

**LOAN AGREEMENT**

**by and between**

**SUCCESSOR AGENCY FOR THE  
PARAMOUNT REDEVELOPMENT AGENCY**

**and**

**EVERBANK, N.A.**

**Dated as of [Month] 1, 2024**

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## LOAN AGREEMENT

This LOAN AGREEMENT (this “Loan Agreement”) is made and entered into as of [Month] 1, 2024, by and between the SUCCESSOR AGENCY FOR THE PARAMOUNT REDEVELOPMENT AGENCY, a public entity duly existing under the laws of the State of California (the “Successor Agency”), as successor agency to the former Paramount Redevelopment Agency (the “Former Agency”) pursuant to Section 34173 of the Health and Safety Code of the State, and EVERBANK, N.A., a national banking association organized and existing under the laws of the United States of America (together with its successors and assigns, the “Lender”);

### *WITNESSETH:*

WHEREAS, the Former Agency was a public body, corporate and politic, duly created, established and authorized to transact business and exercise its powers under and pursuant to the provisions of the Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code of the State), and the powers of the Former Agency included the power to issue bonds for any of its corporate purposes;

WHEREAS, a redevelopment plan for Redevelopment Project Area No. 1 ( the “Project Area”) of the Former Agency was adopted by the City Council of the City of Paramount, California (the “City”) on December 18, 1973, pursuant to Ordinance No. 354, as subsequently amended in compliance with all requirements of the law, and all requirements of law for and precedent to the adoption and approval of said redevelopment plan, as amended, have been duly complied with; and

WHEREAS, the Former Agency issued the following bonds, among others, to finance and refinance redevelopment activities relating to Project Area No. 1:

(a) Paramount Redevelopment Agency Redevelopment Project Area No. 1 Compound Interest Tax Allocation Refunding Bonds, Issue of 1998 (the “1998 Bonds”), in the original principal amount of \$3,122,050.50;

(b) Paramount Redevelopment Agency Redevelopment Project Area. No. 1 Tax Allocation Refunding Bonds, Issue of 2003 (the “2003 Bonds”), in the original principal amount of \$59,855,000;

(c) Paramount Redevelopment Agency Redevelopment Project Area No. 1 2010 Tax Allocation Bonds, Series A (the “2010A Bonds”), in the original principal amount of \$8,430,000; and

(d) Paramount Redevelopment Agency Redevelopment Project Area No. 1 2010 Taxable Tax Allocation Bonds, Series B (the “2010B Bonds”), in the original principal amount of \$3,860,000; and

WHEREAS, on June 28, 2011, the California Legislature adopted ABx1 26 (as amended from time to time, the “Dissolution Act”) and ABx1 27 (the “Opt-in Bill”); and

WHEREAS, the California Supreme Court subsequently upheld the provisions of the Dissolution Act and invalidated the Opt-in Bill resulting in the dissolution of the Former Agency as of February 1, 2012; and

WHEREAS, pursuant to Section 34173 of the Health and Safety Code of the State, the Successor Agency has become the successor entity to the Former Agency; and

WHEREAS, the 2010B Bonds and the 2015 Bonds have matured in full and only the 1998 Bonds and the 2010A Bonds remain outstanding; and

WHEREAS, the 2010A Bonds are subject to redemption at the option of the Successor Agency on any date; and

WHEREAS, the Successor Agency desires to provide for the defeasance and redemption of the outstanding 2010A Bonds (the “Refunded Bonds”) for savings pursuant to Section 34177.5(a)(1) of the Health and Safety Code of the State; and

WHEREAS, for the purpose of providing funds to the Successor Agency to defease and redeem the Refunded Bonds, the Lender proposes to make the Loan (as defined herein) to the Successor Agency; and

WHEREAS, the proceeds of the Loan will be applied to redeem and defease the Refunded Bonds in full; and

WHEREAS, the Loan Payments (as defined herein) will be payable from tax revenues of the Successor Agency on a subordinate basis to the payment of debt service on the 1998 Bonds; and

WHEREAS, in order to establish and declare the terms and conditions upon which the Loan is to be made and secured, the Successor Agency and the Lender wish to enter into this Loan Agreement; and

WHEREAS, all acts and proceedings required by law necessary to make this Loan Agreement, when executed by the Successor Agency and the Lender, the valid, binding and legal obligations of the Successor Agency and the Lender, and to constitute this Loan Agreement a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Loan Agreement have been in all respects duly authorized;

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

## **ARTICLE I**

### **DEFINITIONS**

**Section 1.01 Definitions.** Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Loan Agreement shall have the respective meanings which such terms have in the Senior Indenture and which terms are incorporated herein by this reference. In addition, the following terms defined in this Section 1.01 shall, for all purposes of this Loan Agreement, have the respective meanings herein specified.

“Applicable Environmental Laws” means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act, 42 USC Sections 9601 et seq.; the Federal Water Pollution Control Act, 33 USC Sections 1251 et seq.; the Clean Air Act, 42

USC Sections 7401 et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Section 11001, et seq.; the Clean Water Act, 33 U.S.C. Section 1321 et seq.; the Resource Conservation and Recovery Act, 42 USC Sections 6901 et seq.; the California Hazardous Waste Control Law, Health and Safety Code of the State Sections 25100 et seq.; the Hazardous Substance Account Act, Health and Safety Code of the State sections 25300 et seq.; the Porter-Cologne Water Quality Control Act, California Water Code Sections 1300 et seq.; the Air Resources Act, Health and Safety Code of the State Sections 3900 et seq.; the Safe Drinking Water & Toxic Enforcement Act, Health and Safety Code of the State Sections 25249.5 et seq.; the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Asbestos Hazard Emergency Response Act and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, and any so called local, state or federal “superfund” or “superlien” law, in each case, as each of the foregoing may be amended and in each case including the regulations under each of the foregoing, whether currently in existence or hereafter enacted, that govern:

“Business Day” means any day, other than a Saturday or Sunday or a day on which commercial banks in New York, New York, or any other city or cities where the principal corporate office of the Lender is located are required or authorized by law to close or a day on which the Federal Reserve System is closed.

“City” means the City of Paramount, California.

“Closing Date” means \_\_\_\_\_, 2024.

“Code” means the Internal Revenue Code of 1986 as in effect on the Closing Date as it may be amended to apply to obligations issued on the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the execution and delivery of this Loan Agreement, including but not limited to fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, and any other cost, charge or fee in connection with the incurrence of the Loan.

“Costs of Issuance Agreement” means the Costs of Issuance Custodial Agreement dated as of the date hereof, between the Successor Agency and the Custodian.

“County” means the County of Los Angeles, a county duly organized and existing under the Constitution and laws of the State.

“County Auditor-Controller” means the Auditor-Controller of the County.

“Custodian” means EverBank N.A., as custodian under the Costs of Issuance Agreement.

“Default Rate” means the rate of interest equal to the sum of (i) Interest Rate or the Taxable Equivalent Rate, as applicable, plus (ii) 3.00%, per annum.

“Determination of Taxability” means any determination, decision or decree by the Commissioner of Internal Revenue, or any District Director of Internal Revenue, or any court of competent jurisdiction, to the effect that an Event of Taxability shall have occurred; provided,

however, that the Successor Agency shall have the opportunity to take such remedial action necessary to restore the tax-exempt status of the interest on the Loan under this Loan Agreement. A Determination of Taxability also shall be deemed to have occurred on the date when the Successor Agency files any statement, supplemental statement, or other tax schedule, return or document, which discloses that an Event of Taxability shall have occurred.

“Dissolution Act” means California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011, as it has heretofore been amended and as it may hereafter be amended.

“Escrow Agent” means The Bank of New York Mellon Trust Company, N.A., as escrow agent and trustee.

