

BOARD OF DIRECTORS
ANAHEIM UNION HIGH SCHOOL DISTRICT
501 N. Crescent Way, P.O. Box 3520
Anaheim, California 92803-3520
www.uhisd.us

NOTICE OF REGULAR MEETING

Date: November 4, 2016

To: Annemarie Randle-Trejo, P.O. Box 3520, Anaheim, CA 92803-3520
Anna L. Piercy, P.O. Box 3520, Anaheim, CA 92803-3520
Katherine H. Smith, P.O. Box 3520, Anaheim, CA 92803-3520
Brian O'Neal, P.O. Box 3520, Anaheim, CA 92803-3520
Al Jabbar, P.O. Box 3520, Anaheim, CA 92803-3520

Orange County Register, 1771 S. Lewis, Anaheim, CA 92805
Anaheim Bulletin, 1771 S. Lewis, Anaheim, CA 92805
News Enterprise, P.O. Box 1010, Los Alamitos, CA 90720
Los Angeles Times, 1375 Sunflower, Costa Mesa, CA 92626
Event News, 9559 Valley View Street, Cypress, CA 90630
Unidos, 523 N. Grand Avenue, Santa Ana, CA 92701

You are hereby notified that a regular meeting of the
Board of Directors of the Anaheim Union High School District
is called for

Thursday, the 10th day of November 2016

in the District Board Room, 501 N. Crescent Way, Anaheim, California

**This meeting will begin immediately following the conclusion of the AUHSD Board
of Trustees' meeting, which begins at 6:00 p.m.**



Michael B. Matsuda
Superintendent

**ANAHEIM UNION HIGH SCHOOL DISTRICT
FACILITIES CORPORATION**

501 N. Crescent Way, P.O. Box 3520, Anaheim, California 92803-3520

BOARD OF DIRECTORS

Agenda

Thursday, November 10, 2016

This meeting will begin immediately following the conclusion of the AUHSD Board of Trustees' meeting, which begins at 6:00 p.m.

The Anaheim Union High School District office is open from 7:45 a.m. to 4:30 p.m., Monday through Friday, and is closed for most of the federal and local holidays. This meeting agenda will be posted on the District website, www.auhsd.us, at the same time that they are distributed to the Board of Directors. *In compliance with the Americans with Disabilities Act, individuals with a disability who require modification or accommodation in order to participate in this meeting should contact the executive assistant to the superintendent at (714) 999-3503 by noon on Monday, November 7, 2016.*

Meetings are recorded for use in the official minutes.

1. **CALL TO ORDER–ROLL CALL** **ACTION ITEM**
2. **ADOPTION OF AGENDA** **ACTION ITEM**
3. **PUBLIC COMMENTS** **INFORMATION ITEM**

Opportunities for public comments occur at the beginning of each agenda item and at this time for items not on the agenda. Persons wishing to address the Board of Directors should complete a speaker request form, available on the information table, at the back of the room, and submit it to the executive assistant prior to the meeting. Each speaker is limited to a maximum of five minutes; each topic or item is limited to a total of 20 minutes. Directors cannot immediately respond to public comments, as stated on the speaker request form.

4. **PLEDGE OF ALLEGIANCE**

Board of Directors' President Annemarie Randle-Trejo will lead the Pledge of Allegiance to the Flag of the United States of America.

5. **ITEM OF BUSINESS**

Resolution No. 2016/17-BOD-01, Authorizing the Execution by the **ACTION ITEM**
By the Corporation of Various Documents with Respect to the Anaheim
Union High School District 2017 Certificates of Participation
(Roll Call Vote)

Background Information:

The issuance of Certificates of Participation (COPs) is necessary to fund the new Central Kitchen and complete additional capital facilities projects.

Current Consideration:

The Board will be asked to consider adoption of a resolution authorizing the sale of the 2017 Certificates of Participation in an amount not to exceed \$39 million. In addition, the resolution:

- Limits the term of the financing to 25 years (ending 2041)
- Authorizes the sale to an underwriter to be selected using a competitive selection process, and setting a limit on their compensation at 2 percent and a limit on the interest rate at 6 percent
- Approves various financing documents in draft form, and authorizes certain District officials to execute the final versions of the documents with information from the sale

Jennifer Root, assistant superintendent of Business Services, will provide information concerning the issuance of the Certificates of Participation.

Budget Implication:

The planned repayment source for the COP debt service payments is redevelopment revenues, held in Fund 2545. The payments are generally structured to coincide with the projected redevelopment revenues, such that revenues will exceed the payments by approximately 110 percent of the payment amounts.

Staff Recommendation:

It is recommended that the Board of Directors adopt Resolution No. 2016/17-BOD-01, to authorize the issuance of the 2017 COPs within the stated parameters, by a roll call vote. **[EXHIBIT A]**

6. **ADJOURNMENT**

ACTION ITEM

In compliance with the Americans with Disabilities Act, individuals with a disability who require modification or accommodation in order to participate in this meeting should contact the executive assistant to the superintendent at (714) 999-3503 by noon on Monday, November 7, 2016.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
ANAHEIM UNION HIGH SCHOOL DISTRICT FACILITIES CORPORATION**

Authorizing the Execution by the Corporation of Various Documents with Respect to the Anaheim Union High School District 2017 Certificates of Participation in one or more Series and in an Aggregate Principal Amount of Not to Exceed \$39,000,000 and Authorizing Related Actions in Connection Therewith

RESOLUTION NO. 2016/17-BOD-1

November 10, 2016

On the motion of Trustee _____ and duly seconded, the following resolution was adopted:

WHEREAS, the Anaheim Union High School District Facilities Corporation is a nonprofit public benefit corporation organized and existing under the laws of the State of California (the "Corporation") with the authority to assist in the financing of the acquisition, construction, installation and equipping of certain capital improvements on behalf of the Anaheim Union High School District (the "District"); and

WHEREAS, the District desires to finance the costs of acquiring, constructing, installing and equipping certain improvements to sites and facilities owned by the District (the "2017 Project") by authorizing the execution and delivery of the Anaheim Union High School District 2017 Certificates of Participation in one or more series (the "Certificates"); and

WHEREAS, in order to facilitate the execution and delivery of the Certificates, the District will lease certain real property and the improvements as described herein (the "Property") to the Corporation pursuant to the Site Lease (the "Site Lease") to be entered into by and between the District and the Corporation, and will sublease the Property back from the Corporation pursuant to the Lease Agreement (the "Lease Agreement"); and

WHEREAS, the Certificates will evidence direct, fractional undivided interests in the lease payments to be made under the Lease Agreement; and

WHEREAS, the District and the Corporation have determined that it would be in the best interests of the District and the Corporation to provide the funds to finance the 2017 Project through the sale and delivery of the Certificates pursuant to a Trust Agreement (the "Trust Agreement") to be entered into by and among U.S. Bank National Association (the "Trustee"), the Corporation and the District; and

WHEREAS, all rights to receive the lease payments will be assigned, without recourse, by the Corporation to the Trustee pursuant to an Assignment Agreement (the "Assignment Agreement") to be entered into by and between the Corporation and the Trustee; and

WHEREAS, in consideration of such assignment and the execution of the Trust Agreement, the Trustee will execute and deliver the Certificates, each evidencing a direct, fractional undivided interest in the lease payments to be paid by the District under the Lease Agreement; and

WHEREAS, the Certificates are expected to be offered for sale to an underwriter; and the proceeds received from the sale of the Certificates will be used to finance the 2017 Project, as and to the extent provided herein; and

WHEREAS, the Board of Directors of the Corporation (the "Board") has been presented with the form of each document referred to herein relating to the actions contemplated hereby, and the Board has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such actions; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Corporation is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE BE IT RESOLVED, this Board of Directors hereby ORDERS, RESOLVES and DETERMINES, as follows:

SECTION 1. All of the recitals herein contained are true and correct and the Board so finds.

SECTION 2. The form of the Site Lease, on file with the secretary of the Corporation, is hereby approved, and each of the President of the Corporation, the Vice president of the Corporation, the secretary of the Corporation and the Chief Financial Officer of the Corporation, or their designees and such other officers of the Corporation as the president of the Corporation may designate (collectively, the "Authorized Officers"), acting alone, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver the Site Lease in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Property to be leased under the Site Lease shall consist of the District's South Junior High School, Cypress High School, and Ball Junior High School, and/or such other or additional school sites or facilities to be selected by the District and determined by the District to have an annual fair rental value at least equal to the annual lease payments to be made under the Lease Agreement.

SECTION 3. The form of the Lease Agreement, on file with the secretary of the Corporation, is hereby approved, and each of the Authorized Officers, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver the Lease Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the aggregate amount of principal components of the lease payments payable under the Lease Agreement shall not exceed \$39,000,000, the term of the Lease Agreement shall end on or before September 1, 2041 (provided that such term may be extended as provided therein) and the rate applicable to any interest component of the lease payments payable under the Lease Agreement shall not exceed 6% per annum.

SECTION 4. The form of Trust Agreement, on file with the secretary of the Corporation, is hereby approved, and each of the Authorized Officers, acting alone, is

hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver the Trust Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 5. The form of Assignment Agreement, on file with the secretary of the Corporation, is hereby approved, and each of the Authorized Officers, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver the Assignment Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 6. This Board hereby approves the sale of the Certificates to an Underwriter to be selected by the District. The Authorized Officers are authorized and directed to execute any and all agreements and certificates necessary to cause such sale on a negotiated basis.

SECTION 7. The execution and delivery of the Certificates evidencing principal in an amount not to exceed \$39,000,000, payable in the years and in the amounts, and evidencing interest as specified in the Trust Agreement as finally executed, are hereby authorized and approved.

SECTION 8. The officers of the Corporation are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized, and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including making the necessary filings for the Corporation to obtain and maintain its corporate and tax exempt status.

SECTION 9. All actions heretofore taken by the officers and agents of the Corporation with respect to the transactions set forth above are hereby approved, confirmed and ratified.

SECTION 10. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the Board of Directors of the Anaheim Union High School District Facilities Corporation this 10th day of November, 2017 by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

STATE OF CALIFORNIA)
)SS
COUNTY OF ORANGE)

I, Michael B. Matsuda, superintendent of Anaheim Union High School District of Orange County, California, and secretary to the Board of Trustees thereof, hereby certify that the above foregoing resolution was duly and regularly adopted by the said Board at their regular meeting thereof held on the 10th day of November 2016 and passed by a roll call vote of all members of said Board.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 10th day of November 2016.

Michael B. Matsuda
Superintendent and
Secretary to the Board of Trustees

RECORDING REQUESTED BY:
Anaheim Union High School District

AND WHEN RECORDED MAIL TO:
Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attn: Robert J. Whalen, Esq.

[Space above for Recorder's use.]

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11921 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

THE GRANTOR AND THE GRANTEE ARE GOVERNMENTAL AGENCIES.

