiums) at or before maturity;

and, if such Bonds are to be redeemed prior to the maturity thereof, notice of the redemption has been given pursuant to Section 2.03(c), or provision satisfactory to the Trustee has been made for the giving of the notice, then, at the election of the Successor Agency, and notwithstanding that any Bonds have not been surrendered for payment, the pledge of the Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (a) the covenants of the Successor Agency hereunder with respect to the Code, (b) the obligation of the Trustee to transfer and exchange Bonds hereunder, (c) the obligations of the Successor Agency under Section 6.06, and (d) the obligation of the Successor Agency to pay or cause to be paid to the Owners, from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee all fees, expenses and costs of the Trustee. In the event the Successor Agency, pursuant to the foregoing provision, pays and discharges any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, the selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds then held by the Trustee which are not required for that purpose or for payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the Successor Agency.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, consent, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by the Owner in person or by his or her attorney appointed in writing.

Except as otherwise expressly provided in the Indenture, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of a writing appointing the attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he or she purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to the notary or other officer the execution thereof, or by an affidavit of a witness of the execution, duly sworn to before the notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any demand, request, direction, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of that Bond in respect of anything done or suffered to be done by the Successor Agency or the Trustee and in accordance therewith, except that the Trustee shall not be deemed to have knowledge that any Bond is owned by or for the account of the Successor Agency unless the Successor Agency is the registered Owner or the Trustee has received written notice that any other registered Owner is such an affiliate.

Section 9.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Successor Agency or the City of Hollister (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of that determination.

Section 9.06. Waiver of Personal Liability. No member, officer, agent or employee of the Successor Agency is individually or personally liable for the payment of the principal of or interest or any premium on the Bonds; but nothing herein contained relieves any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.07. Destruction of Cancelled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or cancelled under this Indenture, the Trustee shall destroy such bonds and, upon request of the Successor Agency, provide the Successor Agency a certificate of destruction. The Successor Agency is entitled to rely upon any statement of fact contained in the certificate with respect to the destruction of the Bonds therein referred to.

Section 9.08. Notices. Any notice, request, demand, communication or other paper shall be given, and be deemed given when delivered, or upon receipt when mailed by first class, registered or certified mail, postage prepaid, or sent by telegram, addressed as follows:

If to the Successor Agency:	Successor Agency to the Redevelopment Agency of the City of Hollister 375 Fifth Street Hollister, CA 95023 Attn: _____ Email: _____
If to the Trustee:	Union Bank, N.A. 350 California Street San Francisco, CA 94104 Attn: Corporate Trust Department Email: _____

Section 9.09. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture is for any reason held illegal, invalid or unenforceable, that holding will not affect the validity of the remaining portions of this Indenture. The Successor Agency declares that it would have adopted this Indenture and each and every Section, paragraph, sentence, clause or phrase of the Indenture, and authorized the issue of the Bonds pursuant to the Indenture, irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases hereof may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties under the Indenture, all duties and all of the rights and powers of the Trustee under the Indenture shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01, be assumed by and vest in the Treasurer of the Successor Agency in trust for the benefit of the Owners. The Successor Agency covenants for the direct benefit of the Owners that its Treasurer in that case will be vested with all of those rights and powers of the Trustee, and will assume all of those responsibilities and perform all of those duties of the Trustee, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01.

Section 9.10. Unclaimed Moneys. Notwithstanding anything in this Indenture to the contrary, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of the interest, premium and principal have become payable, if that money was held by the Trustee on such date, or for two (2) years after the date of deposit of that money if deposited with the Trustee after that date, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall then be released and discharged with respect thereto and the Bond Owners shall look only to the Successor Agency for the payment of the principal of and interest and redemption premium (if any) on those Bonds.

Section 9.11. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

Section 9.12. Governing Law. This Indenture is to be construed and governed in accordance with the laws of the State.

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER, has caused this Indenture to be signed in its name by its [Executive Director] and attested by its Secretary, and UNION BANK, N.A., has caused this Indenture to be signed in its name by its duly authorized officer, all as of the day and year first above written.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER

By: _____
[Executive Director]

ATTEST:

_____
Secretary

UNION BANK, N.A., *as Trustee*

By: _____
Authorized Officer

EXHIBIT A

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF SAN BENITO

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER
(HOLLISTER COMMUNITY DEVELOPMENT PROJECT)
2014 TAX ALLOCATION REFUNDING BOND

INTEREST RATE:	MATURITY DATE:	DATED DATE:	CUSIP:
	_____ 1, _____	[Closing Date]	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest on this Bond in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) the Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it will bear interest from that Interest Payment Date, or (ii) the Bond is authenticated on or before _____ 15, 2014, in which event it will bear interest from the Dated Date; except that, if at the time of authentication of this Bond, interest is in default on this Bond, the Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Bond, until payment of the Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on _____ 1 and _____ 1 in each year, commencing _____ 1, ____ (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal and premium, if any, upon early redemption of this Bond, are payable upon surrender of the Bond at the corporate trust office of Union Bank, N.A. in San Francisco, CA, as trustee (the "Trustee"), or at such other place as designated by the Trustee (the "Principal Corporate Trust Office"). Interest (including the final interest payment upon maturity or earlier redemption) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for which the Interest Payment Date occurs; except, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of $1,000,000 or more upon written instructions of the registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as "Successor Agency to the Redevelopment Agency of the City of Hollister (Hollister Community Development Project) 2014 Tax Allocation Refunding Bonds" (the "Bonds"), of an aggregate principal amount of _____ Dollars ($[Bond Amount]), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates, or redemption or other provisions) issued under an Indenture, dated as of _____ 1, 2014, entered into by the Successor Agency and the Trustee (the "Indenture"), authorizing the issuance of the Bonds, the provisions of the California Redevelopment Law (as amended and supplemented by ABx1-26 and AB 1484) each defined in the Indenture (the "Law"), and the provisions of Article 11 (commencing with Section 53580) of Chapter 3 of Division 2 of Title 5 of the Government Code of the State of California (the "Refunding Law"). Reference is made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto, and to the Law and the Refunding Law, for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Tax Revenues (as that term is defined in the Indenture), and the rights of the registered owners of the Bonds, the rights, duties and immunities of the Trustee, and the rights and obligations of the Successor Agency.