“Escrow Agreement” means that certain Escrow Agreement, dated as of the date hereof, by and between the Successor Agency and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent and as Trustee.

“Event of Default” means any of the events described in Section 6.01.

“Event of Taxability” means, (a) the application of the proceeds of the Loan by the Successor Agency pursuant to this Loan Agreement in such manner that the Loan becomes an “arbitrage bond” within the meaning of Sections 103(b)(2) and 148 of the Code, and with the result that interest on the Loan is or becomes includable in a recipient’s gross income (as defined in Section 61 of the Code); or (b) if as the result of any act, failure to act or use of the proceeds of the Loan or any misrepresentation or inaccuracy in any of the representations, warranties or covenants contained in this Loan Agreement the interest on the Loan is or becomes includable in a recipient’s gross income (as defined in Section 61 of the Code).

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the Successor Agency and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

“Fiscal Year” means any twelve-month period extending from July 1 in one calendar year to June 30 of the succeeding year, both dates inclusive, or any other twelve-month period selected and designated by the Successor Agency as its official fiscal year period pursuant to written notice filed with the Lender.

“Independent Redevelopment Consultant” means any consultant or firm of such consultants appointed by or acceptable to 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 the 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 Rate” means a rate of interest equal to 4.38% per annum.

“Lender” has the meaning set forth in the preamble hereto.

“Loan” means the loan made by the Lender to the Successor Agency pursuant to Section 3.01 and shall include the obligations of the Successor Agency under this Loan Agreement to repay the Loan.

“Loan Agreement” means this Loan Agreement by and between the Successor Agency and the Lender, as originally entered into or as amended or supplemented pursuant to the provisions hereof.

“Loan Payment Date” means each February 1 and August 1, commencing [February 1, 2025].

“Loan Payments” mean the payments of principal and interest coming due on the Loan from time to time pursuant to this Loan Agreement.

“Material Adverse Effect” means an event or occurrence which adversely affects in a material manner (a) the assets, liabilities, condition (financial or otherwise), business or operations of the Successor Agency, (b) the ability of the Successor Agency to carry out its business as of the date of this Loan Agreement or as proposed herein to be conducted or to meet or perform its obligations under this Loan Agreement on a timely basis, (c) the validity or enforceability of this Loan Agreement, or (d) the rights or remedies of the Lender under this Loan Agreement.

“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 and are in compliance with the Successor Agency’s investment policies then in effect, but only to the extent the same 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 provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) 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) Federal Housing Administration debentures; (iv) participation certificates of the General Services Administration; (v) Federal Financing Bank bonds and debentures; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of Ginnie Mae (formerly known as the Government National Mortgage Association); (vii) guaranteed Title XI financings of the U.S.

Maritime Administration; and (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 only as stripped by the 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 Fannie Mae; (iv) senior debt obligations of Sallie Mae (formerly known as the Student Loan Marketing Association); (v) obligations of the Resolution Funding Corporation; and (vi) consolidated system-wide bonds and notes of the Farm Credit System;

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAAm-G, AAAm or AAm, and a rating by Moody's of Aaa, Aa1 or Aa2;

(e) Certificates of deposit secured at all times by collateral described in (a) or (b) above or by collateral that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law, which have a maturity not greater than one year from the date of investment and which are issued by commercial banks, savings and loan associations or mutual savings banks;

(f) Certificates of deposit, savings accounts, deposit accounts or money market deposits, but only to the extent that the amount being invested in such certificates of deposit, savings accounts, deposit accounts or money market deposits are fully insured by FDIC, including BIF and SAIF, secured at all times by collateral described in (a) or (b) above or by collateral that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law;

(g) Investment agreements, including guaranteed investment contracts, forward purchase agreements, reserve fund put agreements and collateralized investment agreements with an entity rated "Aa" or better by Moody's and "AA" or better by S&P, or unconditionally guaranteed by an entity rated "Aa" or better by Moody's and "AA" or better by 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 such 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+" by S&P; and

(k) The Local Agency Investment Fund that is administered by the Treasurer of the State for the investment of funds belonging to local agencies within the State.

"Parity Debt" means any loans, bonds, notes, advances or indebtedness payable from Tax Revenues on a parity with the Loan, issued or incurred pursuant to and in accordance with the provisions of Section 3.05 hereof.



“Parity Debt Instrument” means any resolution, indenture of trust, trust agreement or other instrument authorizing the issuance of any Parity Debt.

“Pledged Tax Revenues” means moneys deposited, or available for deposit, in the Redevelopment Property Tax Trust Fund held by the County Auditor Controller related to the Successor Agency excluding (i) all amounts payable on the 1998 Bonds under the Senior Indenture but only to the extent such amounts are pledged as security therefor, (ii) amounts payable to the County Auditor Controller of certain amounts to the County for administrative costs allowed under Section 34182 and Section 95.3 of the Revenue and Taxation Code, to the County pursuant to the County Agreement and (iii) amounts payable to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Redevelopment Law.

“Project Area” has the meaning given to such term in the recitals hereof.

“Redevelopment Law” means the Community Redevelopment Law of the State, constituting Part I of Division 24 of the Health and Safety Code of the State, and the acts amendatory thereof and supplemental thereto.

“Redevelopment Obligation Retirement Fund” means the fund by that name established pursuant to Section 34170.5(a) of the Health and Safety Code of the State and administered by the Successor Agency.

“Redevelopment Plan” means the redevelopment plan for Redevelopment Project Area No. 1 adopted by the City Council of the City on December 18, 1973, pursuant to Ordinance No. 354, together with any amendments thereof at any time duly authorized pursuant to the Redevelopment Law.

“Redevelopment Project” means the undertaking of the Successor Agency pursuant to the Redevelopment Plan and the Redevelopment Law for the redevelopment of the Project Area.

“Redevelopment Property Tax Trust Fund” or “RPTTF” means the fund by that name established for the Successor Agency pursuant to Sections 34170.5(b) and 34172(c) of the Health and Safety Code of the State and administered by the County Auditor-Controller.

“Refunded Bonds” means the outstanding 2010A Bonds.

“Refunding Law” means Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code.

“Report” means a document in writing signed by an Independent Redevelopment Consultant and including: (a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Loan Agreement to which such Report relates; (b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and (c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

“ROPS Period” means each annual period beginning on July 1 of any calendar year and ending on June 30 of the next calendar year, or such other period as provided in the Dissolution Act.

“RPTTF Distribution” shall mean the moneys distributed by the County Auditor-Controller to the Successor Agency from the Redevelopment Property Tax Trust Fund on or about each RPTTF Distribution Date.

“RPTTF Distribution Date” means each January 2 and June 1, or such other dates as shall be provided by law for distribution of moneys from the Redevelopment Property Tax Trust Fund to the Successor Agency.

“Second Lien Special Fund” means the fund held by the Successor Agency in the Redevelopment Obligation Retirement Fund pursuant to Section 4.02(b).

“Senior Indenture” means the Indenture of Trust dated as of June 1, 1993, as amended and supplemented from time to time up and including the Sixth Supplement to Indenture of Trust dated as of June 1, 2015, between the Successor Agency, as successor to the Former Agency, and the Trustee.

“Special Counsel” means Anzel Galvan LLP, or 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.

“Special Fund” has the meaning given to such term in Section 4.02(a).

“State” means the State of California.

“Super Subordinate Debt” means any loans, advances or indebtedness issued or incurred by the Successor Agency, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Pledged Tax Revenues; or (b) secured by a pledge of or lien upon the Pledged Tax Revenues which is expressly subordinate to the pledge of and lien upon the Pledged Tax Revenues hereunder for the security of the Loan.

“Tax Revenues” has the meaning given to such term in the Senior Indenture.