SITE LEASE

by and between

**ANAHEIM UNION HIGH SCHOOL DISTRICT,
as Lessor**

and

**ANAHEIM UHSD FACILITIES CORPORATION,
as Lessee**

Dated as of _____ 1, 2017

Relating to

**§ _____
ANAHEIM UNION HIGH SCHOOL DISTRICT
2017 CERTIFICATES OF PARTICIPATION**

SITE LEASE

This SITE LEASE, executed and entered into as of _____ 1, 2017, by and between the ANAHEIM UNION HIGH SCHOOL DISTRICT, a school district duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), and the ANAHEIM UHSD FACILITIES CORPORATION, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California (the "Corporation");

WITNESSETH:

WHEREAS, the Corporation is entering into this Site Lease (the "Site Lease") with the District for the purpose of having the District lease the real property described in Exhibit A and any facilities located thereon (the "Property") to the Corporation; and

WHEREAS, the Corporation intends to lease back the Property to the District pursuant to a Lease Agreement to be executed and entered into as of the date hereof (the "Lease"); and

WHEREAS, by resolutions duly adopted by their respective governing boards, the District and the Corporation have agreed to execute this Site Lease, and to deliver it upon performance and compliance by each party with all terms or conditions of this contract to be performed concurrently herewith, including without limitation the delivery of certain certificates of participation designated Anaheim Union High School District 2017 Certificates of Participation (the "Certificates") executed and delivered pursuant to a Trust Agreement, dated as of the date hereof (the "Trust Agreement"), by and among the District, the Corporation and U.S. Bank National Association, as trustee (the "Trustee"); and

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

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

Section 1. Definitions. All terms not otherwise defined herein shall have the definitions given such terms in the Trust Agreement or the Lease.

Section 2. The Property. The District hereby leases the Property to the Corporation and the Corporation hereby leases the Property from the District, on the terms and conditions hereinafter set forth.

Section 3. Term. The term of this Site Lease shall commence as of the date of execution and delivery of the Certificates, which shall be _____, 2017, and shall remain in effect until the last day of the Term (as defined in the Lease); provided, however, that in the event of a default by the District under the Lease and the Corporation's election to terminate the Lease under Section 9.2(b) thereof, the term of this Site Lease shall not terminate until the earlier of such time as

all amounts payable by the District under the Lease and the Trust Agreement have been paid in full or September 1, 2051.

Section 4. Rental. The Corporation, and any assignee or successor in interest of the Corporation under this Site Lease, shall pay to the Trustee on behalf of the District the sum of \$_____ representing the net proceeds of the Certificates remaining after the payment of the Underwriter's fee and the premium for the Insurance Policy and the Reserve Policy as prepayment of rental hereunder.

Section 5. Purpose. The Corporation shall use the Property solely for the purpose of leasing back such Property to the District or others pursuant to the Lease and for such purposes as may be incidental thereto; provided, that in the event of default by the District under the Lease or termination pursuant thereto, the Corporation may exercise the remedies of repossession and re-leasing of the Property, as provided in the Lease.

Section 6. Interest in Property. The District warrants and covenants that it has sufficient interest in the Property to lease it hereunder. In the event of a title defect in the Property that impairs the right to use and occupy the Property, the District covenants that it will exercise its condemnation powers to the extent permitted by law to obtain the necessary rights in the Property to cure such defect and limitation of the right to use and occupancy.

Section 7. Assignments and Subleases. The District acknowledges and affirms the assignment by the Corporation of its rights under this Site Lease to the Trustee, under the terms of the Assignment Agreement dated as of the date hereof, for the benefit of the Owners of the Certificates and any Additional Certificates. This Site Lease may also be assigned and the Property subleased, as a whole or in part, by the Corporation or the Trustee without necessity of obtaining the consent of the District, if any event of default occurs under the Lease. Other than as set forth above, no other subleases may be entered into with respect to the Property without the prior written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy).

Section 8. Termination. The Corporation agrees, upon the termination of this Site Lease, to quit and surrender the Property in the same good order and condition as the same was in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Property at the time of the termination of this Site Lease shall remain thereon and title thereto shall vest in the District.

Section 9. Quiet Enjoyment. The Corporation at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy all of the Property.

Section 10. Default. In the event the Corporation shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for 30 days following the District's written notice to and demand for correction thereof by the Corporation, the District may exercise any and all remedies granted by law; provided, however, that no merger of this Site Lease and the Lease shall be deemed to occur as a result of the District's exercise of any remedies hereunder.

Section 11. Taxes. Subject to the provisions of Section 7.7 of the Lease, the District covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Property.

Section 12. Eminent Domain. In the event the whole or any part of the Property is taken by eminent domain proceedings, the interest of the Corporation shall be recognized and is hereby determined to be the amount of unpaid Lease Payments, Reserve Replenishment Rent and all Additional Payments due the Corporation under the Lease.

Section 13. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 14. Applicable Law. This Site Lease shall be governed by and construed in accordance with the laws of the State of California.

Section 15. Representatives. Whenever under the provisions of this Site Lease the approval of the Corporation or the District is required, or the Corporation or the District is required to take some action at the request of the other, such approval or such request shall be given for the District by the Superintendent or Assistant Superintendent, Business Services and Support as representative, or his or her written designee as representative, and for the Corporation by its President, Secretary or Chief Financial Officer, as representative, or his or her written designee as representative, and any party hereto shall be authorized to rely upon any such approval or request.

Section 16. Captions. The captions or headings in this Site Lease are for convenience only and in no way define, limit or describe the scope or intent of any provision or Section of this Site Lease.

Section 17. Execution in Counterparts. This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 18. Amendments. This Site Lease may be amended in writing as may be mutually agreed by the District, the Corporation and the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy); provided, however, that, if Certificates or Additional Certificates have been executed and delivered and are Outstanding, no such amendment which materially adversely affects the rights of the Owners of the Certificates or Additional Certificates shall be effective unless it shall have been consented to by the Trustee and the Owners of a majority in aggregate principal amount of the Certificates and Additional Certificates then Outstanding.

Section 19. Warranties of the District as to the Property. The District covenants and warrants to the Corporation:

(a) That the Property is not subject to any dedication, easement, right of way, reservation in patent, covenant, condition, restriction, lien or encumbrance which would prohibit or materially interfere for the financing as contemplated by the Lease;

(b) That all taxes, assessments, or impositions of any kind with respect to the Property, except current taxes, have been paid in full;

(c) That the Property is necessary to the District in order for the District to perform its governmental functions; and

(d) That the Property is properly zoned for its intended purposes.

Section 20. Further Assurances and Corrective Instruments. The Corporation and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be or for carrying out the expressed intention of this Site Lease.

Section 21. Third Party Beneficiary. The Trustee and the Insurer are hereby made third party beneficiaries of this Site Lease.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties have caused this Site Lease to be executed by their duly authorized officers as of the date and year first above written.

ANAHEIM UNION HIGH SCHOOL DISTRICT, as
lessor

By: _____
Superintendent

ANAHEIM UHSD FACILITIES CORPORATION,
as lessee

By: _____
President

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the Property conveyed under the foregoing to the Anaheim UHSD Facilities Corporation (the "Corporation"), a nonprofit public benefit corporation duly organized under the laws of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the Corporation, pursuant to authority conferred by resolution of the Corporation adopted on _____, 2017 and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____, 2017

ANAHEIM UHSD FACILITIES CORPORATION

By: _____
President

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On _____ before me, _____, Notary Public,

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On _____ before me, _____, Notary Public,

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

The property constituting the Leased Property consists of the parcels of land and all buildings, improvements and facilities at any time situated thereon, which parcels are located in the City of Anaheim, County of Orange, State of California, and are described as follows:

END OF LEGAL DESCRIPTION

RECORDING REQUESTED BY:
Anaheim Union High School District

AND WHEN RECORDED MAIL TO:
Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attn: Robert J. Whalen, Esq.

[Space above for Recorder's use.]

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11921 OF THE CALIFORNIA REVENUE AND TAXATION CODE AND THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE BECAUSE THE ASSIGNOR IS A GOVERNMENTAL AGENCY. LEASE TERM LESS THAN 35 YEARS.

THE GRANTOR AND THE GRANTEE ARE GOVERNMENTAL AGENCIES.

LEASE AGREEMENT

Dated as of _____ 1, 2017

between

**ANAHEIM UHSD FACILITIES CORPORATION,
as Lessor**

and

**ANAHEIM UNION HIGH SCHOOL DISTRICT,
as Lessee**

Relating to

S _____
**ANAHEIM UNION HIGH SCHOOL DISTRICT,
2017 CERTIFICATES OF PARTICIPATION**

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LEASE AGREEMENT

THIS LEASE AGREEMENT, dated as of _____ 1, 2017 is by and between the ANAHEIM UHSD FACILITIES CORPORATION, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California, including without limitation Section 5110 *et seq.* of the Corporations Code of the State of California, as lessor (the "Corporation"), and the ANAHEIM UNION HIGH SCHOOL DISTRICT, a school district duly organized and existing under the Constitution and laws of said State, as lessee (the "District"):

WITNESSETH:

WHEREAS, the District may enter into leases and agreements relating to real property and buildings to be used by the District; and

WHEREAS, the District and the Corporation desire to cause the execution and delivery of the Anaheim Union High School District 2017 Certificate of Participation (the "Certificates") to finance the costs of the acquisition, construction and installation of certain capital improvements to the District's property as described in Exhibit C hereto (the "Project"); and

WHEREAS, the District has entered into a Site Lease of even date herewith (the "Site Lease") with the Corporation under which the District has agreed to lease the real property described in Exhibit B hereto, and any facilities and improvements located thereon (the "Property") to the Corporation, and which Site Lease provides that the title to the Property shall vest in the District at the expiration of the Site Lease (as provided in Section 8 thereof), and contains other terms and conditions as the governing board of the District deems to be in the best interest of the District; and

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

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND EXHIBITS

Section I.1 Definitions and Rules of Construction. Unless the context otherwise requires, the capitalized terms used herein shall, for all purposes of this Lease, have the meanings specified in the Trust Agreement related to the Certificates (the "Trust Agreement"), dated as of the date hereof, by and among U.S. Bank National Association, as Trustee thereunder, the Corporation, and the District, together with any amendments thereof or supplements thereto permitted to be made thereunder; and the additional terms defined in this Section shall, for all purposes of this Lease, have the meanings herein specified. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa. The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Lease, refer to this Lease as a whole.

"Asbestos Containing Materials" shall mean material in friable form containing more than one percent (1%) of the asbestiform varieties of (a) chrysotile (serpentine); (b) crocidolite (riebeckite); (c) amosite (cummington-itegrinerite); (d) anthophyllite; (e) tremolite; and (f) actinolite.

"Environmental Regulations" shall mean all federal, state and local laws and regulations, now or hereafter in effect, with respect to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, *et seq.*) (together with the regulations promulgated thereunder, "CERCLA"), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, *et seq.*) (together with the regulations promulgated thereunder, "RCRA"), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, *et seq.*) (together with the regulations promulgated thereunder, "Title III"), the Clean Water Act, as amended (33 U.S.C. Section 1321, *et seq.*) (together with the regulations promulgated thereunder, "CWA"), the Clean Air Act, as amended (42 U.S.C. Section 7401, *et seq.*) (together with the regulations promulgated thereunder, "CAA") and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601 *et seq.*) (together with the regulations promulgated thereunder, "TSCA"), and any state or local similar laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

"Interest Component" means the portion of the Lease Payments designated in Exhibit A hereto as the Interest Component.

"Permitted Encumbrances" means, as of any particular time: (i) liens for general ad valorem taxes and assessments, if any, or which the District may, pursuant to provisions of Section 7.7 hereof, permit to remain unpaid; (ii) the Assignment Agreement; (iii) this Lease; (iv) the Site Lease; (v) any contested right or claim of any mechanic, laborer, materialman, supplier or vendor filed or perfected in the manner prescribed by law to the extent permitted under Section 7.8(b) hereof; (vi) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the Closing Date and which the District hereby certifies will not materially impair the use of the Property by the District; and (vii) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the date of recordation of this Lease and to which the District certifies in writing do not affect the intended use of the Property or impair the security granted to the Trustee for the benefit of the owners of the Certificates by the Trust

Agreement and the Assignment Agreement and to which the Corporation and the Insurer consent in writing.