The Registered Owner, by acceptance hereof, assents and agrees to all of the provisions of the Indenture.

The Bonds have been issued by the Successor Agency for the purpose of providing funds to refund [all/portion of] the Series 2003 Bonds issued by the Redevelopment of the City of Hollister (the "Former Agency") that are outstanding.

The Bond's are on parity to the Redevelopment Agency's Series 2009 Bonds.

There has been created under the Law the Redevelopment Obligation Retirement Fund (as defined in the Indenture) into which Tax Revenues will be deposited and from which the Successor Agency will transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the Bonds. As and to the extent set forth in the Indenture, all Tax Revenues are exclusively and irrevocably pledged to and constitute a trust fund, in accordance with the terms of the Bonds, and the provisions of the Indenture and the Law, for the security and payment or redemption of, including any premium upon early redemption, and for the security and payment of interest on the Bonds. In addition, the Bonds are additionally secured at all times by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Redevelopment Obligation Retirement Fund, the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account, and the Redemption Account (as those terms are defined in the Indenture). Except for the Tax Revenues and such other moneys, no funds or properties of the Successor Agency are pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium, if any, on the Bonds.

The Bonds maturing on or before _____ 1, 20__, are not subject to optional redemption prior to maturity. The Bonds maturing on and after _____ 1, 20__, are subject to redemption, at the option of the Successor Agency on any date on or after _____ 1, 20__, as a whole or in part, by those maturities as determined by the Successor Agency, and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest to the date fixed for redemption, without premium.

As provided in the Indenture, notice of redemption shall be given by first class mail no less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective registered owners of the Bonds designated for redemption at their respective addresses as they appear on the Bond

registration books maintained by the Trustee, but neither failure to receive the notice nor any defect therein will affect the sufficiency of the proceedings for redemption.

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

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest will cease to accrue on this Bond from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, occurs, the principal of all Bonds may be declared due and payable upon the conditions, in the manner, and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in denominations of $5,000 or any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner, in person or by his or her attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and surrender and cancellation of the Bond. Upon registration of the transfer, a new fully registered Bond or Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange any Bond during the fifteen (15) days prior to the date established for the selection of Bonds for redemption, or any Bond selected for redemption.

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

The rights and obligations of the Successor Agency and the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of that Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE,

OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

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

It is certified that all of the things, conditions and acts required to exist, have happened or have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law, the Refunding Law, and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law, the Refunding Law, or any other laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond is not entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon has been manually signed by the Trustee.

The Successor Agency to the Redevelopment Agency of the City of Hollister has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its [Executive Director] and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER

By: _____
[Executive Director]

ATTEST:

_____
Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the Indenture.

Authentication Date: _____

UNION BANK, N.A.
Trustee

By: _____
Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____ Custodian _____ (Cust.) (Minor)
TEN ENT --	as tenants by the entireties	under Uniform Gifts to Minors Act _____ (State)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	
COMM PROP --	as community property	

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

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

_____

_____

_____

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

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

Dated: _____

Signatures Guaranteed:

_____

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

_____

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

EXHIBIT B

RECOGNIZED OBLIGATION DEBT SERVICE PAYMENT SCHEDULE

EXHIBIT C

REDEMPTION AND PREPAYMENT SCHEDULE FOR THE REFUNDING BONDS

$_____

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER
(HOLLISTER COMMUNITY DEVELOPMENT PROJECT)
2014 TAX ALLOCATION REFUNDING BONDS

BOND PURCHASE AGREEMENT

_____, 2014

Successor Agency to the Redevelopment
Agency of the City of Hollister
375 Fifth Street
Hollister, California 95023

Ladies and Gentlemen:

The undersigned, Stifel, Nicolaus & Company, Inc. (the "**Representative**"), as representative of itself and Stinson Securities, LLC (collectively, the "**Underwriters**"), offers to enter into this Bond Purchase Agreement (this "**Purchase Agreement**") with the Successor Agency to the Redevelopment Agency of the City of Hollister (the "**Successor Agency**") which will be binding upon the Successor Agency and the Underwriters upon the acceptance hereof by the Successor Agency. This offer is made subject to its acceptance by the Successor Agency by execution of this Purchase Agreement and its delivery to the Underwriters on or before 5:00 p.m., California time, on the date hereof. All terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Successor Agency Resolutions (as hereinafter defined).

The Successor Agency acknowledges and agrees that: (i) the purchase and sale of the Bonds (as hereinafter defined) pursuant to this Purchase Agreement is an arm's-length commercial transaction among the Successor Agency and the Underwriters; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as Municipal Advisors (as defined in Section 15B of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")); (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Successor Agency with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Successor Agency on other matters); (iv) the Successor Agency has consulted its own legal, financial and other advisors to the extent it has deemed appropriate; and (v) the Underwriters have financial interests that may differ from and be adverse to those of the Successor Agency.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriters hereby agree to purchase from the Successor Agency for offering to the public, and the Successor Agency hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the $_____ aggregate principal amount of the captioned bonds (the "**Bonds**") at a purchase price equal to $_____ (being the aggregate principal amount thereof, less an Underwriters' discount of $_____ and plus/less a net original issue premium/discount of $_____). The payment for and delivery of the Bonds and the other actions contemplated hereby to take place at the time of such payment and delivery are herein sometimes called the "**Closing**."