“Tax Certificate” means the Tax Certificate of the Successor Agency dated the Closing Date related to the requirements of the Code applicable to the Loan.

“Taxable Equivalent Rate” means a rate of interest equal to [6.10]% per annum.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., as successor trustee.

“Written Request of the Successor Agency” or “Written Certificate of the Successor Agency” means a request or certificate, in writing, signed by the Mayor of the City, as the Chair and presiding officer of the Successor Agency, the City Manager of the City, as the chief administrative officer of the Successor Agency, and the Finance Director of the City, as the chief financial officer of the Successor Agency, on behalf of the Successor Agency, or by any other officer of the City or the Successor Agency duly authorized by the Successor Agency for that purpose.

“1998 Bonds” means the Paramount Redevelopment Agency Redevelopment Project Area No. 1 Compound Interest Tax Allocation Refunding Bonds, Issue of 1998.

“2010A Bonds” means the Paramount Redevelopment Agency Redevelopment Project Area No. 1 2010 Tax Allocation Bonds, Series A.

**Section 1.02 Rules of Construction.** All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Loan Agreement, and the words “herein”, “hereof”, “hereunder” and other words of similar import refer to this Loan Agreement as a whole and not to any particular Article, Section or subdivision hereof.

## **ARTICLE II**

### **REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE AGENCY**

**Section 2.01 Existence.** The Successor Agency is a public entity duly existing under the laws of the State and the successor agency to the Former Agency pursuant to Section 34173 of the Health and Safety Code of the State. The Successor Agency has full legal right, power and authority under the Dissolution Act and the Refunding Law to enter into this Loan Agreement and to carry out and consummate all transactions contemplated hereby, and by proper action the governing board of the Successor Agency has duly authorized the execution and delivery of this Loan Agreement.

**Section 2.02 Due Execution.** The representatives of the Successor Agency executing this Loan Agreement are fully authorized to execute the same.

**Section 2.03 Valid, Binding and Enforceable Obligations.** This Loan Agreement has been duly authorized, executed and delivered by the Successor Agency and constitutes the legal, valid and binding agreement of the Successor Agency enforceable against the Successor Agency in accordance with its terms; except as the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted and except as such enforceability may be subject to the exercise of judicial discretion in accordance with principles of equity.

**Section 2.04 No Conflicts.** The execution and delivery of this Loan Agreement, the consummation of the transactions herein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Successor Agency is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Successor Agency, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially adversely affect the consummation of the transactions contemplated by this Loan Agreement or the financial condition, assets, properties or operations of the Successor Agency, including but not limited to the performance of the Successor Agency’s obligations under this Loan Agreement.

**Section 2.05 Consents and Approvals.** No consent or approval of any trustee or holder of any indebtedness of the Successor Agency, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Loan Agreement, or the consummation of any transaction herein contemplated, except as have been obtained or made and as are in full force and effect.

**Section 2.06 No Litigation.** There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Successor Agency after reasonable investigation, threatened against or affecting the Successor Agency or the assets, properties or operations of the Successor Agency which, if determined adversely to the Successor Agency or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Loan Agreement, or upon the financial condition, assets, properties or operations of the Successor Agency, and the Successor Agency is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially adversely affect the consummation of the transactions contemplated by this Loan Agreement, or the financial conditions, assets, properties or operations of the Successor Agency, including but not limited to the payment and performance of the Successor Agency's obligations under this Loan Agreement.

**Section 2.07 Documents Provided.** All information, reports and other papers and data furnished by the Successor Agency to the Lender were, at the time the same were so furnished, complete and accurate in all material respects and insofar as necessary to give the Lender a true and accurate knowledge of the subject matter and were provided in expectation of the Lender's reliance thereon in entering into the transactions contemplated by this Loan Agreement. No fact is known to the Successor Agency which has had or, so far as the Successor Agency can now reasonably foresee, may in the future have a Material Adverse Effect, which has not been set forth in the financial statements previously furnished to the Lender or in other such information, reports, papers and data or otherwise disclosed in writing to the Lender prior to the Closing Date. Any financial, budget and other projections furnished to the Lender by the Successor Agency or its or their agents were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of the conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent the Successor Agency's best estimates or projections. No document furnished nor any representation, warranty or other written statement made to the Lender in connection with the negotiation, preparation or execution of this Loan Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state (as of the date made or furnished) any material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were or will be made, not misleading. The financial statements of the Successor Agency for the year ended June 30, 2023 supplied to the Lender: (i) were prepared in accordance with Generally Accepted Accounting Principles, consistently applied; and (ii) fairly present the Successor Agency's financial condition as of the date of the statements. Other than as described in such financial statements or otherwise disclosed to the Lender, there has been no material adverse change in the Successor Agency's financial condition subsequent to June 30, 2023.

**Section 2.08 Compliance with Laws and Regulations.** The Successor Agency is in full compliance with all applicable laws and regulations, including Applicable Environmental Laws, and the Successor Agency shall remain in compliance with such laws and regulations, including Applicable Environmental Laws, except to the extent noncompliance thereof would not reasonably be anticipated to cause a Material Adverse Effect.

**Section 2.09 No Immunity.** The Successor Agency does not enjoy any rights of immunity on the grounds of sovereign immunity in respect of its obligations under this Loan Agreement or otherwise with respect to the Loan Payments. To the extent the Successor Agency has or hereafter may acquire under any applicable law any rights to immunity from legal proceedings on the grounds of

sovereignty, the Successor Agency hereby waives, to the extent permitted by law, such rights to immunity for itself in respect of its obligations arising under or related to this Loan Agreement or otherwise with respect to the Loan Payments.

**Section 2.10 Financial Obligation Disclosure.** In connection with the Successor Agency's compliance with any continuing disclosure undertakings (each, a "Continuing Disclosure Undertaking") entered into by the Successor Agency pursuant to SEC Rule 15c2 12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the Successor Agency may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system or its successor ("EMMA") notice of its incurrence of its obligations with respect to this Loan Agreement and related documents and notice of any accommodation, waiver, amendment, modification of terms or other similar events reflecting financial difficulties in connection with this Loan Agreement and related documents, in each case including a full copy thereof or a description of the material terms thereof (each such posting, an "EMMA Posting"). The Successor Agency agrees that it shall not file or submit or permit the filing or submission of any EMMA Posting that includes the following information relating to the Lender: unredacted sensitive or confidential information about the Lender or its affiliates; address and account information of the Lender or any affiliates; e mail addresses, telephone numbers, or fax numbers; or names and signatures of officers, employees and signatories of the Lender or its affiliates. The Successor Agency acknowledges and agrees that the Lender and its affiliates are not responsible for the Successor Agency's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with the Rule, any Continuing Disclosure Undertaking or any applicable securities or other laws, including but not limited to those relating to the Rule.

The Successor Agency acknowledges that: (a) the Lender is acting in this transaction solely for its own account and not as a fiduciary for the Successor Agency or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor; (b) the Lender has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of the Successor Agency (including to any financial advisor or placement agent engaged by the Successor Agency) with respect to the execution and delivery of this Loan Agreement; (c) each of the Successor Agency, its financial advisor (if any) and its placement agent (if any) will seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the execution and delivery of this Loan Agreement from its financial, legal and other advisors (and not the Lender) to the extent that the Successor Agency, its financial advisor (if any) or its placement agent (if any) desires such advice. The Successor Agency acknowledges that the Lender has expressed no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party, including but not limited to the Successor Agency's financial advisor (if any) or placement agent (if any), or the correctness of any legal interpretation made by counsel to any other party, including but not limited to counsel to the Successor Agency's financial advisor (if any ) or placement agent (if any) , with respect to any such matters.