“Principal Component” means the portion of the Lease Payments designated in Exhibit A hereto as the Principal Component.

“Project” means the Project described in Exhibit C which will be financed with the proceeds of the Certificates, and any and all additions thereto made as provided in Section 3.5 hereof.

“Property” means the site or sites described in Exhibit B hereto and all facilities and improvements located thereon; provided, however, that the site or sites comprising the Property may be amended pursuant to the provisions of Section 7.12 herein.

“Reserve Replenishment Rent” means Reserve Replenishment Rent payable pursuant to Section 4.4(d) hereof.

“Term” shall have the meaning given in Section 4.2 hereof.

“Vendors” or “Contractors” means the persons with whom the Corporation, or the District as agent of the Corporation, has contracted for completion of the Project.

Section I.2 Exhibits. The following Exhibits are attached to, and by reference made a part of, this Lease:

Exhibit A: Schedule of Lease Payments to be paid by the District to the Corporation, showing the dates for each Lease Payment and amount of each Lease Payment.

Exhibit B: Legal Description of the Property.

Exhibit C: General Description of the Project.

Exhibit D: Lease Supplement Form.

Exhibit E: Form of Certificate of Substitution or Addition of Project Component.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section II.1 Representations, Covenants and Warranties of the District. The District represents, covenants and warrants to the Corporation, the Trustee and the Insurer as follows:

(a) Due Organization and Existence. The District is a school district duly organized and existing under the Constitution and laws of the State.

(b) Authorization; Enforceability. The Constitution and laws of the State authorize the District to enter into this Lease, the Site Lease, the Trust Agreement and the Continuing Disclosure Certificate, and to enter into the transactions contemplated by and to carry out its obligations under all of the aforesaid leases and agreements; the District has duly authorized and executed all of the aforesaid leases and agreements. This Lease, the Site Lease, the Trust Agreement and the Continuing Disclosure Certificate constitute the legal, valid and binding obligations of the District enforceable in accordance with their respective terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

(c) No Conflicts or Default; No Liens or Encumbrances. Neither the execution and delivery of this Lease, the Site Lease, the Continuing Disclosure Certificate or the Trust Agreement, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the District, or upon the Property except for Permitted Encumbrances and the pledges contained in the Trust Agreement.

(d) Execution and Delivery. The District has duly authorized and executed this Lease, the Site Lease, the Continuing Disclosure Certificate and the Trust Agreement in accordance with the Constitution and laws of the State.

(e) Indemnification of Corporation. The District covenants to defend, indemnify and hold harmless the Corporation and its directors, officers, employees, agents, successors and assigns (collectively, the “Indemnified Party”) against any and all losses, claims, damages or liabilities, joint or several, including fees and expenses incurred in connection therewith, to which such Indemnified Party may become subject under any statute or at law or in equity or otherwise in connection with the transactions contemplated by this Lease, and shall reimburse any such Indemnified Party for any legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, insofar as such losses, claims, damages, liabilities or actions arise out of the transactions contemplated by this Lease. In particular, without limitation, the District shall and hereby agrees to indemnify and save the Indemnified Party harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of (i) the use, maintenance, condition or management of, or from any work or thing done on the Project or the Property by the District, (ii) any breach or default on the part of the District in the performance of any of its obligations under this Lease, (iii) any act of negligence of the District or of any of its agents, contractors, servants, employees or licensees with respect to the Project or the Property, (iv) any act of negligence of any assignee or sublessee of the District with respect to the Project or the Property, or (v) the completion of the Project or the authorization of payment of the Project Costs by the District. No indemnification is made under this Section or elsewhere in this Lease for claims, losses or damages, including legal fees and expenses arising out of the willful misconduct or negligence under this Lease by the Corporation, its directors, officers, agents, employees, successors or assigns.

(f) General Tax and Arbitrage Covenant. The District hereby covenants that, notwithstanding any other provision of this Lease, it shall not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the Interest Component evidenced by the Certificates under Section 103 of the Code. The District shall not, directly or indirectly, use or permit the use of proceeds of the Certificates or the Project, or any portion thereof, by any person other than a governmental unit (as such term is used in Section 141 of the Code), in such manner or to such extent as would result in the loss of exclusion from gross income for federal income tax purposes of the Interest Component evidenced by the Certificates.

The District shall not take any action, or fail to take any action, if any such action or failure to take action would cause the Lease Payments evidenced by Certificates to be “private activity bonds” within the meaning of Section 141 of the Code, and in furtherance thereof, shall not make any use of the proceeds of the Certificates or the Project, or any portion thereof, or any other funds of the District, that would cause the Lease Payments evidenced by Certificates to be “private activity bonds” within the meaning of Section 141 of the Code. To that end, so long as any Certificates are outstanding, the District, with respect to such proceeds and the Project and such other funds, will comply with applicable requirements of the Code and all regulations of the United States Department of the Treasury issued thereunder and under Section 103 of the Code, to the extent such requirements are, at the time, applicable and in effect.

The District shall not, directly or indirectly, use or permit the use of any proceeds of any Certificates or of the Project, or other funds of the District, or take or omit to take any action, that would cause the Lease Payments evidenced by Certificates to be “arbitrage bonds” within the meaning of Section 148 of the Code. To that end, the District shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury issued

thereunder to the extent such requirements are, at the time, in effect and applicable to the Lease Payments evidenced by Certificates.

The District shall not make any use of the proceeds of the Certificates or any other funds of the District, or take or omit to take any other action, that would cause the Lease Payments evidenced by Certificates to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(g) Essentiality of Property. The District hereby represents that the components of the Property being leased hereunder are essential school district facilities.

Section II.2 Representations, Covenants and Warranties of the Corporation. The Corporation represents, covenants and warrants to the District, the Trustee and the Insurer as follows:

(a) Due Organization and Existence; Enforceability. The Corporation is a nonprofit public benefit corporation duly organized, existing and in good standing under and by virtue of the laws of the State, has the power to enter into this Lease, the Assignment Agreement, the Site Lease and the Trust Agreement; is possessed of full power to own and hold real and personal property, and to lease and sell the same; and has duly authorized the execution and delivery of all of the aforesaid leases and agreements. This Lease, the Assignment Agreement, the Site Lease and the Trust Agreement constitute the legal, valid and binding obligations of the Corporation, enforceable in accordance with their respective terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

(b) No Conflicts or Defaults; No Liens or Encumbrances. Neither the execution and delivery of this Lease, the Assignment Agreement, the Site Lease or the Trust Agreement, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of the Articles of Incorporation or Bylaws of the Corporation or any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Corporation, or upon the Property except by Permitted Encumbrances and by the pledge contained in the Trust Agreement.

(c) Execution and Delivery. The Corporation has duly authorized and executed this Lease, the Assignment Agreement, the Site Lease and the Trust Agreement in accordance with the laws of the State.

(d) Maintenance of Corporate Existence. To the extent permitted by law, the Corporation agrees that during the Term hereof it will maintain its existence as a corporation, will not dissolve or otherwise dispose of all or substantially all of its assets, if any, will not become a general or limited partner in any partnership and will not combine or consolidate with or merge into any other entity or permit one or more other entities to consolidate with or merge into it.

(e) Qualification in California. The Corporation agrees that throughout the Term hereof it will be qualified to do business in the State.

(f) General Tax and Arbitrage Covenant. To the extent that the Corporation may control the Project or the proceeds of the Certificates, the Corporation covenants that, notwithstanding any other provision of this Lease, it shall not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the Interest Component evidenced by the Certificates under Section 103 of the Code. To the extent that the Corporation may control the Project or the proceeds of the Certificates, the Corporation shall not, directly or indirectly, use or permit the use of proceeds of the Certificates or the Project, or any portion thereof, by any person other than a governmental unit (as such term is used in Section 141 of the Code), in such manner or to such extent as would result in the loss of exclusion from gross income for federal income tax purposes of the Interest Component evidenced by the Certificates.

To the extent that the Corporation may control the Project or the proceeds of the Certificates, the Corporation shall not take any action, or fail to take any action, if any such action or failure to take action would cause the Lease Payments evidenced by Certificates to be “private activity bonds” within the meaning of Section 141 of the Code. In furtherance thereof, to the extent that the Corporation may control the Project or the proceeds of the Certificates, the Corporation shall not make any use of the proceeds of the Certificates or the Project, or any portion thereof, or any other funds of the District, that would cause the Lease Payments evidenced by Certificates to be “private activity bonds” within the meaning of Section 141 of the Code. To that end, so long as any Certificates evidencing Lease Payments are outstanding, the Corporation, with respect to such proceeds, the Project and such other funds, to the extent of its control thereof, will comply with applicable requirements of the Code and all regulations of the United States Department of the Treasury issued thereunder and under Section 103 of the Code, to the extent such requirements are, at the time, applicable and in effect.

To the extent that the Corporation may control the Project or the proceeds of the Certificates, the Corporation shall not, directly or indirectly, use or permit the use of any proceeds of any Certificates, or of the Project, or other funds of the District, or take or omit to take any action, that would cause the Lease Payments evidenced by Certificates to be “arbitrage bonds” within the meaning of Section 148 of the Code. To that end, the Corporation shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent such requirements are, at the time, in effect and applicable to the Lease Payments evidenced by Certificates.

To the extent that the Corporation may control the proceeds of the Certificates, the Corporation shall not make any use of the proceeds of the Certificates or any other funds of the Corporation, or take or omit to take any other action, that would cause the Lease Payments evidenced by Certificates to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

ARTICLE III

ACQUISITION, CONSTRUCTION AND INSTALLATION OF THE PROJECT

Section III.1 Deposit of Certificate Proceeds. On the Closing Date for the Certificates, the Corporation agrees to pay or cause to be paid to the District moneys to be deposited with the Trustee and the County as provided in Section 2.07 of the Trust Agreement and in the case of Additional Certificates as provided in any Supplemental Trust Agreement which relates to such Additional Certificates.

Section III.2 Reserved.

Section III.3 Payment of Project Costs and Delivery Costs. Payment of the Project Costs and the Delivery Costs shall be made from the moneys deposited with the County in the Special Reserve 2017 COP Project Fund and with the Trustee in the Delivery Cost Fund, respectively, as provided in Section 3.1 hereof and Section 2.07 of the Trust Agreement. Delivery Costs shall be disbursed in accordance and upon compliance with Article III of the Trust Agreement.

Section III.4 Reserved.

Section III.5 Substitution of or Addition to the Project. The District shall have the right to substitute alternate items for any portion of the Project listed in Exhibit C hereto or provide for additional components of the Project by providing the Trustee with a written certificate in the form contained in Exhibit E hereto and so long as such substitution or addition does not cause, in and of itself, the Interest Component evidenced by the Certificates to be included in gross income for federal income tax purposes.

Section III.6 Compliance with Law.

(a) Public Bidding. The District shall comply with all applicable provisions for bids and contracts prescribed by law, including, without limitation, the Public Contracts Code, the Education Code, and the Government Code of the State.

(b) Wage Rates and Working Hours. The District shall comply with all provisions relating to prevailing wage rates and working hours applicable to it under the laws of the State with respect to the acquisition, construction and installation of additions to the Project.

(c) Field Act Compliance. If applicable, the District shall acquire, construct and install additions to the Project in such manner as to comply with the Field Act, Sections 39140 *et seq.* of the Education Code of the State.

(d) Plans and Specifications. If applicable, the District shall prepare and adopt plans and specifications for the acquisition, construction and installation of additions to the Project pursuant to the Education Code and Public Contracts Code of the State.