2. The Bonds and Related Documents. The Bonds shall be issued pursuant to the following:

(a) Resolution No. 85-10R, adopted by the Redevelopment Agency of the City of Hollister on September 30, 1985, as amended by the supplemental resolutions listed on Exhibit C, including Successor Agency Resolution No. ___ adapted on _____, 2014 (the "**Successor Agency Bond Resolution**"; together with Resolution No. 85-10R, as previously supplemented and amended, the "**Bond Resolution**");

(b) an Indenture, dated as of _____, 2014 (the "**Indenture**"), by and between the Successor Agency and Union Bank, N.A., as trustee (the "**Trustee**") and

(c) Parts 1, 1.8 and 1.85 of Division 24 of the California Health and Safety Code (the "**Law**") and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "**Refunding Law**").

The issuance of the Bonds was approved by the Oversight Board of the Successor Agency by resolution adopted on _____, 2014 (the "**Oversight Board Resolution**"). The Bonds shall be as described in the Indenture and the Official Statement dated the date hereof relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the Underwriters, is hereinafter called the "**Official Statement**").

The net proceeds of the Bonds will be used to refund and defease all or a portion of the outstanding $35,000,000 Hollister Community Development Project Tax Allocation Bonds, Series 2003 (the "**Refunded 2003 Bonds**") that were issued by the Redevelopment Agency of the City of Hollister (the "**Former Agency**").

The Bonds will be payable and secured by a pledge of "Tax Revenues" as defined in the Bond Resolution and the Indenture on a parity basis with pledge of Tax Revenues to [the unrefunded $35,000,000 Hollister Community Development Project Tax Allocation Bonds, Series 2003 (the "**Unrefunded 2003 Bonds**") and] the outstanding Redevelopment Agency of the City of Hollister, Hollister Community Development Project Tax Allocation Bonds, Series 2009 (the "**2009 Bonds**").

The Successor Agency will undertake pursuant to the provisions of a Continuing Disclosure Certificate, to be dated the date of the Closing (the "**Disclosure Certificate**") and executed by the Successor Agency, to provide certain annual information and notices of the occurrence of certain enumerated events. A description of the undertaking is set forth in the Preliminary Official Statement (as defined below) and will also be set forth in the Official Statement.

Certain proceeds of the Bonds will be deposited into the Escrow Fund established under the Indenture, and will be transferred as set forth in the Indenture.

The Bond Resolution, the Indenture, the Disclosure Certificate and this Purchase Agreement are sometimes collectively referred to herein as the "**Successor Agency Legal Documents.**"

3. Offering. It shall be a condition to the Successor Agency's obligations to sell and to deliver the Bonds to the Underwriters and to the Underwriters' obligations to purchase, to accept delivery of and to pay for the Bonds that the entire aggregate principal amount of the Bonds shall be issued, sold and delivered by the Successor Agency and purchased, accepted and paid for by the Underwriters at the Closing. The Underwriters agree to make a bona fide public offering of all of the Bonds at the initial public offering prices or yields set forth in Exhibit A hereto and on the inside front cover page of the Official Statement. The Underwriters reserve the right to change, subsequent to the initial public offering, such initial offering prices as it shall deem necessary in connection with the marketing of the Bonds.

4. Use and Preparation of Documents. The Successor Agency has caused to be prepared and delivered to the Underwriters prior to the execution of this Purchase Agreement copies of the Preliminary Official Statement dated _____, 2014, relating to the Bonds (the "**Preliminary Official Statement**"). The Successor Agency authorized distribution of the Preliminary Official Statement and preparation and distribution of a final Official Statement pursuant to a resolution adopted on _____, 2014 (the "**Disclosure Resolution,**" together with the Successor Agency Bond Resolution, the "**Successor Agency Resolutions**"). The Successor Agency ratifies, confirms and approves the use by the Underwriters prior to the date hereof of the Preliminary Official Statement. The Successor Agency has previously deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("**Rule 15c2-12**"), except for information permitted to be omitted therefrom by Rule 15c2-12. The Successor Agency shall have executed and delivered to the Underwriters a certification to such effect in the form attached hereto as Exhibit B. The Successor Agency hereby agrees to deliver or cause to be delivered to the Underwriters, not later than the earlier of: (i) the business day preceding the Closing Date (as defined herein); or (ii) the seventh (7th) business day following the date of this Purchase Agreement: (A) the form of the Official Statement relating to the Bonds in "designated electronic format" (as defined in Municipal Securities Rule Making Board ("**MSRB**") Rule G-32); and (B) copies of the Official Statement, dated the date hereof, in the form of the Preliminary Official Statement, with such changes thereto, as may be approved by the Underwriters, in such quantity as the Underwriters shall reasonably request. The Successor Agency hereby approves of the distribution and use by the Underwriters of the Official Statement in connection with the offer and sale of the Bonds. The Preliminary Official Statement and/or the Official Statement may be delivered in printed and/or electronic form to the extent permitted by applicable rules of the MSRB and as may be agreed by the Successor Agency and the Underwriters. If the Official Statement is prepared for distribution in electronic form, the Successor Agency hereby confirms that it does not object to distributions of the Official Statement in electronic form. The Underwriters agree that it will not confirm the sale of any Bonds unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Official Statement (which may be in electronic form).