The Successor Agency is not and shall not at any time be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), and any successor thereto, or the Secretary of the Treasury or included in any Executive Orders which prohibit or limit the Lender from making any advance or extension of credit to Successor Agency or from otherwise conducting business with Successor Agency, and the Successor Agency shall ensure that the proceeds of this Loan Agreement

shall not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto.

The Successor Agency shall, promptly following a request by the Lender, provide all documentation and other information that the Lender reasonably requests in order to comply with its ongoing obligations under applicable law or regulation, including, without limitation, “know your customer” and anti-money laundering rules and regulations, including the Patriot Act (USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001))), as amended from time to time, and any successor statute, and shall comply with all applicable Bank Secrecy Act laws and regulations, as amended.

### **ARTICLE III**

#### **THE LOAN; ESTABLISHMENT OF FUNDS**

**Section 3.01 Authorization.** The Lender hereby agrees to make the Loan to the Successor Agency in the original principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), all under and subject to the terms of this Loan Agreement, the Refunding Law, the Redevelopment Law, and the Dissolution Act, for the purpose of providing funds to redeem and defease the Refunded Bonds. This Loan Agreement constitutes a continuing agreement with the Lender to secure the full and final payment of the Loan, subject to the covenants, agreements, provisions and conditions herein contained. The obligations of the Successor Agency with respect to the Loan shall be effective as of the date of the execution and delivery of this Loan Agreement.

#### **Section 3.02 Repayment of Loan.**

(a) In consideration for the Loan, the Successor Agency hereby agrees to repay the principal amount of the Loan, in installments of principal and interest as set forth on Schedule A attached hereto on each Loan Payment Date. Except as otherwise provided in this Loan Agreement, the installments of interest on the Loan shall be calculated based on the unpaid principal of the Loan at an interest rate equal to the Interest Rate (calculated on the basis of a 365/366-day year and actual days elapsed). Principal of and interest and premium (if any) on the Loan shall be paid by the Successor Agency to the Lender in immediately available funds which constitute lawful money of the United States of America by wire or other form of electronic payment in accordance with written instructions provided by the Lender or, with the Lender’s consent, by such other commercially reasonable method of payment. If the Successor Agency fails to make any of the installments of principal and interest in full when due, the payment in default shall continue as an obligation of the Successor Agency until the amount in default has been fully paid, with interest on the overdue payment at the Default Rate (calculated on the basis of a 365/366-day year and actual days elapsed).

(b) Upon the occurrence of a Determination of Taxability with respect to the Loan, the Successor Agency shall, with respect to future Loan Payments, make additional payments resulting from the application of the Taxable Equivalent Rate thereto directly to the Lender equal to the difference between the interest component of the Loan Payments calculated at the Interest Rate and the interest component of the Loan Payments calculated at the Taxable Equivalent Rate (calculated on the basis of a 365/366-day year and actual days elapsed).

**Section 3.03 Optional Prepayment.** The Loan may be prepaid, at the option of the Successor Agency, from any source of available funds, prior to maturity on any Payment Date, as a

whole or in part, at Prepayment Price (expressed as a percentage of the principal of the Loan to be prepaid), plus interest accrued to the date of the prepayment, set forth in the schedule below.

Prepayment Period	Prepayment Price
Closing Date through [end of year 1]	102%
[Year 2]	101
[Start of Year 3] and thereafter	100

The Successor Agency shall give the Lender written notice of its intention to exercise its option to prepay the Loan (“Notice of Optional Prepayment”) pursuant to this Section 3.03 not less than 30 days in advance of the date of exercise (the “Prepayment Date”); provided that the Lender may agree to a shorter period of notice in its sole discretion. The Successor Agency may rescind any Notice of Optional Prepayment prior to the Prepayment Date set forth in such notice. Any Notice of Optional Prepayment will be cancelled and annulled if for any reason funds will not be or are not available on the Prepayment Date for the portion of the Loan proposed to be prepaid, and such cancellation will not constitute an Event of Default. The Successor Agency will have no liability to the Lender or any other party related to or arising from any such rescission. The Successor Agency will give notice of recission of the prepayment in the same manner as the original Notice of Optional Prepayment was sent.

#### **Section 3.04 Application of Loan Proceeds; Costs of Issuance.**

(a) On the Closing Date, the Lender shall transfer the full amount of the Loan (being \$\_\_\_\_\_) to the Escrow Agent for deposit and application under and pursuant to the Escrow Agreement to defease and redeem the Refunded Bonds. Upon the transfer of such funds by the Lender to the Escrow Agent, the full amount of the Loan shall be deemed disbursed to the Successor Agency on the Closing Date.

(b) On the Closing Date, the Successor Agency shall cause the City to transfer to the Custodian an amount equal to \$\_\_\_\_\_, in immediately available funds, for deposit in the Costs of Issuance Account established and maintained by the Custodian under the Costs of Issuance Agreement for application in accordance with the terms thereof to pay Costs of Issuance. No portion of the Loan or other funds of the Successor Agency shall be deposited or transferred to the Custodian pursuant to this Loan Agreement.

**Section 3.05 Parity Debt.** In addition to the Loan, the Successor Agency may issue or incur Parity Debt in such principal amount as shall be determined by the Successor Agency, solely for the purpose of prepaying all or a portion of the Loan for savings in accordance with Section 34177.5(a) of the Health and Safety Code of the State. The Successor Agency may issue or incur any Parity Debt subject to the following specific conditions which are hereby made conditions precedent to the issuance or incurrence of such Parity Debt issued under this Section 3.05:

(a) No Event of Default shall have occurred and be continuing, and the Successor Agency shall otherwise be in compliance with all covenants set forth in this Loan Agreement, unless the issuance of such Parity Debt will cure the Event of Default or noncompliance.

(b) The issuance of such Parity Debt shall comply with Section 34177.5 of the Health and Safety Code of the State.

(c) The related Parity Debt Instrument shall provide that:

(i) Interest on such Parity Debt shall be payable on February 1 and August 1 in each year of the term of such Parity Debt except the first twelve-month period, during which interest may be payable on any February 1 and August 1 ; and

(ii) The principal of such Parity Debt shall not be payable or subject to mandatory sinking fund redemption on any date other than August 1 in any year.

(d) The Successor Agency shall deliver to the Lender a Written Certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Parity Debt set forth in subsections (a), (b) and (c) above have been satisfied.

**Section 3.06 Issuance of Super Subordinate Debt.** The Successor Agency may issue or incur Super Subordinate Debt in such principal amount as shall be determined by the Successor Agency. Such Super Subordinate Debt may be payable from any assets or property of the Successor Agency, including Pledged Tax Revenues, on a subordinate basis to the payment of Loan Payments.

**Section 3.07 Validity of Loan.** The validity of the Loan shall not be dependent upon the completion of the Redevelopment Project or upon the performance by any person of its obligation with respect to the Redevelopment Project.

**Section 3.08 No Registration, CUSIPs, etc.** The Successor Agency and the Lender understand that this Agreement shall not be, and the Successor Agency and the Lender shall not cause this Agreement to be: (a) assigned a rating by any credit rating agency; (b) registered with The Depository Trust Company or any other securities depository; (c) offered pursuant to any type of offering document or official statement; (d) assigned a DTC-registered CUSIP number by Standard & Poor's CUSIP Service; or (e) listed on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website.

## ARTICLE IV

### PLEDGE OF PLEDGED TAX REVENUES; APPLICATION OF FUNDS

**Section 4.01 Pledge of Pledged Tax Revenues.** The Loan shall be secured by a pledge of, lien on and security interest in, all of the Pledged Tax Revenues and all the moneys in the Second Lien Special Fund from time to time, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The Pledged Tax Revenues are hereby allocated in their entirety to the payment of the principal of and interest on the Loan, except to the extent expressly provided in Sections 4.02, 5.14 and 5.15 hereof. Except for the Pledged Tax Revenues, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest on the Loan.