Section III.7 Further Assurances and Corrective Instruments. The Corporation and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be or for carrying out the expressed intention of this Lease.

ARTICLE IV

AGREEMENT TO LEASE; TERM OF LEASE; LEASE PAYMENTS

Section IV.1 Lease. The Corporation hereby leases the Property to the District, and the District hereby leases the Property from the Corporation, upon the terms and conditions set forth herein. This Lease shall not operate as a merger of the District's leasehold estate in the Property pursuant to this Lease and its fee estate in the Property and shall not cause the extinguishment of the leasehold interest granted to the Corporation under the Site Lease.

Section IV.2 Term. The Term of this Lease shall commence on the date of the execution and delivery of the Certificates, which shall be _____, 2017, and shall end on September 1, 2041, unless extended pursuant to Section 4.3, or unless terminated prior thereto upon the earliest of any of the following events:

(a) Default and Termination. A default by the District and the Corporation's election to terminate this Lease under Section 9.2(b) hereof;

(b) Payment of All Lease Payments. The payment by the District of all Lease Payments and Reserve Replenishment Rent required under Section 4.4 hereof and any Additional Payments required under Section 4.11 hereof; or

(c) Prepayment. The deposit of funds or Defeasance Securities with the Trustee in amounts sufficient to pay all Lease Payments evidenced by the Outstanding Certificates as the same shall become due, as provided by Section 10.1 hereof and as provided by Section 14.01 of the Trust Agreement.

Section IV.3 Extension of Lease Term. If on September 1, 2041, the Certificates shall not be fully paid, or amounts shall be due hereunder or under the Trust Agreement to the Insurer with respect to the Insurance Policy or to the Reserve Insurer with respect to the Reserve Policy, or if the Lease Payments hereunder shall have been abated at any time and for any reason, then the Term shall be extended until all Certificates, all Reserve Replenishment Rent and all other such amounts due to the Insurer and the Reserve Insurer shall be fully paid, except that the Term shall in no event be extended beyond September 1, 2051.

Section IV.4 Lease Payments.

(a) Time and Amount. Subject to the provisions of Section 4.10 (regarding abatement in event of loss of use of any portion of the Property) and Article X (regarding prepayment of Lease Payments), the District agrees to pay to the Corporation, its successors and assigns, as annual rental for the use and possession of the Property, the Lease Payments (denominated into the Interest Component and Principal Component, the Interest Component of each Lease Payment being paid semiannually) in the amounts specified in Exhibit A, to be due and payable at the times specified in Exhibit A. Each Lease Payment shall be deposited with the Trustee no later than the Lease Payment Deposit Date preceding the Certificate Payment Date on which such Lease Payment is due and shall be for the right to use and occupy the Property for the preceding six-month period.

In the event the District does not make a deposit of the Lease Payment due on the respective Lease Payment Deposit Date, the Trustee shall provide prompt written notice to the District of such failure to pay; provided, however, that failure to give such notice shall not excuse any event of default under such Section 9.1 hereof.

(b) Credits. Any amount held in an Account of the Lease Payment Fund on any Lease Payment Deposit Date (other than amounts received by the Trustee under the Insurance Policy and the Reserve Policy, and other than amounts resulting from the prepayment of the Lease Payments in part but not in whole pursuant to Section 10.2 hereof and other amounts required for payment of principal with respect to any Certificates not presented for payment or interest) shall be credited towards the applicable Lease Payment then due and payable. No Lease Payment need be made on any Lease Payment Deposit Date if the amounts then held in the Lease Payment Fund are at least equal to the Lease Payment then required to be paid.

(c) Rate on Overdue Payments. In the event the District should fail to make any of the Lease Payments required in this Section, the Lease Payment in default shall continue as an obligation of the District until the amount in default shall have been fully paid, and the District agrees to pay the same with interest thereon, to the extent permitted by law, from the date such amount was originally payable at the rate equal to the original interest rate payable with respect to each Certificate then Outstanding evidencing an interest in such Lease Payment, or the applicable rate of any Reserve Facility if there is a draw on such Reserve Facility.

(d) Reserve Replenishment Rent. If

(i) funds have been withdrawn from the Reserve Fund pursuant to a draw on the Reserve Policy in order to pay interest or principal represented by the Certificates,

(ii) Lease Payments are not in abatement pursuant to Section 4.10 hereof, and

(iii) the amount of such Lease Payments and Additional Payments due in each year is less than the annual fair rental value of the Property, according to an appraisal to be filed with the Trustee,

then the District shall pay from its first legally available moneys after payment of Lease Payments, to the Trustee, Reserve Replenishment Rent in the amount required to reimburse the Reserve Insurer for the amounts drawn on the Reserve Policy plus interest thereon at the Late Payment Rate

to the date of payment over a period of not more than twelve months, in twelve (12) substantially equal payments; provided, however if such payments would cause the sum of the Lease Payments and the Reserve Replenishment Rent to exceed the fair rental value in a Fiscal Year, then the amount of the Reserve Replenishment Rent shall be reduced so that such fair rental value amount is not exceeded and the remainder of the Reserve Replenishment Rent shall be paid in equal monthly installments in the subsequent Fiscal Year until fully paid.

Section IV.5 No Withholding. Notwithstanding any dispute between the Corporation and the District, including a dispute as to the failure of any portion of the Property in use by or possession of the District to perform the task for which it is leased, the District shall make all Lease Payments, Additional Payments and Reserve Replenishment Rent when due and shall not withhold any Lease Payments, Reserve Replenishment Rent or Additional Payments pending the final resolution of such dispute.

Section IV.6 Fair Rental Value. The Lease Payments, the Reserve Replenishment Rent and the Additional Payments shall be paid by the District in consideration of the right of possession of, and the continued quiet use and enjoyment of, the Property during each such period for which said Lease Payments, Reserve Replenishment Rent and Additional Payments are to be paid. The parties hereto have agreed and determined that the total rental due in each Fiscal Year does not exceed the fair rental value of the Property in such Fiscal Year. In making such determination, consideration has been given to the current market value of the Property, other obligation of the parties under this Lease (including but not limited to costs of maintenance, taxes and insurance), the uses and purposes which may be served by the Property and the benefits therefrom which will accrue to the District and the general public, and the transfer of the Corporation's leasehold interest in the Property at the end of the Term.

Section IV.7 Budget and Appropriation. The District covenants to take such action as may be necessary to include all Lease Payments, Additional Payments and Reserve Replenishment Rent (to the extent the amounts of such Additional Payments and Reserve Replenishment Rent are known to the District at the time its annual budget is proposed) due hereunder in its annual budget and to make the necessary annual appropriations therefor, and to maintain such items to the extent unpaid for that Fiscal Year in its budget throughout such Fiscal Year. To the extent the amount of such payments becomes known after the adoption of the annual budget, such amounts shall be included and maintained in such budget as amended. During the Term, the District will furnish annually, on or before September 1 of each year, to the Trustee a certificate of the District Representative stating that all Lease Payments, Additional Payments and Reserve Replenishment Rent (to the extent the amounts of such Additional Payments and Reserve Replenishment Rent are known to the District at the time its annual budget is proposed) due hereunder for the applicable Fiscal Year have been included in its annual budget and the amount so included. The covenants on the part of the District herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the ministerial duty of each and every public official of the District to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the District to carry out and perform the covenants and agreements in this Lease agreed to be carried out and performed by the District.

Section IV.8 Assignment of Lease Payments. Certain of the Corporation's rights under this Lease, including the right to receive and enforce payment of the Lease Payments, Prepayments and Reserve Replenishment Rent to be made by the District hereunder, have been absolutely and irrevocably assigned to the Trustee, subject to certain exceptions, pursuant to the Assignment Agreement, to which assignment the District hereby consents. The Corporation hereby directs the District, and the District hereby agrees, to pay to the Trustee at the Trustee's corporate trust office in Los Angeles, California, or to the Trustee at such other place as the Trustee shall direct in writing, all Lease Payments, Prepayments and Reserve Replenishment Rent payable by the District hereunder. The Corporation will not assign or pledge the Lease Payments, Prepayments or Reserve Replenishment Rent or other amounts derived from the Property and from its other rights under this Lease except as provided under the terms of this Lease, the Assignment Agreement and the Trust Agreement, or its duties and obligations except as provided under this Lease and any assignment in contravention hereof shall be void.

Section IV.9 Use and Possession. The total Lease Payments, Reserve Replenishment Rent and Additional Payments due in any Fiscal Year shall be for the District's right to use and possess the Property for such Fiscal Year. During the Term of this Lease, the District shall be entitled to the exclusive use and possession of the Property, subject only to the Permitted Encumbrances.

Section IV.10 Abatement of Lease Payments and Additional Payments in Event of Loss of Use.

(a) Period. The obligation of the District to pay Lease Payments, Reserve Replenishment Rent and Additional Payments shall be abated during any period in which by reason of damage, destruction, title defect or taking by eminent domain or condemnation with respect to any portion of the Property there is substantial interference with the District's right to use and possession of such portion of the Property.

(b) Amount. The amount of such abatement shall be determined by the District such that the resulting Lease Payments, Reserve Replenishment Rent and Additional Payments represent fair consideration for the District's right to use and possession of the portion of the Property not damaged, destroyed, or interfered with as a result of title defect or taking. Such abatement shall commence with such damage, destruction or interference by title defect or taking and end with the substantial completion of the replacement or work or repair, or the end of the interference by title defect; provided, however, that during abatement, available moneys on deposit in the Reserve Fund and the Lease Payment Fund, and other sources of money that constitute a special fund, including without limitation proceeds of rental interruption or use and occupancy insurance, shall be applied to pay the Lease Payments.

(c) Repair or Replacement. In the event of such abatement, the District will use its best efforts to repair or replace the damaged or destroyed or taken portion of the Property, as the case may be, from Net Proceeds, subject to the requirements of Section 6.1 hereof, or special funds of the District or other moneys the application of which would, in the opinion of Special Counsel addressed to the Trustee, the Insurer, the District and the Corporation, not result in the obligations of the District hereunder constituting indebtedness of the District in contravention of the Constitution and laws of the State.

Section IV.11 Additional Payments. In addition to the Lease Payments, the District shall also pay such amounts (“Additional Payments”) as shall be required for the payment of all administrative costs of the Corporation relating to the Property or the Certificates, including without limitation all expenses, compensation and indemnification of the Trustee payable by the District under the Trust Agreement, taxes of any sort whatsoever payable by the Corporation as a result of its ownership of the Property or undertaking of the transactions contemplated herein or in the Trust Agreement, fees of auditors, accountants, attorneys or engineers, any and all amounts due to the Insurer and the Reserve Insurer under the Trust Agreement (other than amounts paid by the Insurer and the Reserve Insurer to Certificate Owners under the Policy and the Reserve Policy), and all other necessary administrative costs of the Corporation or charges required to be paid by it in order to maintain its existence or to comply with the terms of the Certificates or of the Trust Agreement, including premiums on insurance maintained pursuant to Article V hereof or to indemnify the Corporation and its employees, officers and directors, and the Trustee.

Section IV.12 Net-Net-Net Lease. This Lease shall be deemed and construed to be a “net-net-net lease” and the District hereby agrees that the Lease Payments shall be an absolute net return to the Corporation, free and clear of any expenses, taxes, fees, insurance premiums, rebate payments, reserve deposits, costs associated with the Property, charges or set-offs whatsoever, except as expressly provided herein.

ARTICLE V

INSURANCE

Section V.1 Public Liability and Property Damage.