5. Representations, Warranties and Agreements of the Successor Agency. The Successor Agency hereby represents, warrants and agrees as follows:

(a) The Successor Agency is a public entity existing under the Constitution and laws of the State of California, including the Law;

(b) The Successor Agency has full legal right, power and authority to enter into the Successor Agency Legal Documents and carry out and consummate the transactions contemplated by the Successor Agency Legal Documents;

(c) By all necessary official action of the Successor Agency prior to or concurrently with the acceptance hereof, the Successor Agency has duly authorized and approved the preparation and use of the Preliminary Official Statement and the Official Statement, the execution and delivery of the Official Statement and the Successor Agency Legal Documents, and the performance by the Successor Agency of all transactions contemplated by the Successor Agency Legal Documents; and the Successor Agency Legal Documents will constitute legal, valid and binding obligations of the Successor Agency, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally;

(d) The Successor Agency is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the Bond Resolution and the Indenture) or other instrument to which the Successor Agency is a party or to which the Successor Agency or any of its property or assets is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the execution and delivery of the Successor Agency Legal Documents, and compliance with the provisions on the Successor Agency's part contained therein, will not conflict with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Successor Agency is a party or to which the Successor Agency or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Successor Agency or under the terms of any such constitutional provision, law, regulation or instrument, except as provided by the Bond Resolution and the Indenture;

(e) Except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Successor Agency of its obligations under the Successor Agency Legal Documents have been duly obtained;

(f) Between the date of this Purchase Agreement and the date of the Closing, the Successor Agency will not, without the prior written consent of the Underwriters, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, payable from Tax Revenues (as defined in the Indenture), nor will there by any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the Successor Agency;

(g) To the best knowledge of the officer of the Successor Agency executing this Purchase Agreement, after due inquiry, as of the date hereof, there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, government agency, public board or body, pending or threatened against the Successor Agency, affecting the existence of the Successor Agency or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the execution and delivery of the Indenture or the collection of the Tax Revenues or contesting or affecting, as to the Successor Agency, the validity or enforceability of the Successor Agency Resolutions or the Successor Agency Legal Documents or contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Successor Agency, or in any way contesting or challenging the consummation of the transactions contemplated hereby, or which might result in a material adverse change in the financial condition of the Successor Agency or which might materially adversely affect the Tax Revenues; nor, to the best knowledge of the Successor Agency, is there any known basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the authorization, execution, delivery or performance by the Successor Agency of the Successor Agency Legal Documents;

(h) As of the date of the Closing, other than as described in the Official Statement, the Successor Agency will not have outstanding any indebtedness which indebtedness is secured by a lien on the Tax Revenues of the Successor Agency on a parity with the lien provided for in the Bond Resolution and the Indenture on the Tax Revenues;

(i) As of the time of acceptance hereof and as of the date of the Closing, the Successor Agency has complied with the filing requirements of the Law, including, without limitation, the filing of all Recognized Obligation Payment Schedules, as required by the Dissolution Act (as defined in the Indenture);

(j) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein in light of the circumstances under which they were made, not misleading;

(k) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is defined below) for the Bonds, the Official Statement did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made not misleading;

(l) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information herein, in the light of the circumstances under which it was presented, not misleading, the Successor Agency will notify the Underwriters, and, if in the opinion of the Underwriters or the Successor Agency, or respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Successor Agency will cooperate in the preparation of an amendment or supplement to the Official Statement in a form and manner approved by the Underwriters, and shall pay all expenses thereby incurred. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for

the Bonds, the Successor Agency will furnish such information with respect to itself as the Underwriters may from time to time reasonably request. As used herein, the term **"End of the Underwriting Period"** means the later of such time as: (i) the Successor Agency delivers the Bonds to the Underwriters; or (ii) the Underwriters do not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Notwithstanding the foregoing, unless the Representative gives notice to the contrary, the "End of the Underwriting Period" shall be the date of Closing;

(m) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (l) hereof, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact required to be stated therein or necessary to make such information therein in the light of the circumstances under which it was presented, not misleading;

(n) After the Closing, the Successor Agency will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriters shall reasonably object in writing or which shall be disapproved by counsel for the Underwriters;

(o) Any certificate signed by any officer of the Successor Agency and delivered to the Underwriters shall be deemed a representation by the Successor Agency to the Underwriters as to the statements made therein;

(p) The Successor Agency will apply the proceeds from the sale of the Bonds for the purposes specified in the Official Statement;

(q) The Successor Agency has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that neither the Successor Agency nor the City of Hollister is a bond issuer whose arbitrage certifications may not be relied upon;

(r) The Successor Agency will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters, at the expense of the Underwriters, as they may reasonably request in order to qualify the Bonds for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriters may designate; provided, however, that the Successor Agency will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

(s) The Successor Agency will refrain from taking any action with regard to which the Successor Agency may exercise control that results in the inclusion in gross income for federal income tax purposes of the interest on the Bonds or State of California income tax purposes of the interest on the Bonds;

(t) Except as disclosed in the Official Statement, each of the Successor Agency and the City of Hollister **[discuss: other applicable entities]** has not failed to comply in any material respect with its obligation under a continuing disclosure undertaking during the past five years. The

[specify continuing disclosure review document] prepared in connection with the issuance of the Bonds lists (1) all of the securities for which the Successor Agency, the Former Agency and the City of Hollister **[discuss: other applicable entities]** were obligated to provide continuing disclosure in the previous five years and (2) all "material"/enumerated events of which the Successor Agency, the Former Agency and the City of Hollister **[discuss: other applicable entities]** were obligated to provide notice in the previous five years;

(u) The Oversight Board has duly adopted the Oversight Board Resolution approving the issuance of the Bonds and no further Oversight Board approval or consent is required for the issuing of the Bonds or the consummation of the transactions described in the Preliminary Official Statement;

(v) The Department of Finance of the State (the **"Department of Finance"**) has issued a letter (the **"DOF Letter"**), dated _____, 2014, approving the Oversight Board Resolution approving the issuance of the Bonds. No further Department of Finance approval or consent is required for the issuance of the Bonds or the consummation of the transactions described in the Preliminary Official Statement. Except as disclosed in the Preliminary Official Statement, the Successor Agency is not aware of the Department of Finance directing or having any basis to direct the County Auditor-Controller to deduct unpaid unencumbered funds from future allocations of property tax to the Successor Agency pursuant to Section 34183 of the Dissolution Act; and

(w) No consent is required from the Successor Agency's auditor for the audited financial statements of the Successor Agency to be appended to the Preliminary Official Statement and the final Official Statement.

(x) The Successor Agency Resolution constitutes a Supplemental Resolution as defined in the Bond Resolution.