#### **Section 4.02 Subordinate Lien Special Fund; Deposit of Pledged Tax Revenues.**

(a) Under Section 4.02 of the Senior Indenture, the Successor Agency previously established the Redevelopment Obligation Retirement Fund and a special trust fund known as the "Special Fund." So long as any 1998 Bonds remain outstanding, the Successor Agency shall deposit all of the Tax Revenues received in each Bond Year in the Redevelopment Obligation Retirement Fund



promptly upon receipt thereof by the Successor Agency, and promptly thereafter shall transfer amounts received therein to the Special Fund established and held by the Trustee under the Senior Indenture in accordance with Section 4.03 of the Senior Indenture.

(b) There is hereby established a special fund to be known as the “Subordinate Lien Special Fund” (and referred to herein as the “Subordinate Lien Special Fund”) which is to be held by the Successor Agency within the Redevelopment Obligation Retirement Fund. The Subordinate Lien Special Fund shall be held by the Successor Agency separate and apart from other funds of the Successor Agency. Subject to Section 4.02(a) of this Loan Agreement and the provisions of the Senior Indenture, the Successor Agency shall deposit all Pledged Tax Revenues received in each Bond Year in the Subordinate Lien Special Fund promptly upon receipt thereof by the Successor Agency until such time as the amount on deposit in the Subordinate Lien Special Fund equals the Loan Payments payable by the Successor Agency in such Bond Year pursuant to this Loan Agreement. For the avoidance of doubt, so long as any of the 1998 Bonds remain outstanding, under no circumstances shall any tax revenues received by the Successor Agency be deposited in the Subordinate Lien Special Fund in any Bond Year until such time during such Bond Year as the amounts transferred to the Special Fund under the Indenture equal the aggregate amounts required to be deposited by the Trustee in such Bond Year pursuant to Section 4.03 of the Senior Indenture.

(c) All Pledged Tax Revenues received by the Successor Agency in each Bond Year in excess of the amount required to make Loan Payments and to make any other payments due hereunder during such Bond Year, and except as may be provided to the contrary in this Loan Agreement, shall be released from the pledge and lien hereunder and shall be applied in accordance with the Redevelopment Law and the Dissolution Act, including but not limited to the payment of debt service on any Super Subordinate Debt. Prior to the payment in full of the principal of and interest and all other amounts payable hereunder, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Subordinate Lien Special Fund, except as may be provided in this Loan Agreement.

**Section 4.03 Transfer of Pledged Tax Revenues .** The Successor Agency shall withdraw from the Subordinate Lien Special Fund and transfer the following amounts at the following times and in the following order of priority:

(a) Interest and Principal Deposits. No later than each Loan Payment Date, the Successor Agency shall withdraw from the Subordinate Lien Special Fund and transfer to the Lender an amount equal to the aggregate amount of principal of and interest on the Loan becoming due and payable on such Loan Payment Date pursuant to Section 3.02.

(b) Surplus. The Successor Agency shall not be obligated to deposit in the Subordinate Lien Special Fund in the Bond Year an amount of Pledged Tax Revenues which, together with other available amounts in the Subordinate Lien Special Fund, exceeds the amounts required to make Loan Payments in such Bond Year from the Subordinate Lien Special Fund pursuant to this Section 4.03. In the event that for any reason whatsoever any amounts shall remain on deposit in the Subordinate Lien Special Fund on any August 1 after making all of the transfers from the Subordinate Lien Special Fund theretofore required to be made pursuant to the preceding subsection (a) of this Section 4.03, the Successor Agency shall withdraw such amounts from the Subordinate Lien Special Fund, to be used for any lawful purposes of the Successor Agency.

**Section 4.04 Investment of Moneys.** All moneys in the Subordinate Lien Special Fund may be invested by the Successor Agency solely in Permitted Investments maturing (or with provisions authorizing withdrawal of all amounts invested therein) not later than the date on which such monies are estimated to be required for the purposes hereof. All interest or gain derived from the investment of amounts in the Subordinate Lien Special Fund shall be deposited therein.

## **ARTICLE V**

### **OTHER COVENANTS OF THE 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 the Loan together with the premium thereon, if any, in strict conformity with the terms of the Loan and of this Loan Agreement. The Successor Agency shall faithfully observe and perform all of the conditions, covenants and requirements of this Loan Agreement, and the Loan. 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 hereby covenants that, so long as the Loan is outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the (i) Tax Revenues except for the 1998 Bonds, or (ii) Pledged Tax Revenues (a) on a basis senior to the Loan or (b) on a parity with the Loan except for Parity Debt issued or incurred as provided in Section 3.05 of this Loan Agreement; provided that nothing set forth in this Loan Agreement shall prevent the Successor Agency from issuing or incurring Super Subordinate Debt. The Successor Agency will not otherwise encumber, pledge or place any charge or lien (i) upon any of the Tax Revenues or other amounts pledged to the 1998 Bonds superior or equal to the pledge and lien created for the benefit of the 1998 Bonds under the Senior Indenture, or (ii) upon any of the Pledged Tax Revenues or other amounts pledged to the Loan superior or equal to the pledge and lien herein created for the benefit of the Loan.

**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 the Loan or claim for interest on the Loan and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Loan or claims for interest in any other manner. In case the maturity of the Loan or claim for interest shall be extended or funded, whether or not with the consent of the Successor Agency, the Loan or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Loan Agreement, except subject to the prior payment in full of the principal of the Loan and of all claims for interest which shall not have been so extended or funded.

**Section 5.04 Payment of Claims.** The Successor Agency shall 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 Pledged Tax Revenues or other amounts pledged to the payment of the Loan, or any part thereof or which might impair the security of the Loan. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said claims.

### **Section 5.05 Books and Accounts; Financial Statements.**

(a) The Successor Agency shall 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, in which complete and correct entries shall be made of all transactions relating to the Redevelopment Project, the Pledged Tax Revenues and the Subordinate Lien Special Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Lender.

(b) The Successor Agency will cause to be provided to the Lender, within two hundred and seventy (270) days after the close of each Fiscal Year so long as the Loan is outstanding, the following: (i) a copy of the Successor Agency's audited financial statements for such Fiscal Year; provided that if the audited financial statements are not available, the Successor Agency will provide unaudited financial statements within the time set forth above, and will provide audited financial statements when they are available; and (ii) an annual report containing financial and operating data for such Fiscal Year in the following categories (to the extent not included in the Successor Agency's audited financial statements) (each an "Annual Report"):

- (i) aggregate assessed values of the Project Area;
- (ii) list of top ten largest property taxpayers within the Project Area;
- (iii) information on pending appeals (with amount of value under appeal and requested value, if available) and any successful appeals by such top ten taxpayers;
- (iv) the Pledged Tax Revenues;
- (v) description of any outstanding indebtedness payable from Tax Revenues and Pledged Tax Revenues during such Fiscal Year; and
- (vi) a statement as to whether the County has adopted a teeter plan since the date of the previous Annual Report with respect to distributions of the Redevelopment Property Tax Trust Fund.

(c) The Successor Agency shall also provide the Lender any additional reasonable information that the Lender requests in writing.