(a) Coverage. The District shall maintain or cause to be maintained, throughout the Term hereof, a standard comprehensive general public liability and property damage insurance policy or policies in protection of the District and the Corporation, their directors, officers, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the use or operation of any District property or portion thereof.

(b) Limits. Said policy or policies shall provide coverage in the minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of \$150,000 (subject to a deductible clause of not to exceed \$75,000) for damage to property resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy covering all such risks in an amount equal to the liability limits set forth herein. [CONFIRM COVERAGE AMOUNTS]

(c) Joint or Self-Insurance. Such liability insurance, including the deductible, may be maintained as part of or in conjunction with any other insurance coverage carried by the District, and, subject to compliance with Section 5.6(e) hereof, may be maintained in the form of self-insurance by the District.

(d) Payment of Net Proceeds. The net proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid.

Section V.2 Workers' Compensation. The District shall also maintain workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure its employees against liability for compensation under the Workers' Compensation Insurance and Safety Act now in force in the State, or any act hereafter enacted as an amendment or supplement thereto (with provision for self-insurance of no more than \$1,000,000), or may self-insure for such coverage through another self-insurance plan pursuant to Section 5.6(e) hereof.

Section V.3 Casualty and Theft Insurance.

(a) Casualty and Theft Insurance: Coverage. The District shall procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease, insurance against loss or damage to any portion of the Property caused by fire and lightning, with extended coverage and theft, vandalism and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance.

(b) Amount. Such insurance shall be in an amount (except that such insurance may be subject to deductible clauses of not to exceed \$50,000 for any one loss) not less than the greater of (i) the replacement cost of the Property and (ii) the aggregate principal amount of the Certificates at the time Outstanding. Full payment of proceeds up to the required policy dollar limit in connection with damage to the Property shall, under no circumstances, be contingent on the degree of damage at other facilities owned or leased by the District. The policy must explicitly waive any co-insurance penalty.

(c) Joint or Self-Insurance. Such insurance may be maintained as part of or in conjunction with any other insurance carried or required to be carried by the District, and, subject to compliance with Section 5.6(e) hereof, may be maintained in the form of self-insurance by the District.

(d) Payment of Net Proceeds. The Net Proceeds of such insurance shall be paid to the Trustee and deposited in the Net Proceeds Fund and applied as provided in Section 6.1.

Section V.4 Rental Interruption or Use and Occupancy Insurance.

(a) Coverage and Amount. The District shall maintain or cause to be maintained rental interruption or use and occupancy insurance in an amount not less than the maximum remaining scheduled Lease Payments in any future 24-month period, to insure against loss of rental income from the Property caused by perils covered by the insurance required to be maintained as provided in Section 5.3 hereof. Such rental interruption or use and occupancy insurance shall name the Trustee as loss payee.

(b) Joint Insurance. Such insurance may be maintained as part of or in conjunction with any other rental income or use and occupancy insurance carried by the District.

(c) Payment of Net Proceeds. The Net Proceeds of such rental interruption or use and occupancy insurance shall be paid to the Trustee and deposited (1) in the Reserve Fund (in payment of any Reserve Replenishment Rent) to make up any deficiencies therein, and (2) in the Lease Payment Fund, to be credited towards the payment of the Lease Payments in the order in which such Lease Payments come due and payable.

(d) Rental Interruption or Use and Occupancy Insurance. Evidence of such rental interruption or use and occupancy insurance policy being in effect shall be sent annually at renewal to the Trustee.

(e) No Self-Insurance. No self-insurance will be permitted with respect to the above requirements for rental interruption or use and occupancy insurance.

Section V.5 Title Insurance. The District shall obtain and, throughout the Term of this Lease, maintain or cause to be maintained title insurance on the Property, in the form of an ALTA title policy (with Western Regional exceptions), in an amount equal to the aggregate principal amount of the Certificates Outstanding, issued by a company of recognized standing, duly authorized to issue the same, payable to the Trustee for the benefit of the Owners, subject only to Permitted Encumbrances. Said policy shall insure (a) the Corporation's ground leasehold estate in the Property under the Site Lease, and (b) the District's leasehold estate hereunder in the Property, subject only to Permitted Encumbrances. The Net Proceeds of such insurance shall be applied as provided in Section 6.1. The Trustee shall be provided with a title insurance policy in an amount equal to principal amount of the Certificates.

Section V.6 General Insurance Provisions.

(a) Form of Policies. All policies of insurance required to be procured and maintained pursuant to this Lease (other than the title insurance required by Section 5.5) and any statements of self-insurance shall be in a form certified by an insurance agent, broker or consultant to the District to comply with the provisions hereof. All such policies shall provide that the District shall give the Trustee thirty (30) days' notice of each expiration, any intended cancellation thereof or reduction of the coverage provided thereby and, for any policy not in effect as of the date of execution and delivery of the Certificates, shall be provided by carriers rated in one of the two highest rating categories, without regard to modifiers, by S&P or Moody's and at least "A" by A.M. Best Company, Inc. unless otherwise consented to by the Insurer. Each policy of insurance required to be procured and maintained pursuant to Section 5.3 (regarding casualty and theft insurance), Section 5.4 (regarding rental interruption or use and occupancy insurance) and Section 5.5 (regarding title insurance) shall provide that all proceeds thereunder shall be payable to the Trustee for the benefit of the Owners.

(b) Payment of Premiums. The District shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease, and shall promptly furnish or cause to be furnished to the Trustee a certificate to such effect, as described in paragraph (d) below.

(c) Protection of the Trustee. The Trustee shall not be responsible for the sufficiency or adequacy of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the Trustee.

(d) Evidence of Insurance. The District shall cause to be delivered to the Trustee annually on or before January 1 a certificate stating that the insurance policies required by this Lease are in full force and effect.

(e) Self-Insurance. The District may only elect to self-insure pursuant to Sections 5.1, 5.2 and 5.3 hereof, if and to the extent such self-insurance method or plan of protection shall afford reasonable protection to the Corporation and the Trustee, in light of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by other school districts in the State other than the District. Insurance provided through a California joint powers authority of which the District is a member or with which the District contracts for insurance shall not be deemed to be self-insurance for purposes hereof. Any self-insurance maintained by the District pursuant to this Article V shall comply with the following terms:

(i) The self-insurance program shall be approved in writing by an Independent Insurance Consultant;

(ii) The self-insurance program shall include an actuarially sound claims reserve fund out of which each self-insured claim shall be paid; the adequacy of such fund shall be evaluated on an annual basis by an Independent Insurance Consultant; a certified actuarial statement attesting to the adequacy of such fund shall be delivered to the Trustee on an annual basis and any deficiencies in any self-insured claims reserve fund shall be remedied in accordance with the recommendation of such Independent Insurance Consultant;

(iii) The self-insured claims reserve fund shall be held in a separate trust fund by an independent trustee, which may be the Trustee;

(iv) In the event the self-insurance program shall be discontinued, the actuarial soundness of its claims reserve fund, as determined by an Independent Insurance Consultant, shall be maintained; and

(v) No self-insurance will be permitted with respect to the requirements for title insurance.

Section V.7 Cooperation. The Corporation shall cooperate fully with the District at the expense of the District in filing any proof of loss with respect to any insurance policy maintained pursuant to this Article and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Property or any portion thereof.

ARTICLE VI

DAMAGE, DESTRUCTION AND EMINENT DOMAIN; USE OF NET PROCEEDS

Section VI.1 Application of Net Proceeds.

(a) Deposit in Net Proceeds Fund. The District shall remit promptly to the Trustee any Net Proceeds received by the District and the Trustee, pursuant to Section 7.01 of the Trust Agreement, shall deposit in the Net Proceeds Fund Net Proceeds of insurance which it receives as provided in Section 5.3 (regarding casualty and theft insurance) and Section 5.5 (regarding title insurance) promptly upon receipt thereof. The District and/or the Corporation shall transfer to the Trustee any other Net Proceeds received by the District and/or Corporation in the event of any accident, destruction, theft or taking by eminent domain or condemnation with respect to the Property, for deposit in the Net Proceeds Fund.

(b) Disbursement for Replacement or Repair of the Property. Upon receipt of the prior written consent of the Insurer and the certification described in paragraph (i) below and the requisition described in paragraph (ii) below, the Trustee shall disburse moneys in the Net Proceeds Fund to the person, firm or corporation named in the requisition as provided in Section 7.02 of the Trust Agreement.

(i) Certification. The District Representative must certify to the Corporation and the Trustee that:

(A) Sufficiency of Net Proceeds. The Net Proceeds available for such purpose, together with any other funds supplied by the District to the Trustee in a subaccount of the Net Proceeds Fund for such purpose, are expected to equal at least 110% (or such lesser percentage as may be consented to by the Insurer) of the projected costs of replacement or repair, as demonstrated in an attached reconstruction budget, and

(B) Timely Completion. In the event that damage, destruction or interference by title defect or taking results or is expected to result in an abatement of Lease Payments, such replacement or repair can be fully completed within a period not in excess of the period in which rental interruption or use and occupancy insurance proceeds, as described in Section 5.4 together with other identified available moneys, will be available to pay in full all Lease Payments coming due during such period as demonstrated in an attached reconstruction schedule.

(ii) Requisition. The District Representative must state with respect to each payment to be made (1) the requisition number, (2) the name and address of the person, firm or corporation to whom payment is due, (3) the amount to be paid and (4) that each obligation mentioned therein has been properly incurred, is a proper charge against the Net Proceeds Fund, has not been the basis of any previous withdrawal, and specifying in reasonable detail the nature of the obligation. Each such requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts.

Any balance of the Net Proceeds remaining in the Net Proceeds Fund after such replacement or repair has been completed shall, with the prior written consent of the Insurer, be disbursed to the District. Any amounts remaining in the Net Proceeds Fund after payment or provision for payment of all Certificates shall be paid to the District as provided in Section 7.02 of the Trust Agreement.

(c) Disbursement for Prepayment. If the District Representative notifies the Trustee in writing of the District's determination that the certification provided in Section 6.1(b)(i) cannot be made or that replacement or repair of any portion of the Property is not economically feasible or in the best interest of the District, then the Trustee shall promptly transfer the Net Proceeds to the Prepayment Fund as provided in Section 7.02 of the Trust Agreement and apply them to prepayment of the Certificates as provided in Section 4.02 of the Trust Agreement and prepayment of Lease Payments as provided in Section 10.2 hereof; provided that in the event of damage or destruction in whole of the Property and in the event such Net Proceeds, together with funds then on hand in the Lease Payment Fund and Reserve Fund, are not sufficient to prepay all the Certificates then Outstanding, then the District shall, in accordance with Section 4.10(c) hereof, use its best efforts to repair or replace the Property from Net Proceeds and other lawfully available funds of the District, unless the Insurer consents to a prepayment of a portion of the Certificates from available Net Proceeds.

ARTICLE VII

COVENANTS WITH RESPECT TO THE PROPERTY

Section VII.1 Use of the Property. The District represents and warrants that it has an immediate need for, and expects to make immediate use of, all of the Property, which need is not temporary or expected to diminish in the foreseeable future.

Section VII.2 Interest in the Property and the Lease.

(a) Corporation Holds Leasehold Interest During Term. During the Term of this Lease, the Corporation does and shall hold a leasehold interest in the Property pursuant to the Site Lease. The District shall take any and all actions reasonably required, including but not limited to executing and filing any and all documents reasonably required, to maintain and evidence such title and interest at all times during the Term of this Lease.