(y) In connection with the issuance of the Bonds, the Successor Agency is in compliance with Article IV of the Bond Resolution.

6. Closing. At 8:00 A.M., California time, on _____, 2014, or on such other date as may be mutually agreed upon by the Successor Agency and the Underwriters, the Successor Agency will, subject to the terms and conditions hereof, sell and deliver the Bonds to the Underwriters, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof in federal funds. Sale, delivery and payment as aforesaid shall be made at the offices of Sidley Austin LLP, San Francisco, California (**"Bond Counsel"**), or such other place as shall have been mutually agreed upon by the Successor Agency and the Underwriters, except that the Bonds (with one certificate for each maturity and otherwise in a form suitable for the book-entry system) shall be delivered to the Underwriters in New York, New York, through the book-entry system of The Depository Trust Company (**"DTC"**). Unless the DTC Fast Automated Securities Transfer (**"FAST"**) is utilized, the Bonds will be made available for inspection by DTC at least one (1) business day prior to the Closing.

7. Closing Conditions. The Underwriters have entered into this Purchase Agreement in reliance upon the representations and warranties of the Successor Agency contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to

be delivered at the Closing and upon the performance by the Successor Agency of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Successor Agency of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The Underwriters shall receive, within seven (7) business days of the date hereof, but in no event less than one (1) day prior to Closing, copies of the Official Statement (including all information previously permitted to have been omitted from the Preliminary Official Statement by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriter), in such reasonable quantity as the Underwriters shall have requested;

(b) The representations and warranties of the Successor Agency contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing and the statements of the officers and other officials of the Successor Agency and the Trustee made in any certificate or other document furnished pursuant to the provisions hereof are accurate;

(c) At the time of the Closing, the Successor Agency Legal Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Successor Agency, all in substantially the forms heretofore submitted to the Underwriters, with only such changes as shall have been agreed to in writing by the Underwriters, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the governing body of the Successor Agency as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(d) At the time of the Closing, all necessary official action of the Successor Agency relating to the Official Statement and the Successor Agency Legal Documents shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(e) At or prior to the Closing, the Underwriters shall have received copies of each of the following documents:

(1) Bond Counsel Opinions. The approving opinion of Bond Counsel to the Successor Agency, dated the date of the Closing and substantially in the form included as Exhibit B to the Official Statement;

(2) Supplemental Opinion of Bond Counsel. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriters, in form and substance acceptable to the Underwriters, and dated the date of the Closing, stating that the Underwriters may rely on the opinions of Bond Counsel described in paragraph (1) above as if such opinion were addressed to the Underwriters and to the following effect:

(i) the Purchase Agreement has been duly executed and delivered by the Successor Agency and (assuming due authorization, execution and delivery by

and validity against the Underwriters) constitutes the valid and binding agreement of the Successor Agency, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights and by the application of equitable principles;

(ii) the statements contained in the Official Statement under the captions "THE 2014 BONDS," "SECURITY FOR THE 2014 BONDS," "TAX MATTERS" and in Appendix B insofar as such statements expressly summarize certain provisions of the Bonds, the Bond Resolution, the Indenture or the opinion of Bond Counsel, are accurate in all material respects; and

(iii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), and the Bond Resolution and the Indenture are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(3) Financial Advisor Certificate. A certificate, dated the date of Closing, signed by an authorized officer of Public Financial Management, Inc., the Successor Agency's Financial Advisor (the "**Financial Advisor**"), addressed to the Underwriters and the Successor Agency to the effect that, in connection with the preparation of the Official Statement, nothing has come to the attention of the Financial Advisor that would lead him to believe that the statements and information contained in the Official Statement as of the date thereof and the date of the Closing, contains an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading;

(4) Successor Agency Counsel Opinion. An opinion of Counsel to the Successor Agency, dated the date of the Closing and addressed to the Underwriters, in form and substance acceptable to the Underwriters to the following effect:

(i) the Successor Agency is a public entity duly existing under the laws of the State, including the Law, with full right, power and authority to execute, deliver and perform its obligations under the Successor Agency Legal Documents;

(ii) the Successor Agency Resolution was duly adopted at a meeting of the Successor Agency, called and held pursuant to law, with all public notice required by law and at which a quorum was present and acting throughout; and the Bond Resolution is in full force and effect and has not been modified amended or rescinded except as set forth therein;

(iii) The Successor Agency Legal Documents have been duly authorized, executed and delivered by the Successor Agency and, assuming due authorization, execution and delivery by the other parties thereto, constitute the valid, legal and binding obligations of the Successor Agency enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors rights and by the application of equitable principles if equitable remedies are sought;

(iv) The execution and delivery of the Successor Agency Legal Documents and the Official Statement and compliance with the provisions of the Successor Agency Legal Documents, under the circumstances contemplated thereby, (1) do not and will not in any material respect conflict with or constitute on the part of the Successor Agency a breach of or default under any agreement or other instrument to which the Successor Agency is a party or by which it is bound, and (2) do not and will not in any material respect constitute on the part of the Successor Agency a violation, breach of or default under any existing law, regulation, court order or consent decree to which the Successor Agency is subject;

(v) to the best of such counsel's knowledge, except as otherwise disclosed in the Official Statement, there is no litigation or proceeding, pending and served, or threatened, challenging the creation, organization or existence of the Successor Agency, or the validity of the Bonds, the Bond Resolution or the Successor Agency Legal Documents or seeking to restrain or enjoin any of the transactions referred to therein or contemplated thereby, or under which a determination adverse to the Successor Agency would have a material adverse effect upon the financial condition or the revenues of the Successor Agency, or which, in any manner, questions the right of the Successor Agency to issue, sell and deliver the Bonds, to enter into the Indenture or to use the Tax Revenues for repayment of the Bonds or affects in any manner the right or ability of the Successor Agency to collect or pledge the Tax Revenues; and

(vi) The information in the Official Statement relating to the Successor Agency, the Tax Revenues and the Hollister Community Development Project (excluding any financial or statistical data with respect thereto, as to which no opinion is expressed) is true and correct in all material respects, and the Official Statement contains no misstatement of any material fact and does not omit any statement necessary to make the statements contained therein with respect to, in the light of the circumstances in which such statements were made, not misleading.