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

**Section 5.07 Payments of Taxes and Other Charges.** Except as otherwise provided herein, 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 revenues therefrom when the same shall become due. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said 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 [Reserved].**

**Section 5.09 Disposition of Property.** The Successor Agency will not participate in the disposition of any land or real property in a Project Area to anyone which will result in such property becoming exempt from taxation because of public ownership or use or otherwise (except property dedicated for public right-of-way and except property planned for public ownership or use by the Redevelopment Plan in effect on the date of issuance of the Loan) so that such disposition shall, when taken together with other such dispositions, aggregate more than ten percent (10%) of the land area in the applicable Project Area unless such disposition is permitted as hereinafter provided in this Section 5.09. If the Successor Agency proposes to participate in such a disposition, it shall thereupon appoint an Independent Redevelopment Consultant to report on the effect of said proposed disposition. If the Report of the Independent Redevelopment Consultant concludes that the security of the Loan, or the rights of the Successor Agency and the Lender hereunder will not be materially impaired by said proposed disposition, the Successor Agency may thereafter make such disposition. If said Report concludes that such security will be materially impaired by said proposed disposition, the Successor Agency shall disapprove said proposed disposition.

**Section 5.10 Maintenance of Pledged Tax Revenues.** The Successor Agency shall comply with all requirements of the Redevelopment Law and the Dissolution Act to ensure the allocation and payment to it of the Pledged Tax Revenues as provided in the Dissolution Act.

**Section 5.11 Compliance with the Dissolution Act.** The Successor Agency shall comply with all of the requirements of the Redevelopment Law and the Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Act to assure compliance by the Successor Agency with its covenants hereunder.

Further, the Successor Agency will take all actions to include scheduled debt service on the 1998 Bonds, the Loan and any Parity Debt, any amount required under the Senior Indenture to replenish the reserve account established thereunder, and any amount due to National Public Finance Guarantee Corporation as insurer of the 1998 Bonds, in the Successor Agency's Recognized Obligation Payment Schedules for each ROPS Period so as to enable the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund to the Redevelopment Obligation Retirement Fund established by the Successor Agency on each RPTTF Distribution Date amounts required for the Successor Agency to pay debt service on the 1998 Bonds, the Loan Payments and the other amounts set forth above, all as described in more detail in the following paragraph, and to enable the Successor Agency to make the payments required by the Senior Indenture and this Loan Agreement.

In order to ensure that amounts are available for the Successor Agency to make Loan Payments on a timely basis, on or before each February 1 following the Closing Date (or at such other time as may be required by the Dissolution Act), for so long as the Loan is outstanding, the Successor Agency shall submit, an Oversight Board-approved Recognized Obligation Payment Schedule to the State Department of Finance and to the County Auditor-Controller. The Recognized Obligation Payment Schedules submitted by the Successor Agency shall include all scheduled debt service on the 1998 Bonds and Loan Payments coming due during the Bond Year commencing during such ROPS Period, and requesting that moneys be disbursed to the Successor Agency from the Redevelopment Property Tax Trust Fund as described in subsections (a), (b), (c), and (d) below.

(a) All debt service coming due and payable on the 1998 Bonds, all principal and interest coming due under this Loan Agreement and all debt service coming due and payable on any Parity Debt on the next succeeding February 1 and August 1, less any amounts on deposit in the Special Fund or the Subordinate Lien Special Fund for payment of such amounts on such February 1 and August 1, respectively, shall be requested for distribution from the Redevelopment Property Tax Trust Fund on the January 2 RPTTF Distribution Date;

(b) If the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax revenues from the Project Area to pay all debt service coming due and payable on the 1998 Bonds, all principal and interest coming due under this Loan Agreement and all debt service coming due and payable on any Parity Debt on a timely basis, the amounts required to pay such debt service shall be requested for distribution from the Redevelopment Property Tax Trust Fund on the June 1 RPTTF Distribution Date;

(c) All amounts required to cure any deficiency in the reserve account established under the Senior Indenture, to the extent moneys are projected to be available for distribution from the Redevelopment Property Tax Trust Fund, shall be requested for distribution from the Redevelopment Property Tax Trust Fund on the January 2 RPTTF Distribution Date, with any projected deficiency requested from the June 1 RPTTF Distribution Date.

(d) All amounts due and owing to the Insurer under the Senior Indenture and any other amounts coming due under this Loan Agreement to the Lender or otherwise or with respect to any Parity Debt shall be requested from the January 2 RPTTF Distribution Date, to the extent moneys are projected to be available for distribution from the Redevelopment Property Tax Trust Fund on such January 2 RPTTF Distribution Date, with any projected deficiency requested from the June 1 RPTTF Distribution Date.

In the event the provisions set forth in the Dissolution Act as of the Closing Date that relate to the filing of Recognized Obligation Payment Schedules are amended or modified in any manner, the Successor Agency agrees to take all such actions as are necessary to comply with such amended or modified provisions so as to ensure the timely payment of 1998 Bonds, the Loan Payments and other Parity Debt and, if the timing of distributions of the Redevelopment Property Tax Trust Fund is changed, the receipt by the Successor Agency of (i) not less than 100% of the debt service on the 1998 Bonds coming due during each Bond Year prior to February 1 of such Bond Year, and (ii) not less than 100% of the Loan Payments due during each Bond Year prior to February 1 of such Bond Year.

**Section 5.12 Last and Final Recognized Obligation Payment Schedule.** The Successor Agency will not submit, to the Oversight Board or the State Department of Finance a request for the final amendment permitted for any Last and Final Recognized Obligation Payment Schedule of the Successor Agency pursuant to Section 34191.6 of the Health and Safety Code of the State without the prior written consent of the Lender, unless all amounts that could become due and payable to the Lender and attributable to Loan Payments due under this Loan Agreement are included as a line item on such Last and Final Recognized Obligation Payment Schedule following approval of the requested final amendment.

**Section 5.13 Further Assurances.** The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Loan Agreement,

and for the better assuring and confirming unto the Lender the rights and benefits provided in this Loan Agreement.

**Section 5.14 Payment of Expenses; Indemnification.** The Successor Agency shall pay all expenses of the Lender incurred by the Lender in connection with the performance of its duties and obligations under this Loan Agreement.

The Successor Agency further covenants and agrees to indemnify and save the Lender and its officers, directors, agents and employees, harmless against any loss, expense and liabilities which it may incur arising out of any breach or default on the part of the Successor Agency in the performance of any of its obligations under this Loan Agreement, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or willful misconduct of the Lender, its officers, directors, agents or employees. The obligations of the Successor Agency under this Section 5.14 shall survive the discharge of this Loan Agreement.

**Section 5.15 Tax Covenants.** In connection with the Loan, the Successor Agency covenants and agrees to contest by court action or otherwise any assertion by the United States of America or any department or agency thereof that the interest received by the Lender is includable in gross income of the Lender under federal income tax laws on the Closing Date. Notwithstanding any other provision of this Loan Agreement, absent an opinion of Special Counsel that the exclusion from gross income of interest with respect to the Loan will not be adversely affected for federal income tax purposes, the Successor Agency covenants to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(a) Private Activity. The Successor Agency will take no action or refrain from taking any action or make any use of the proceeds of the Loan or of any other monies or property which would cause the Loan to be a “private activity bond” within the meaning of Section 141 of the Code;

(b) Arbitrage. The Successor Agency will make no use of the proceeds of the Loans or of any other amounts or property, regardless of the source, or take any action or refrain from taking any action which will cause the Loan to be an “arbitrage bond” within the meaning of Section 148 of the Code;

(c) Federal Guaranty. The Successor Agency will make no use of the proceeds of the Loan or take or omit to take any action that would cause the Loan to be “federally guaranteed” within the meaning of Section 149(b) of the Code;

(d) Information Reporting. The Successor Agency will take or cause to be taken all necessary action to comply with the informational reporting requirement of Section 149(e) of the Code;

(e) Hedge Bonds. The Successor Agency will make no use of the proceeds of the Loan or any other amounts or property, regardless of the source, or take any action or refrain from taking any action that would cause any Loan to be considered a “hedge bond” within the meaning of Section 149(g) of the Code unless the Successor Agency takes all necessary action to assure compliance with the requirements of Section 149(g) of the Code to maintain the exclusion from gross income of interest on the Loan for federal income tax purposes; and

(f) Miscellaneous. The Successor Agency will take no action or refrain from taking any action inconsistent with its expectations stated in the Tax Certificate and will comply with the covenants and requirements stated therein and incorporated by reference herein.