(b) Title Transferred to District at End of Term. Upon expiration of the Term as provided in Section 4.2(b) or 4.2(c) hereof, all right, title and interest of the Corporation in and to all of the Property pursuant to this Lease shall be transferred to and vest in the District, without the necessity of any additional document of transfer.

Section VII.3 Reserved.

Section VII.4 Quiet Enjoyment. During the Term, the Corporation shall provide the District with quiet use and enjoyment of the Property, and the District shall during such Term peaceably and quietly have and hold and enjoy the Property, without suit, trouble or hindrance from the Corporation, or any person or entity claiming under or through the Corporation except as expressly set forth in this Lease. The Corporation will, at the request of the District, join in any legal action in which the District asserts its right to such possession and enjoyment to the extent the Corporation may lawfully do so. Notwithstanding the foregoing, the Corporation shall have the right to inspect the Property as provided in Section 7.6 hereof.

Section VII.5 Installation of District's Personal Property. The District may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items of equipment or other personal property in or upon any portion of the Property. All such items shall remain the sole personal property of the District, regardless of the manner in which the same may be affixed to such portion of the Property, in which neither the Corporation nor the Trustee shall have any interest, and may be modified or removed by the District at any time; provided that the District shall repair and restore any and all damage to such portion of the Property resulting from the installation, modification or removal of any such items of equipment. Nothing in this Lease shall prevent the District from purchasing items to be installed pursuant to this Section, provided that no lien or security interest shall attach to any part of the Property.

Section VII.6 Access to the Property. The District agrees that the Corporation, any Corporation Representative and the Corporation's successors, assigns or designees shall have the right at all reasonable times to enter upon the Property or any portion thereof to examine and inspect the Property. The District further agrees that the Corporation, any such Corporation Representative, and the Corporation's successors, assigns or designees shall have such rights of access to the Property as may be reasonably necessary to cause the proper maintenance of the Property in the event of failure by the District to perform its obligations hereunder.

Section VII.7 Maintenance, Utilities, Taxes and Assessments.

(a) Maintenance; Repair and Replacement. Throughout the Term of this Lease, as part of the consideration for the rental of the Property, all repair and maintenance of the Property shall be the responsibility of the District, and the District shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Property resulting from ordinary wear and tear or want of care on the part of the District or any sublessee thereof. In exchange for the Lease Payments herein provided, the Corporation agrees to provide only the Property, as hereinbefore more specifically set forth. The District waives the benefits of subsections 1 and 2 of Section 1932 and subsection 4 of Section 1933 of the California Civil Code, but such waiver shall not limit any of the rights of the District under the terms of this Lease.

(b) Tax and Assessments; Utility Charges. The District shall also pay or cause to be paid all taxes and assessments, including but not limited to utility charges, of any type or nature charged to the Corporation or the District or levied, assessed or charged against any portion of the Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the District shall be obligated to pay only such installments as are required to be paid during the Term of this Lease as and when the same become due.

(c) Contests. The District may, at its expense and in its name, in good faith contest any such taxes, assessments, utility and other charges upon notice to the Insurer and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom; provided that prior to such nonpayment it shall furnish the Corporation and the Trustee with the opinion of an Independent Counsel acceptable to the Corporation and the Trustee, to the effect that, by nonpayment of any such items, the interest of the Corporation in such portion of the Property will not be materially endangered and that the Property will not be subject to loss or forfeiture. Otherwise, the District shall promptly pay such taxes, assessments or charges or make provisions for the payment thereof in form satisfactory to the Corporation. The Corporation will cooperate fully in such contest, upon the request and at the expense of the District. The District shall pay any contested amount if requested in writing by the Insurer to do so.

Section VII.8 Modification of the Property.

(a) Additions, Modifications and Improvements. The District shall, at its own expense, have the right to make additions, modifications, and improvements to any portion of the Property if such improvements are necessary or beneficial for the use of such portion of the Property. All such additions, modifications and improvements shall thereafter comprise part of the Property and be subject to the provisions of this Lease. Such additions, modifications and improvements shall not in any way cause an abatement of Lease Payments with respect to the Property or cause it to be used for purposes other than those authorized under the provisions of State and federal law or in any way which would impair the State tax-exempt status or the exclusion from gross income for federal income tax purposes of the Interest Component evidenced by the Certificates; and the Property, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value which is not substantially less than the value of the Property immediately prior to the making of such additions, modifications and improvements.

(b) No Liens. Except for Permitted Encumbrances, the District will not permit any mechanic's or other lien to be established or remain against the Property for labor or materials furnished in connection with any additions, modifications or improvements made by the District pursuant to this Section; provided that if any such lien is established and the District shall first notify or cause to be notified the Corporation of the District's intention to do so, the District may in good faith contest any lien filed or established against the Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Corporation with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Trustee (as assignee of the Corporation). The Corporation will cooperate fully in any such contest, upon the request and at the expense of the District.

(c) Replacements, Redevelopment and Renovation. The District shall, at its own expense, have the right to make replacements, redevelopment or renovation, to the extent that such replacement, redevelopment or renovation would result in the temporary abatement of Lease Payments as provided in Section 4.10 hereof, of all or a portion of the Property if the following conditions precedent are satisfied:

(i) The District receives an opinion of Special Counsel, a copy of which the District shall furnish to the Corporation, the Insurer and the Trustee, that (1) such replacement does not adversely affect the exclusion from gross income for federal income tax purposes of the Interest Component evidenced by the Certificates or the State tax-exempt status of the Interest Components evidenced by the Certificates, and (2) the Lease will remain the legal, valid, binding and enforceable obligation of the District;

(ii) The District shall have notified each rating agency then providing a rating on the Certificates and shall deposit moneys with the Trustee in advance for payment of Lease Payments from special funds of the District or other moneys, the application of which would not, in the opinion of Special Counsel (a copy of which shall have been delivered to the Trustee and the Insurer), result in such Lease Payments constituting indebtedness of the District in contravention of the Constitution and laws of the State;

(iii) The District shall certify to the Trustee and the Insurer that it has sufficient funds to complete such replacement, redevelopment or renovation; and

(iv) In the case of replacement or redevelopment, the District, the Insurer and the Trustee shall receive an independent MAI appraisal or documentation of insured/replacement value that can demonstrate that the annual fair rental value of the replacements will be at least equal to the lesser of (1) the annual fair rental value of the Property immediately prior to such replacement or redevelopment, or (2) 150% of the maximum annual Lease Payments under the Lease.

(v) In the case of a replacement of the Property, the Insurer shall have consented in writing to such replacement.

Section VII.9 Encumbrances; Alternative Financing Methods.

(a) Encumbrances. Except as provided in this Article VII (including without limitation Section 7.8 hereof and this Section 7.9), the District shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, liens, charges, encumbrances or claims, as applicable, on or with respect to the Property, other than Permitted Encumbrances and other than the respective rights of the Corporation and the District as herein provided. Except as expressly provided in this Article VII, the District shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time; provided that the District may contest such liens if it desires to do so, if it provides security to the Trustee against any loss or forfeiture. The District shall reimburse the Corporation for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

(b) Alternative Financing Methods. Notwithstanding the foregoing, the District may (with the prior written consent of the Insurer) create or suffer to create any mortgage, pledge, liens, charges, encumbrances or claims upon the Property or any improvements thereto, provided that (1) any such mortgage, pledge, liens, charges, encumbrances or claims shall at any time while any of the Certificates remain Outstanding be and remain subordinate in all respects to the Site Lease and Lease and any security interest given to the Trustee for the benefit of the Owners and (2) the District shall have first delivered to the Trustee and the Insurer an opinion of Special Counsel substantially to the effect that such mortgage, pledge, liens, charges, encumbrances or claims would not result in the inclusion of the Interest Component evidenced by the Certificates in the gross income of the owners of the Certificates for purposes of federal income taxation or impair the State tax-exempt status of such payments.

Section VII.10 Corporation's Disclaimer of Warranties. THE CORPORATION MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE DISTRICT OF THE PROPERTY, OR ANY PORTION THEREOF. THE DISTRICT ACKNOWLEDGES THAT THE CORPORATION IS NOT A MANUFACTURER OF PORTIONS OF THE PROPERTY, AND THAT THE DISTRICT IS LEASING THE PROPERTY AS IS. In no event shall the Corporation be liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Lease, the Site Lease, the Assignment Agreement or the Trust Agreement for the existence, furnishing, functioning or District's use and possession of the Property.

Section VII.11 District's Right to Enforce Warranties of Vendors or Contractors. The Corporation hereby irrevocably appoints the District as its agent and attorney-in-fact during the Term of this Lease, so long as the District shall not be in default hereunder, to assert from time to time whatever claims and rights, including without limitation, warranty claims, claims for indemnification and claims for breach of any representations, respecting the Property which the Corporation may have against any vendor or contractor. The District's sole remedy for the breach of any such warranty, indemnification or representation shall be against the vendor or contractor with respect thereto, and not against the Corporation, nor shall such matter have any effect whatsoever on the rights and obligations of the Corporation with respect to this Lease, including the right to receive full and timely Lease Payments and all other payments due hereunder. The District shall be entitled to retain any and all amounts recovered as a result of the assertion of any such claims and rights. The Corporation shall, upon the District's request and at the District's expense, do all things and take all such actions as the District may request in connection with the assertion of any such claims and rights.

Section VII.12 Substitution or Release of the Property. The District, with the prior written consent of the Insurer, shall have the right to substitute alternate real property for any portion of the Property described in Exhibit B hereto or to release a portion of the Property from the lien of this Lease by providing the Trustee with a supplement to this Lease substantially in the form attached as Exhibit D hereto and by satisfying the conditions set forth in paragraph (a) through (h), inclusively, of this Section 7.12. All costs and expenses incurred in connection with such substitution or release shall be borne by the District. Notwithstanding any substitution or release pursuant to this Section, there shall be no reduction in or abatement of the Lease Payments due from the District hereunder as a result of such substitution or release. No substitution or release shall be permitted hereunder unless:

(a) any substituted property is free from any liens, other than Permitted Encumbrances, as certified by the District in a certificate delivered to the Trustee;

(b) the District provides prior written notice thereof to each rating agency then rating the Certificates;

(c) either: (i) an independent MAI or equivalent certified real estate appraiser selected by the District finds (and delivers a certificate to the District and the Trustee setting forth its findings) or (ii) the District presents documentation of insured/replacement value which demonstrates that the real property remaining after such substitution or release (i) has a fair rental value in each Fiscal Year during the remaining Term greater than or equal to the Lease Payments due in such Fiscal Year such that the Lease Payments payable by the District pursuant to this Lease will not be reduced and (ii) has an equivalent or greater useful life as the Property to be released and that the useful life of the substituted real Property exceeds the remaining Term;

(d) with respect to a substitution, the District obtains or causes to be obtained an ALTA title insurance policy (with Western Regional exceptions) with endorsement so as to be payable to the Trustee for the benefit of the Owners. Such policy shall comply with Section 5.5 hereof, shall be in a form satisfactory to the Insurer and the Corporation, shall be in the amount equal to the Principal Component of Lease Payments attributable to the substituted real property, and shall insure all interests required under Section 5.5, as applicable, to the substituted real property;

(e) the District provides the Corporation, the Insurer and the Trustee with an opinion of Special Counsel that such substitution or release does not cause, in and of itself, the Interest Component evidenced by the Certificates to be included in gross income for federal income tax purposes;

(f) the District shall give, or cause to be given, any notice of the occurrence of such substitution or release required to be given pursuant to the Continuing Disclosure Certificate;

(g) upon any substitution or release, the District, the Corporation and the Trustee shall execute and the District shall record with the office of the County Recorder, County of Orange, California, any document necessary to reconvey to the District the portion of the Property being released and to include the substituted real property and/or improvements thereon as all or a portion of the Property; and

(h) the District shall certify to the Trustee and the Insurer that any substituted real property is of approximately the same degree of essentiality to the District as the Property being released.