(5) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to the Underwriters, to the effect that:

(i) The Trustee is a national banking association, duly organized and validly existing under the laws of the United States of America, having full power to enter into, accept and administer the trusts created under the Indenture .

(ii) The Indenture has been duly authorized, executed and delivered by the Trustee and the Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

(iii) The Trustee has accepted its responsibilities under the Indenture and the Bond Resolution, and the Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting

the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

(iv) Except as may be required under Blue Sky or other securities laws of any state, no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Indenture or the acceptance by the Trustee of its duties under the Indenture, or the consummation of the transactions contemplated by the Indenture.

(6) Successor Agency Certificate. A certificate of the Successor Agency, dated the date of the Closing, signed on behalf of the Successor Agency by a duly authorized officer of the Successor Agency, to the effect that:

(i) the representations and warranties of the Successor Agency contained herein are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing;

(ii) no event affecting the Successor Agency has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(iii) No further consent is required to be obtained for the inclusion of the Successor Agency's audited financial statements for the Fiscal Year ending June 30, 2013 in the Official Statement.

(7) Trustee's Certificate. A certificate of the Trustee, dated the date of Closing, to the effect that:

(i) The Trustee is a national banking association duly organized and validly existing under the laws of the United States of America.

(ii) The Indenture has been duly authorized, executed and delivered by the Trustee and the Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

(iii) The Trustee has accepted its responsibilities under the Indenture and the Bond Resolution, and the Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

(8) Legal Documents. Executed copies of this Purchase Agreement and the other Successor Agency Legal Documents.

(9) Rating Letter. Letters from Standard & Poor's Financial Services, LLC to the effect that the Bonds have been assigned the ratings identified in the Official Statement, which ratings shall be in effect as of the Closing.

(10) Fiscal Consultant Certificate. A certificate of Rosenow Spevacek Group, Inc. (the "**Fiscal Consultant**"), dated the date of the Closing, addressed to the Successor Agency and the Underwriters, in form and substance acceptable to the Underwriters, certifying as to the accuracy of the information in the Official Statement attributed to the Fiscal Consultant and stating that to the best of such firm's knowledge, but without having conducted any investigation with respect thereto, nothing has come to such firm's attention between the date of such report and the date hereof which would materially alter any of the conclusions set forth in such report.

(11) Bond Resolution. A certified copy of the Bond Resolution.

(12) Oversight Board Resolution. A certified copy of the Oversight Board Resolution.

(13) Oversight Board Certificate. A certificate of the Clerk of the Oversight Board to the effect that the Oversight Board Resolution was validly adopted, remains in full force and effect, and has not been amended, rescinded or otherwise modified since its date of adoption.

(14) DOF Letter. A copy of the DOF Letter.

(15) Defeasance Opinion. An opinion of Bond Counsel, dated the date of Closing, to the effect that the Successor Agency has taken all actions required to defease the Refunded 2003 Bonds, and that such Refunded 2003 Bonds are no longer outstanding for purposes of the Bond Resolution.

(16) Verification Report. A verification report from _____ relating to the defeasance of the Refunded 2003 Bonds, in form and substance satisfactory to the Underwriters.

(17) Tax Certificate. A tax certificate or certificates with respect to maintaining the tax-exempt status of the Bonds, duly executed by the Successor Agency.

[(18) Bond Insurance Documents. A copy of the municipal bond insurance policy issued by _____, together with such certificates and opinions as required by Bond Counsel and the Underwriters.]

(19) Underwriters' Counsel Opinion. An opinion of Jones Hall, A Professional Law Corporation, as counsel to the Underwriters, in form and substance acceptable to the Underwriters.

(20) Continuing Disclosure Compliance. A report of _____ addressed to the Underwriters in form and substance acceptable to the Underwriters as to compliance by the Former Agency, the Successor Agency and the City of Hollister with their continuing disclosure undertakings during the previous five years.

[(21) Parity Debt Compliance. Documentaiton required to comply with Article IV of the Bond Resolution, including (A) a certificate of the Successor Agency demonstrating compliance with the provisions of Article IV of the Bond Resolution and (B) the opinion of counsel required pursuant to Section 4.02(3) of the Bond Resolution.

(22) Financial Advisor Report. Copies of all reports or other work product prepared by the Financial Advisor required to be prepared in connection with the Bonds pursuant to Section 34177.5(h) of the Dissolution Act.

(23) Additional Documents. Such additional certificates, instruments and other documents as Bond Counsel, the Successor Agency or the Underwriters may reasonably deem necessary.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriters.

If the Successor Agency or the Trustee shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Agreement, if the Successor Agency shall determine in good faith (and provide written notice to the Underwriters) that legislation has been introduced or proposals made by the Governor of the State of California which if enacted and effective would impose additional limitations or burdens on the Successor Agency by reason of the issuance of the Bonds or which purport to prohibit the issuance of the Bonds, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriters nor the Successor Agency shall be under any further obligation hereunder.