## ARTICLE VI

### EVENTS OF DEFAULT AND REMEDIES

**Section 6.01 Events of Default.** The following constitute Events of Default hereunder:

(a) Failure by the Successor Agency to pay the principal of or interest on the Loan when and as the same shall become due and payable.

(b) Failure by the Successor Agency to observe and perform any of the covenants, agreements or conditions on its part contained in this Loan Agreement, other than as referred to in the preceding clause (a), for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the Successor Agency by the Lender; provided, however, that if in the reasonable opinion of the Successor Agency the failure stated in such notice can be corrected, but not within such thirty (30)-day period, such failure shall not constitute an Event of Default if corrective action is instituted by the Successor Agency within such thirty (30)-day period and thereafter is diligently pursued until such failure is corrected; provided such period shall not extend beyond a total of sixty (60) days without the consent of the Lender.

(c) The filing by the Successor Agency of a petition or answer 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 shall approve a petition, filed with or without the consent of the Successor Agency, 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 shall assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

(d) Any representation or certification of the Successor Agency made hereunder or in connection with this Loan Agreement shall have been incorrect or misleading when made.

(e) The occurrence of an “Event of Default” (as defined in the Senior Indenture) under the terms of the Senior Indenture.

(f) The occurrence of any event defined to be an event of default under any Parity Debt Instruments.

Immediately upon becoming aware of the occurrence of an Event of Default, the Successor Agency shall give notice of such Event of Default to the Lender by telephone, telecopy or other means of telecommunication, promptly confirmed in writing. If an Event of Default has occurred and is continuing, the Lender may exercise any remedies available to the Lender in law or at equity.

**Section 6.02 Remedies Upon Default.** If an Event of Default occurs and is continuing, the Lender has the right, at its option and without any further demand or notice, to take any one or more of the following actions:

(a) Declare all principal amount of the Loan, together with accrued interest thereon at the Default Rate from the immediately preceding Payment Date on which payment was made, to be immediately due and payable, whereupon the same will immediately become due and payable. Notwithstanding the foregoing provisions of this subsection (a), however, if, at any time after the principal of the Loan has been so declared due and payable under this subsection (a), and before any judgment or decree for the payment of the moneys due have been obtained or entered, the Successor Agency will deposit with the Lender a sum sufficient to pay all principal on the Loan coming due prior to such declaration and all accrued interest thereon, with interest on such overdue principal and interest calculated at the Default Rate, and any and all other defaults actually known to Lender (other than in the payment of the principal and interest on the Loan due and payable solely by reason of such declaration) have been cured, then, and in every such case, the Lender will rescind and annul such declaration and its consequences. However, no such rescission and annulment will extend to or will affect any subsequent default or will impair or exhaust any right or power consequent thereon.

(b) Take whatever action at law or in equity may appear necessary or desirable to collect the Loan Payments then due or thereafter to become due during the term of this Loan Agreement, or enforce performance and observance of any obligation, agreement or covenant of the Successor Agency under this Loan Agreement.

(c) As a matter of right, in connection with the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Lender hereunder, cause the appointment of a receiver or receivers of the Pledged Tax Revenues and other amounts pledged hereunder, with such powers as the court making such appointment may confer.

**Section 6.03 No Waiver.** Nothing in this Article VI or in any other provision of this Loan Agreement, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Pledged Tax Revenues, the principal of and interest and premium (if any) on the Loan to the Lender when due, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Lender to institute suit to enforce such payment in accordance with the provisions of this Loan Agreement.

A waiver of any default by the Lender shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of the Lender 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 any such default or an acquiescence therein, and every power and remedy conferred upon the Lender by this Article VI may be enforced and exercised from time to time and as often as shall be deemed expedient by the Lender.

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

**Section 6.04 Remedies Not Exclusive.** No remedy herein conferred upon or reserved to the Lender is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by the Redevelopment Law, the Dissolution Act, or any other law.



## ARTICLE VII

### MISCELLANEOUS

**Section 7.01 Benefits Limited to Parties.** Nothing in this Loan Agreement, expressed or implied, is intended to give to any person other than the Successor Agency and the Lender, any right or remedy or claim under or by reason of this Loan Agreement. All covenants, stipulations, promises or agreements in this Loan Agreement contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Lender.

**Section 7.02 Successor is Deemed Included in All References to Predecessor.** Whenever in this Loan Agreement either the Successor Agency or the Lender is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Loan Agreement contained by or on behalf of the Successor Agency or the Lender shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

**Section 7.03 Discharge of Loan Agreement.** If the Successor Agency shall pay and discharge the entire indebtedness or any lesser portion thereof on the Loan in any one or more of the following ways:

(a) by well and truly paying or causing to be paid the principal of and interest on the Loan or any portion thereof, as and when the same become due and payable;

(b) by irrevocably depositing with the Lender or any other fiduciary, in trust, at or before maturity, cash in an amount which is fully sufficient to pay all principal of and interest on the Loan or on any portion thereof when due under this Loan Agreement; or

(c) by irrevocably depositing with the Lender or any other fiduciary, in trust, at or before maturity, Defeasance Securities in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon, and together with other available cash, be fully sufficient to pay and discharge the indebtedness on the Loan (including all principal and interest) or on any portion thereof at or before maturity;

then, at the election of the Successor Agency, the pledge of and lien upon the Pledged Tax Revenues and other funds provided for in this Loan Agreement and all other obligations of the Successor Agency under this Loan Agreement with respect to the Loan or any portion thereof shall cease and terminate, except only the obligation of the Successor Agency to indemnify the Lender and to pay or cause to be paid to the Lender, from the amounts so deposited with the Lender or such other fiduciary, all sums due with respect to the Loan or any portion thereof and all expenses and costs of the Lender. Notice of such election shall be filed with the Lender.

**Section 7.04 Amendment.** The Successor Agency and the Lender may at any time amend or modify any of the provisions of this Loan Agreement in writing. Prior to the effective date of any such amendment, and as a condition precedent to the effectiveness thereof, the Successor Agency at its expense shall obtain an opinion of Special Counsel stating that such amendment will not adversely affect the exclusion from gross income of the interest on the Loan.

**Section 7.05 Limitation on Assignments.** The Successor Agency may not assign this Loan Agreement without the prior written consent of the Lender. The Lender may sell or otherwise transfer all or portion of its interest in the Loan and this Loan Agreement to one or more assignees, but no such assignment will be effective as against the Successor Agency unless and until the Lender or the Assignee has filed with the Successor Agency written notice thereof; provided, that any such assignment, transfer or conveyance:

(a) shall be made only to investors each of whom the transferor Lender reasonably believes is a “qualified institutional buyer” as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1933, as amended (the “Securities Act”) or an “accredited investor” as defined in Sections 501(a)(1), (2), (3) and (7) of Regulation D promulgated under the Securities Act and is purchasing the Loan (or any interest therein) for its own account with no present intention to resell or distribute the Loan (or interest therein), subject to each assignee’s right at any time to dispose of the Loan or any interest therein as it determines to be in its best interests;

(b) shall not create any interest in the Loan in an aggregate principal amount that is less than \$500,000;

(c) shall not require the Successor Agency to make Loan Payments, send notices or otherwise deal with respect to matters arising under the Loan Agreement with or to more than one trustee, owner, servicer or other fiduciary or agent; and

(d) the assignees shall deliver a letter to the Successor Agency substantially in the form set forth as Schedule B to this Loan Agreement.