Notwithstanding the foregoing, if, on September 1, 2032, the District is not in default hereunder or under the Trust Agreement, and no Additional Payments are then owing, then, and without any further action required, Parcels 1, 2 and 3 shall be released from the definition of Property and no longer secure Lease Payments hereunder. Furthermore, if, on September 1, 2037, the District is not in default hereunder or under the Trust Agreement, and no Additional Payments are then owing, then, and without any further action required, Parcels 5 and 6 shall be released from the definition of Property and no longer secure Lease Payments hereunder.

Section VII.13 Compliance with Law, Regulations, Etc.

(a) The District has, after due inquiry, no knowledge and has not given or received any written notice indicating that the Property or the past or present use thereof or any practice, procedure or policy employed by it in the conduct of its business materially violates any applicable law, regulation, code, order, rule, judgment or consent agreement, including, without limitation, those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection, hazardous or toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped, or restrictive covenants or other agreements affecting title to the Property (collectively, "Laws and Regulations"). Without limiting the generality of the foregoing, neither the District nor to the best of its knowledge, after due inquiry, any prior or present owner, tenant or subtenant of the Property has, other than as set forth in subsections (a) and (b) of this Section or as may have been remediated in accordance with Laws and Regulations, (i) used, treated, stored, transported or disposed of any material amount of flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos or any Asbestos Containing Materials, methane, radioactive materials, pollutants, hazardous materials, hazardous wastes, hazardous, toxic, or regulated substances or related materials, as defined in CERCLA, RCRA, CWA, CAA, TSCA and Title III, and the regulations promulgated pursuant thereto, and in all other Environmental Regulations applicable to the District, the Property or the business operations conducted by the District thereon (collectively, "Hazardous Materials") on, from or beneath the Property, (ii) pumped, spilled, leaked, disposed of, emptied, discharged or released (hereinafter collectively referred to as "Release") any material amount of Hazardous Materials on, from or beneath the Property, or (iii) stored any material amount of petroleum products at the Property in underground storage tanks.

(b) Excluded from the representations and warranties in subsection (a) hereof with respect to Hazardous Materials are those Hazardous Materials in those amounts ordinarily found in the inventory of, or used in the maintenance of school and school related buildings, the use, treatment, storage, transportation and disposal of which has been and shall be in compliance with all Laws and Regulations.

(c) No portion of the Property located in an area of high potential incidence of radon has an unventilated basement or subsurface portion which is occupied or used for any purpose other than the foundation or support of the improvements to the Property.

Section VII.14 Environmental Compliance.

(a) The District shall not use or permit the Property or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the improvements on the Property and then, only in compliance with all Environmental Regulations, and any state equivalent laws and regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the Release or threat of Release of Hazardous Materials on, from or beneath the Property or onto any other property excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of a unified school district, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Environmental Regulations. Upon the occurrence of any Release or threat of Release of Hazardous Materials, the District shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Trustee, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so released, on, from or beneath the Property or other property, in compliance with all Environmental Regulations. Notwithstanding anything to the contrary contained herein, underground storage tanks shall only be permitted subject to compliance with subsection (d) and only to the extent necessary to maintain the improvements on the Property.

(b) The District shall comply with, and shall cause all tenants, subtenants, licensees, guests, invitees, contractors, employees and agents on the Property to comply with, all Environmental Regulations, and shall keep the Property free and clear of any liens imposed pursuant thereto; provided, however, that notwithstanding that a portion of this covenant is limited to the District's use of its best efforts, the District shall remain solely responsible for ensuring such compliance and such limitation shall not diminish or affect in any way the District's obligations contained in subsection (c) hereof as provided in subsection (c) hereof. Upon receipt of any notice from any person with regard to the Release of Hazardous Materials on, from or beneath the Property, the District shall give prompt written notice thereof to the Trustee prior to the expiration of any period in which to respond to such notice under any Environmental Regulation.

(c) Irrespective of whether any representation or warranty contained in Section 7.13 is not true or correct, the District shall, to the extent permitted by law, defend, indemnify and hold harmless the Trustee, the Insurer, the Owners, their partners, depositors and each of their respective employees, agents, officers, directors, trustees, successors and assigns, from and against any claims, demands, penalties, fines, attorneys' fees (including, without limitation, attorneys' fees and expenses incurred to enforce the indemnification contained in this Section 7.14, consultants' fees, investigation and laboratory fees, liabilities, settlements (five Business Days' prior notice of which the Trustee or the Insurer shall have delivered to the District), court costs, damages, losses, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, occurring in whole or in part, arising out of, or in any way related to, (i) the presence, disposal, release, threat of release, removal, discharge, storage or transportation of any Hazardous Materials on, from or beneath the Property, (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (iii) any lawsuit brought or threatened, settlement reached (five Business Days' prior notice of which the Trustee shall have delivered to the District), or governmental order relating to Hazardous Materials on, from or beneath the Property, (iv) any violation of Environmental Regulations or subsection (a) or (b) hereof by it or any of its agents, tenants, employees, contractors, licensees, guests, subtenants or invitees, and (v) the imposition of any governmental lien for the recovery of environmental cleanup or removal costs. To the extent that the District is strictly liable under any Environmental Regulation, its obligation to the Owners and the other indemnitees under the foregoing indemnification shall likewise be without regard to fault on its part with respect to the violation of any Environmental Regulation which results in liability to any indemnitee. The obligations and liabilities under this Section 7.14(c) shall survive the payment and satisfaction of all Certificates, and with regard to the Trustee the resignation and removal of the Trustee.

(d) The District shall conform to and carry out a reasonable program of maintenance and inspection of all underground storage tanks, and shall maintain, repair, and replace such tanks only in accordance with Laws and Regulations, including but not limited to Environmental Regulations.

Section VII.15 Condemnation of Property. The District hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Certificates remain outstanding and unpaid, the District will not exercise the power of condemnation with respect to the Property. The District further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable or if the District shall fail or refuse to abide by such covenant and condemns the Property, then the appraised value of the Property shall not be less than (i) if such Certificates are then subject to prepayment, the Principal Component and Interest Component of the Certificates outstanding through the date of their prepayment, or (ii) if such Certificates are not then subject to prepayment, the amount necessary to defease the Certificates to the first available prepayment date in accordance with the Trust Agreement.

ARTICLE VIII

ASSIGNMENT, SUBLEASING AND AMENDMENT

Section VIII.1 Assignment by the Corporation. Except as provided herein, in the Trust Agreement and the Assignment Agreement, the Corporation will not assign this Lease to any other person, firm or corporation so as to impair or violate the representations, covenants and warranties contained in Section 2.2 hereof and any assignment in contravention hereof shall be void.

Section VIII.2 Subleasing by the District. In the event that the Property is subleased by the District, the obligation to make Lease Payments hereunder shall remain the obligation of the District.

The District may sublease all or any portion of the Property (with the prior written consent of the Insurer), so long as such sublease does not, in the opinion of Special Counsel, adversely affect (i) the exemption from State personal income tax or the exclusion from gross income for federal income tax purposes of the Interest Component evidenced by the Certificates or (ii) affect the validity of this Lease, subject to all of the following conditions:

(a) This Lease and the obligation of the District to make Lease Payments hereunder shall remain obligations of the District, as acknowledged in an officer's certificate delivered to the Trustee and the Insurer; and

(b) The District shall, within thirty (30) days after the delivery thereof, furnish or cause to be furnished to the Corporation, the Insurer, the Trustee and S&P a true and complete copy of such sublease; and

(c) Any sublease of the Property by the District shall expressly provide that such sublease is subject to all rights of the Corporation under this Lease Agreement, including, the right to re-enter and re-let the Property or terminate this Lease Agreement in the event of a default by the District.

Section VIII.3 Amendments and Modifications. This Lease may be amended or any of its terms modified with the written consent of the District, the Insurer and the Trustee (as assignee of the Corporation), in accordance with Article X of the Trust Agreement.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section IX.1 Events of Default Defined. The following shall be "events of default" under this Lease and the terms "events of default" and "default" shall mean, whenever they are used in this Lease, any one or more of the following events:

(a) Payment Default.

(i) Lease Payments. Failure by the District to pay any Lease Payment required to be paid hereunder by the corresponding Lease Payment Deposit Date; and

(ii) Reserve Replenishment Rent. Failure by the District to timely pay any Reserve Replenishment Rent, if and when required by Section 4.4(d) hereof.

(b) Covenant Default. Failure by the District to observe and perform any warranty, covenant, condition or agreement on its part to be observed or performed herein or otherwise with respect hereto or in the Trust Agreement or in the Site Lease, other than as referred to in clause (a) of this Section, for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the District by the Corporation, the Trustee, or the Owners of not less than twenty percent (20%) in aggregate principal amount of Certificates then Outstanding; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Corporation or such Owners, as the case may be, shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the District within the applicable period and diligently pursued until the default is corrected, except that such grace period shall not exceed 60 days without the prior written consent of the Insurer.

(c) Bankruptcy or Insolvency. The filing by the District of a case in bankruptcy, or the subjection of any right or interest of the District under this Lease to any execution, garnishment or attachment, or adjudication of the District as a bankrupt, or assignment by the District for the benefit of creditors, or the entry by the District into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District in any proceedings instituted under the provisions of the federal bankruptcy code, as amended, or under any similar act which may hereafter be enacted.

Section IX.2 Remedies on Default. Whenever any event of default referred to in Section 9.1 hereof shall have happened and be continuing, it shall be lawful for the Corporation to exercise any and all remedies available pursuant to law or granted pursuant to this Lease. Notwithstanding anything herein or in the Trust Agreement to the contrary, THERE SHALL BE NO RIGHT UNDER ANY CIRCUMSTANCES TO ACCELERATE THE LEASE PAYMENTS OR OTHERWISE DECLARE ANY LEASE PAYMENTS NOT THEN IN DEFAULT TO BE IMMEDIATELY DUE AND PAYABLE. After the occurrence of an event of default hereunder, the District will surrender possession of the Property to the Corporation, if requested to do so by the Corporation, the Trustee or the Owners, in accordance with the provisions of this Section 9.2. So long as the Insurer is not in default under the Insurance Policy, the Insurer, acting alone, shall have the right to direct and control all remedies upon an event of default including, without limitation, the election to terminate or not to terminate this Lease.

(a) No Termination: Repossession and Re-Lease on Behalf of District. In the event the Corporation does not elect to terminate this Lease in the manner hereinafter provided for in subparagraph (b) hereof, the Corporation may, with the consent of the District, which consent is hereby irrevocably given, repossess the Property and re-lease it for the account of the District, in which event the District's obligation will accrue from year to year in accordance with this Lease and the District will continue to receive the value of the use of the Property from year to year in the form of credits against its obligation to pay Lease Payments. The obligations of the District shall remain the same as prior to such default, to pay Lease Payments, Additional Payments and Reserve Replenishment Rent whether the Corporation re-enters or not. The District agrees to and shall remain liable for the payment of all Lease Payments, Additional Payments and Reserve Replenishment Rent and the performance of all conditions contained herein and shall reimburse the Corporation for any deficiency arising out of the re-leasing of the Property, or, in the event the Corporation is unable to re-lease the Property, then for the full amount of all Lease Payments, Additional Payments and Reserve Replenishment Rent to the end of the Term of this Lease, but said Lease Payments, Additional Payments and Reserve Replenishment Rent and/or deficiency shall be payable only at the same time and in the same manner as provided above for the payment of Lease Payments, Additional Payments and Reserve Replenishment Rent hereunder, notwithstanding such repossession by the Corporation or any suit brought by the Corporation for the purpose of effecting such repossession of the Property or the exercise of any other remedy by the Corporation.