8. Termination. The Underwriters shall have the right to terminate this Purchase Agreement, without liability therefor, by notification to the Successor Agency if at any time between the date hereof and prior to the Closing:

(a) any event shall occur which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading; or

(b) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriters, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation

by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any Federal or State court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority materially adversely affecting the federal or State tax status of the Successor Agency, or the interest on bonds or notes or obligations of the general character of the Bonds; or

(c) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State of California, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Underwriters, materially adversely affects the market price of the Bonds; or

(d) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Bond Resolution or the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(e) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriters' ability to trade the Bonds; or

(f) a general banking moratorium shall have been established by federal or State authorities; or

(g) the United States has become engaged in hostilities which have resulted in a declaration of war or a national emergency or there has occurred any other outbreak of hostilities or a national or international calamity or crisis, or there has occurred any escalation of existing hostilities, calamity or crisis, financial or otherwise, the effect of which on the financial markets of the United States being such as, in the reasonable opinion of the Underwriters, would affect materially and adversely the ability of the Underwriters to market the Bonds; or

(h) any rating of the Bonds shall have been downgraded, suspended or withdrawn by a national rating service, which, in the Underwriters' reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

(i) the commencement of any action, suit or proceeding described in Section 5(g) hereof which, in the judgment of the Underwriters, materially adversely affects the market price of the Bonds; or

(j) there shall exist any event which in the reasonable opinion of either of the Underwriters that either: (i) makes untrue or incorrect in any material respect any statement or information contained in the Official Statement; or (ii) is not reflected in the Official Statement but should be reflected therein to make the statements and information contained therein not misleading in any material respect; or

(k) there shall be in force a general suspension of trading on the New York Stock Exchange.

9. Expenses. (a) The Underwriters shall be under no obligation to pay, and the Successor Agency shall pay, any expenses incident to the performance of the Successor Agency's obligations hereunder including, but not limited to: (i) the cost of preparation, printing and distribution of the Bond Resolution and the Indenture and word processing, reproduction, printing and distribution costs relating to the Preliminary Official Statement, the Official Statement and any supplements or amendments thereto (incurred by Disclosure Counsel or an independent printer); (ii) the cost of preparation of the Bonds; (iii) the fees and disbursements of Bond Counsel and Disclosure Counsel and the fees and expenses of counsel to the Successor Agency; (iv) the fees and disbursements of the Financial Advisor and the Fiscal Consultant and any other experts, consultants or advisors retained by the Successor Agency; (v) the fees of the rating agencies; (vi) the fees of the verification agent and the costs of verifying compliance with Rule 15c2-12; and (vii) any out-of-pocket disbursements of the Successor Agency and of the Underwriters incurred in connection with the public offering and distribution of the Bonds, including any advertising expenses and expenses (included in the expense component of the Underwriters' compensation) incurred on behalf of the Successor Agency's employees which are incidental to implementing this Purchase Agreement including, but not limited to, meals, transportation and lodging of those employees.

(b) The Underwriters shall pay: (i) the fees and expenses of counsel to the Underwriters; (ii) fees, if any, payable to the California Debt and Investment Advisory Commission in connection with the issuance of the Bonds; and (iii) all other expenses incurred by the Underwriters in connection with the public offering of the Bonds.

10. Notices. Any notice or other communication to be given to the Successor Agency under this Purchase Agreement may be given by delivering the same in writing at the Successor Agency's address set forth above, Attention: _____; and to the Underwriters under this Purchase Agreement by delivering the same in writing to: Stifel, Nicolaus & Company, Inc., One Montgomery Street, 35th Floor, San Francisco, California 94104, Attention: Eileen Gallagher.

11. Parties in Interest. This Purchase Agreement is made solely for the benefit of the Successor Agency and the Underwriters and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the Successor Agency contained in this Purchase Agreement shall remain operative and in full force and effect,

regardless of: (i) any investigations made by or on behalf of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Purchase Agreement; and (iii) any termination of this Purchase Agreement.

12. Effectiveness and Counterpart Signatures. This Purchase Agreement shall become effective upon the execution of the acceptance by an authorized officer of the Successor Agency and shall be valid and enforceable at the time of such acceptance and approval. This Purchase Agreement may be executed by the parties hereto by facsimile transmission and in separate counterparts, each of which when so executed and delivered (including delivery by facsimile transmission) shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. Headings. The headings of the sections of this Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

14. Governing Law. This Purchase Agreement shall be construed in accordance with the laws of the State of California.

Very truly yours,

STIFEL, NICOLAUS & COMPANY, INC.,
AS REPRESENTATIVE OF THE
UNDERWRITERS

By: _____
Authorized Officer

Accepted:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF
THE CITY OF HOLLISTER

By: _____
Authorized Officer

Time of execution: _____ California Time

EXHIBIT A

$_____
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER
(HOLLISTER COMMUNITY DEVELOPMENT PROJECT)
2014 TAX ALLOCATION REFUNDING BONDS

Maturity Date	*Amount*	*Coupon*	*Yield*	*Price*
	$	%	%	%

Redemption Provisions [to come]

EXHIBIT B

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents to Stifel, Nicolaus & Company, Inc. and Stinson Securities, LLC (collectively, the "Underwriters"), that he or she is a duly appointed and acting officer of the Successor Agency to the Redevelopment Agency of the City of Hollister (the "Successor Agency") and as such is to execute and deliver this Certificate and further hereby certify and reconfirm on behalf of the Successor Agency to the Underwriters as follows:

(1) This Certificate is delivered to enable the Underwriters to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the Successor Agency to the Redevelopment Agency of the City of Hollister (Hollister Community Development Project) 2014 Tax Allocation Refunding Bonds (the "Bonds").

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated as of _____ __, 2014, setting forth information concerning the Bonds and the Successor Agency, as issuer of the Bonds, and the Successor Agency (the "Preliminary Official Statement").

(3) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters and the identity of the underwriter(s), all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule and has been, and the information therein is accurate and complete in all material respects except for the Permitted Omissions.

(5) If, at any time prior to the execution of the final contract of purchase, any event occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Successor Agency shall promptly notify the Underwriters thereof.