**Section 7.06 Waiver of Personal Liability.** No member, officer, agent or employee of the Successor Agency shall be individually or personally liable for the payment of the principal of or interest on the Loan; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

**Section 7.07 Notices.** Any notice, request, complaint, demand or other communication under this Loan Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by email or other form of telecommunication, as set forth below. Notice shall be effective either (a) upon transmission by email or other form of telecommunication, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Lender and the Successor Agency may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Successor Agency: Successor Agency for the  
Paramount Redevelopment Agency  
c/o City of Paramount  
16400 Colorado Avenue  
Paramount, California 90723  
Attention: City Manager

If to the Lender: EverBank N.A.  
Mail Operations

EverBank  
301 West Bay Street, 8th Floor  
Jacksonville, Florida 32202  
Attention: Trevor Mael, Director of Public Finance

**Section 7.08 Establishment of Funds and Accounts.** Whenever in this Loan Agreement there is established or required any fund or account, such fund or account may be maintained in the form of multiple funds, accounts or sub-accounts, as may be appropriate, for the purpose of accounting for the separate investment, disbursement or other application thereof.

**Section 7.09 Payment on Non-Business Days.** In the event any payment is required to be made hereunder on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day.

**Section 7.10 Execution in Counterparts.** This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 7.11 Partial Invalidity.** If any Section, paragraph, sentence, clause or phrase of this Loan Agreement shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Loan Agreement. The Successor Agency hereby declares that it would have adopted this Loan Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the Loan irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Loan Agreement may be held illegal, invalid or unenforceable.

**Section 7.12 Governing Law.** This Loan Agreement shall be construed and governed in accordance with the laws of the State.

**Section 7.13 Judicial Reference.** TO THE EXTENT PERMITTED BY LAW, THE CORPORATION, THE SUCCESSOR AGENCY AND THE LENDER HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS LOAN AGREEMENT OR THE TRANSACTION CONTEMPLATED HEREBY. IF AND TO THE EXTENT THAT THE FOREGOING WAIVER OF THE RIGHT TO A JURY TRIAL IS UNENFORCEABLE FOR ANY REASON IN SUCH FORUM, THE SUCCESSOR AGENCY AND THE LENDER HEREBY CONSENT TO THE ADJUDICATION OF ANY AND ALL CLAIMS PURSUANT TO JUDICIAL REFERENCE AS PROVIDED IN CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638, AND THE JUDICIAL REFEREE SHALL BE EMPOWERED TO HEAR AND DETERMINE ANY AND ALL ISSUES IN SUCH REFERENCE WHETHER FACT OR LAW. THE SUCCESSOR AGENCY AND THE LENDER REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND CONSENT AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS AND CONSENTS TO JUDICIAL REFERENCE FOLLOWING THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF ITS CHOICE ON SUCH MATTERS. IN THE EVENT OF LITIGATION, A COPY OF THIS LOAN AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO JUDICIAL REFERENCE UNDER CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638 AS PROVIDED HEREIN.

[Signature Page Follows]

IN WITNESS WHEREOF, the SUCCESSOR AGENCY FOR THE PARAMOUNT REDEVELOPMENT AGENCY and the EVERBANK, N.A. have caused this Loan Agreement to be signed by their respective authorized representatives, all as of the day and year first above written.

SUCCESSOR AGENCY FOR THE  
PARAMOUNT REDEVELOPMENT AGENCY

By: \_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
Secretary

EVERBANK, N.A.

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

**SCHEDULE A**  
**LOAN PAYMENTS**

1. The principal amount of Loan Payments to be made by the Successor Agency hereunder is \$\_\_\_\_\_.

2. The Loan Payments of principal and interest are payable in the amounts and on the Payment Dates as follows (assuming that No Event of Default or Event of Taxability has occurred and is continuing):

<i>Loan Payment Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Debt Service</i>
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TOTAL

**SCHEDULE B**  
**FORM OF ASSIGNEE LETTER**

Successor Agency for the  
Paramount Redevelopment Agency  
c/o City of Paramount  
16400 Colorado Avenue  
Paramount, California 90723  
Attention: City Manager

The undersigned \_\_\_\_\_ (the “Assignee”) hereby acknowledges that it is acquiring certain rights of the EverBank N.A. (the “Original Lender”) under the Loan Agreement dated as of \_\_\_\_\_, 2024 (the “Loan Agreement”), between the Successor Agency for the Paramount Redevelopment Agency and the Original Lender. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement.

In connection with the acquisition of the rights of the Original Lender as described above, the Assignee hereby makes the following representations upon which you may rely:

1. The Assignee has the authority and is duly authorized to acquire the Original Lender’s rights under the Loan Agreement.
2. The Assignee is (a) a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), or (b) an “accredited investor” as that term is defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act.
3. The Assignee is not acquiring rights under the Loan Agreement for more than one account or with a view to distributing such rights.
4. The Assignee understands that the Loan Agreement is not, and is not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Loan Agreement (a) is not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating agency, and (d) will be delivered in a form that may not be readily marketable.
5. The Assignee acknowledges that it has either been supplied with or been given access to information, including a term sheet and/or other documents including the credit package and audited financials, which it has requested from the Successor Agency and to which a reasonable Assignee would attach significance in making credit decisions, and the Assignee has had the opportunity to ask questions and receive answers from knowledgeable individuals, including its own counsel, concerning the Successor Agency and the Loan Agreement and the sources of payment therefor so that, as a reasonable Assignee, the Assignee has been able to make a decision to acquire certain

of the Original Lender's rights pursuant to the Assignment Agreement. The Assignee has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective acquisition of such rights.

7. The Assignee acknowledges that the Loan is secured solely by, and is payable solely from, Pledged Tax Revenues and amounts on deposit in the Subordinate Lien Special Fund from time to time, and that the Successor Agency's obligation to pay debt service on the Loan from tax revenues of the Successor Agency is subordinate to the payment of debt service on the 1998 Bonds, as provided in the Loan Agreement.
8. The Assignee has made its own inquiry and analysis with respect to the Loan Agreement and the Loan and the source of payment of the Loan, and other material factors affecting the repayment of the Loan. The Assignee is aware that there are certain economic and regulatory variables and risks that could adversely affect the repayment of the Loan and other obligations of the Successor Agency under the Loan Agreement. The Assignee has reviewed the documents executed in conjunction with the execution and delivery of the Loan Agreement as well as the Senior Indenture.
9. The Assignee acknowledges and agrees that the Successor Agency takes no responsibility for, and makes no representation to the Assignee, or any subsequent Assignee, with regard to, a sale, transfer or other disposition of the Loan or the rights of the Original Lender thereunder in violation of the provisions of the Loan Agreement, or any securities law or income tax law consequences thereof. The Assignee also acknowledges that, with respect to the obligations and liabilities of the Successor Agency, the Assignee is solely responsible for compliance with the assignment restrictions on the Loan Agreement in connection with any subsequent transfer of the Loan Agreement made by the Assignee.
10. The Assignee agrees that it is bound by and will abide by the provisions of (i) the Loan Agreement relating to assignment and transfer of any interest in the Loan and Loan Agreement and (ii) this Assignee Letter.
11. The Assignee also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of any interest in the Loan Agreement by the Assignee.
12. The interpretation of the provisions hereof shall be governed and construed in accordance with California law without regard to principles of conflicts of laws.
13. All representations of the Assignee contained in this letter shall survive the execution and delivery of the Loan Agreement as representations of fact existing as of the date of execution and delivery of this Assignee Letter.

Date: \_\_\_\_\_, 20\_\_

Very truly yours,

[ASSIGNEE]

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

cc: Anzel Galvan LLP