IN WITNESS WHEREOF, I have hereunto set my hand as of the ___ day of _____, 2014.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF HOLLISTER

By _____
Authorized Officer

EXHIBIT C

SUPPLEMENTAL RESOLUTIONS

Resolution No.	Date of Adoption
85-15R	November 12, 1985
88-05R	June 8, 1988
89-16R	December 16, 1989
91-33R	November 18, 1991
92-19R	March 30, 1992
97-07R	May 5, 1997
2003-15R	June 16, 2003
2009-23R	June 22, 2009

Successor Agency to the

City of Hollister Redevelopment Agency

2014 Tax Allocation Refunding Bonds

Estimated Debt Service Savings by Series

As of April 9, 2014

The PFM Group
Public Financial Management, Inc.
PFM Asset Management LLC
PFM Advisors

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1. Refunding Analysis

2. Team Qualifications

The PFM Group
Public Financial Management, Inc.
PFM Asset Management LLC
PFM Advisors

1. Refunding Analysis

Summary of Bonds Refunded

Maturity	Series 2003 Bonds Par Amount
10/1/2014	$1,080,000
10/1/2015	1,135,000
10/1/2016	1,195,000
10/1/2017	1,255,000
10/1/2018	1,320,000
10/1/2019	1,390,000
10/1/2020(1)	1,465,000
10/1/2021(1)	1,540,000
10/1/2022(1)	1,620,000
10/1/2023	1,710,000
10/1/2024(2)	1,795,000
10/1/2025(2)	1,890,000
10/1/2026(2)	1,985,000
10/1/2027(2)	2,090,000
10/1/2028(2)	2,195,000
10/1/2029(2)	2,305,000
10/1/2030(2)	2,425,000
10/1/2031(2)	2,550,000
10/1/2032	2,680,000
Total	$33,625,000

(1) Sinking fund of 2023 maturity
(2) Sinking fund of 2032

The PFM Group
Public Financial Management, Inc.
PFM Asset Management LLC
PFM Advisors

Estimated Annual Debt Service Savings

Fiscal Year	2003 Bonds Debt Service	2014 Refunding Bonds Debt Service	Savings
6/30/2015	$2,792,068.76	$2,653,612.81	$138,455.95
6/30/2016	2,788,925.01	2,641,737.50	147,187.51
6/30/2017	2,787,762.51	2,641,212.50	146,550.01
6/30/2018	2,783,450.01	2,636,237.50	147,212.51
6/30/2019	2,780,856.26	2,636,412.50	144,443.76
6/30/2020	2,779,718.76	2,631,312.50	148,406.26
6/30/2021	2,779,775.01	2,635,350.00	144,425.01
6/30/2022	2,775,893.76	2,628,018.75	147,875.01
6/30/2023	2,772,943.76	2,623,875.00	149,068.76
6/30/2024	2,775,531.26	2,629,000.00	146,531.26
6/30/2025	2,769,646.88	2,625,000.00	144,646.88
6/30/2026	2,770,218.75	2,621,875.00	148,343.75
6/30/2027	2,765,921.88	2,619,375.00	146,546.88
6/30/2028	2,766,500.01	2,622,125.00	144,375.01
6/30/2029	2,761,696.88	2,615,000.00	146,696.88
6/30/2030	2,756,384.38	2,608,000.00	148,384.38
6/30/2031	2,755,178.13	2,610,625.00	144,553.13
6/30/2032	2,752,693.75	2,607,500.00	145,193.75
6/30/2033	2,748,675.00	2,603,500.00	145,175.00
Total	$52,663,840.76	$49,889,769.06	$2,774,071.70

The PFM Group
Public Financial Management, Inc.
PFM Asset Management LLC
PFM Advisors

Estimated Sources and Uses of Funds

Sources:	2014 Refunding Bonds
Bond Proceeds	$34,749,655.95
Total Sources	**$34,749,655.95**
Uses:	
Refunding Escrow Deposits	
Cash Deposit	$0.65
SLGS Purchases	34,301,265.00
	34,301,265.65
Delivery Date Expenses	
Cost of Issuance	200,777.80
Underwriter's Discount	247,612.50
	448,390.30
Total Uses	**$34,749,655.95**

In addition, the Agency has on hand cash reserves funded from the 1997, 2003 and 2009 bond proceeds. A portion of these funds may be contributed towards the refunding escrow or contributed to an additional reserve deposit.

2.Team Qualifications

Public Financial Management, Inc. ("PFM") has been selected to serve as Financial Advisor to the Agency on the 2014 Refunding. PFM has been ranked as the number one financial advisor across the nation for several consecutive years. PFM staff has extensive experience advising on redevelopment financings and has assisted several issuers on redevelopment financings since the dissolution of redevelopment. At the request of the Agency we have provided a short description of the each financing team member's qualifications.

Fiscal Consultant - Rosenow Spevacek Group, Inc.

Rosenow Spevacek Group, Inc. (RSG) serves as an advisor to local governments and private entities. Founded in 1979, the firm offers a variety of community improvement, management, financial, real estate, and affordable housing services. RSG is serving as Fiscal Consultant for the Agency. RSG has a history of successfully providing Fiscal Consultant services, including serving in that role for the former Agency's 2003 and 2009 bond sales.

Bond Counsel - Sidley Austin LLP

Sidley Austin ("Sidley") is a global law firm with more than 1,800 lawyers in 19 offices around the world. Sidley has a 100 year history serving municipal clients. Sidley has an extensive list of redevelopment experience. Sidley has served the City and former Redevelopment Agency as bond counsel on all of the prior Redevelopment Agency financings.

Senior Managing Underwriter - Stifel Financial Corp

Stifel Financial Corp ("Stifel") has have been providing investment services nationally for over 120 years. In recent years, Stifel purchased Stone & Youngberg and De La Rosa and Co., two prominent underwriters in California. Stifel through its predecessor firms has long been the most active underwriter in redevelopment and land-secured financings in California.

Co-Underwriter – Stinson Securities

Stinson Securities provides investment banking service to municipalities, states, publicly-owned utilities, real estate developers, privately-held companies and public corporations. Stinson has experienced assisting issuers on redevelopment and land-secured financings in California.

Stinson has been certified as an MBE (Minority Business Enterprise) by the City and County of San Francisco, the City of Chicago, Illinois and the Clearinghouse of the California Public Utilities Commission.