The District hereby irrevocably appoints the Corporation as the agent and attorney-in-fact of the District to repossess and re-lease the Property in the event of default by the District in the performance of any covenants contained herein to be performed by the District and to remove all personal property whatsoever situated upon the Property, to place such property in storage or other suitable place in the County of Orange, for the account of and at the expense of the District, and the District hereby exempts and agrees to save harmless the Corporation from any costs, loss or damage whatsoever arising or occasioned by any such repossession and re-leasing of

the Property. The District hereby waives any and all claims for damage caused or which may be caused by the Corporation in repossessing the Property as provided herein and all claims for damages that may result from the destruction of or the injury to the Property and all claims for damages to or loss of any property belonging to the District that may be in or upon the Property.

The District agrees that the terms of this Lease constitute full and sufficient notice of the right of the Corporation to re-lease the Property in the event of such repossession without effecting a surrender of this Lease, and further agrees that no acts of the Corporation in effecting such re-leasing shall constitute a surrender or termination of this Lease irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the District the right to terminate this Lease shall vest in the Corporation to be effected in the sole and exclusive manner provided for in subparagraph (b) below.

The District shall retain the portion of rental obtained by the Trustee, as assignee of the Corporation, that is in excess of the Lease Payments, Additional Payments and Reserve Replenishment Rent, the fees, expenses and costs of the Trustee of re-leasing the Property, and all amounts payable by the District under this Lease and the Trust Agreement.

In the event that the liability of the District under this subsection (a) is held by a court of competent jurisdiction to constitute indebtedness or liability in any year exceeding in any year the income and revenue provided for such year, the Corporation, or the Trustee or the Owners, as assignees of the Corporation, shall not exercise the remedies provided in this subsection (a).

(b) Termination: Repossession and Re-Lease. In the event of the termination of this Lease by the Corporation at its option and in the manner hereinafter provided on account of default by the District (and notwithstanding any repossession of the Property by the Corporation in any manner whatsoever or the re-leasing of the Property), the District nevertheless agrees to pay to the Corporation all costs, losses or damages howsoever arising or occurring payable at the same time and in the same manner as is provided herein in the case of payment of Lease Payments, Additional Payments and Reserve Replenishment Rent. Any proceeds of the re-lease or other disposition of the Property by the Corporation shall be deposited into the Lease Payment Fund and be applied in accordance with the provisions of Section 5.03 of the Trust Agreement. Any surplus received by the Trustee, as assignee of the Corporation, from such re-leasing over total Lease Payments, Additional Payments and Reserve Replenishment Rent that would have been due hereunder and the fees, expenses and costs of the Trustee as assignee of the Corporation on re-leasing the Property shall be remitted to the District. Neither notice to pay rent or to deliver up possession of the Property given pursuant to law nor any proceeding taken by the Corporation to recover possession of the Property shall of itself operate to terminate this Lease, and no termination of this Lease on account of default by the District shall be or become effective by operation of law, or otherwise, unless and until the Corporation shall have given written notice to the District of the election on the part of the Corporation to terminate this Lease. The District covenants and agrees that no surrender of the Property for the remainder of the Term hereof or any termination of this Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Corporation by such written notice. No such termination shall be effected either by operation of law or act of the parties hereto, except only in the manner herein expressly provided.

(c) Opinion of Special Counsel. The re-leasing of the Property as provided herein shall be subject to the opinion of Special Counsel that such re-leasing will not cause the Interest Component evidenced by the Certificates to be subject to State personal income tax or adversely affect the exclusion from gross income for federal income tax purposes.

(d) No Termination; Collection of Lease Payments. In the event the Corporation does not elect to terminate this Lease in the manner provided for in subparagraph (b) above or to exercise its right to re-enter and re-lease in subparagraph (a) above, the Corporation may collect each installment of Lease Payments as the same become due and enforce any other terms or provisions hereof to be kept or performed by the District, regardless of whether or not the District has abandoned the Property.

(e) Other Remedies. In addition to the other remedies set forth in this Section, upon the occurrence of an event of default, the Corporation and its assignee shall be entitled to proceed to protect and enforce the rights vested in the Corporation and its assignee by this Lease Agreement or by law. The provisions of this Lease Agreement and the duties of the District and of its board, officers or employees shall be enforceable by the Corporation or its assignee by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction. Without limiting the generality of the foregoing, the Corporation and its assignee shall have the right to bring the following actions:

(i) Accounting. By action or suit in equity to require the District and its board, officers and employees and its assigns to account as the trustee of an express trust.

(ii) Injunction. By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Corporation or its assignee.

(iii) Mandamus. By mandamus or other suit, action or proceeding at law or in equity to enforce the Corporation's or its assignee's rights against the District (and its board, officers and employees) and to compel the District to perform and carry out its duties and obligations under the law and its covenants and agreements with the District as provided herein.

Section IX.3 No Remedy Exclusive. No remedy conferred herein upon or reserved to the Corporation is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission 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 thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Corporation to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article or by law.

Section IX.4 Agreement to Pay Attorneys' Fees and Expenses. In the event either party to this Lease should default under any of the provisions hereof and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party contained herein, the defaulting party agrees that it will pay on demand to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party.

Section IX.5 No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Lease should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section IX.6 Application of the Proceeds from the Re-Lease of the Property. All amounts received by the Corporation under this Article IX shall, subject to Section 13.03 of the Trust Agreement, be deposited by the Trustee in the Lease Payment Fund and credited towards the Lease Payments in order of Lease Payment Deposit Dates.

Section IX.7 Trustee and Owners to Exercise Rights. Such rights and remedies as are given to the Corporation under this Article IX have been absolutely and irrevocably assigned by the Corporation to the Trustee under the Assignment Agreement, to which assignment the District hereby consents. Such rights and remedies shall be exercised by the Trustee and the Owners as provided in the Trust Agreement. To the extent that this Lease confers upon or gives or grants the Trustee any right, remedy or claim under or by reason of this Lease, the Trustee is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Section IX.8 Assignee of Corporation. All references to the Corporation in this Article IX shall refer to its assignee following the Corporation's assignment of its rights hereunder.

ARTICLE X

PREPAYMENT OF LEASE PAYMENTS

Section X.1 Security Deposit. Notwithstanding any other provision of this Lease, the District may, on any date, secure the payment of Lease Payments and Additional Payments by a deposit by it with the Trustee of cash and/or Defeasance Securities as provided in Section 14.01 of the Trust Agreement. In such event, and provided that the District has paid any other amounts due and owing under this Lease and the Trust Agreement, all obligations of the District under this Lease, and all security provided by this Lease for said obligations, shall cease and terminate, excepting only the obligation of the District to make, or cause to be made, Lease Payments and Additional Payments from such deposit. On the date of said deposit title to the Property shall vest in the District automatically and without further action by the District or the Corporation (except as provided herein). Said deposit shall be deemed to be and shall constitute a special fund for the payment of Lease Payments in accordance with the provisions of this Lease. The Corporation shall execute and deliver such further instruments and take such further action as may reasonably be requested by the District for carrying out the title transfer of the Property.

Section X.2 Extraordinary Prepayment From Net Proceeds. The District shall be obligated to prepay the Lease Payments in whole or in part on any date, from and to the extent of any Net Proceeds or other moneys theretofore deposited in the Prepayment Fund (at least 45 days prior to the date fixed for prepayment of the Certificates) pursuant to Section 4.02 of the Trust Agreement. The District and the Corporation hereby agree that such Net Proceeds or other moneys shall be credited towards the District's obligations hereunder (except in the case of such prepayment of the Lease Payments in whole) pro rata among Lease Payments so that following Prepayment, the remaining annual Lease Payments will be proportional to the initial annual Lease Payments.

Section X.3 Optional Prepayment of Lease Payments.

(a) Subject to the terms and conditions of this Section, the Corporation hereby grants an option to the District to prepay the Lease Payments in whole or in part, on the dates and at the prepayment prices set forth in Section 4.03(a) of the Trust Agreement. The District and the Corporation agree that such prepayments shall be credited toward the District's obligations hereunder corresponding to the resulting prepayment of the Certificates in accordance with Section 4.03(a) of the Trust Agreement on the dates and at the prepayment prices provided therein.

(b) The District shall execute said options by giving written notice to the Trustee thereof not less than forty (40) nor more than sixty (60) days' prior to the date of prepayment and depositing with said notice (1) accrued interest on the Principal Component to be prepaid to the date of prepayment, plus (2) any Lease Payments then due but unpaid, plus (3) the prepayment premium described in Section 4.03(a) of the Trust Agreement. In lieu of depositing the amounts set forth above, the District may provide evidence satisfactory to the Trustee that the optional prepayment amounts can be satisfied on the designated prepayment date.

Section X.4 Credit for Amounts on Deposit. In the event of the securing of or prepayment of the Principal Component of the Lease Payments in full under this Article X such that the Trust Agreement shall be discharged by its terms as a result of such security deposit or prepayment, all amounts then on deposit in the Lease Payment Fund and the Reserve Fund shall be credited toward the amounts then required to be so prepaid (other than amounts therein derived from draws under the Policy or Reserve Policy). In the event of a partial securing of or prepayment of the Principal Component of the Lease Payments under this Article X such that a portion of the Certificates shall be defeased under the Trust Agreement as a result of such prepayment, all amounts then on deposit in the Reserve Fund (other than amounts therein derived from draws under the Policy or Reserve Policy), if any, in excess of the Reserve Requirement following such defeasance, shall be credited toward the amounts then required to be so deposited or prepaid.

Section X.5 Effect of Prepayment.

(a) **In Whole.** In the event that the District pays or prepays all remaining Lease Payments either by making a security deposit with the Trustee as provided in Section 10.1 hereof or from Net Proceeds as provided in Section 10.2 hereof or from cash or other legally available moneys deposited by the District as provided in Section 10.3, and the District has paid all Additional Payments and Reserve Replenishment Rent required hereunder, and all the provisions of Section 14.01 of the Trust Agreement have been complied with, then the District's obligations under this Lease shall thereupon cease and terminate, including but not limited to the District's obligation to continue to pay Lease Payments under this Article X (except as provided in Section 10.1 hereof).

(b) **In Part.** In the event the District prepays less than all of the remaining Principal Component of the Lease Payments pursuant to Section 10.2 or 10.3 hereof (from cash or other legally available moneys deposited by the District), the amount of such prepayment shall be applied to reduce the Principal Component of the remaining Lease Payments in a manner that corresponds to the resulting prepayment of principal with respect to the Certificates as determined in the Trust Agreement.

ARTICLE XI

MISCELLANEOUS

Section XI.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received on the earlier of the day of actual receipt or five Business Days after deposit in the United States mail in first-class or certified form, postage prepaid, to the District or the Corporation, as the case may be, at the addresses indicated in Section 14.05 of the Trust Agreement. The Corporation, the District and the Trustee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section XI.2 Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Corporation and the District and their respective successors and assigns.

Section XI.3 Severability. In the event any provision of this Lease shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section XI.4 Execution in Counterparts. This Lease may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section XI.5 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section XI.6 Insurer as Third-Party Beneficiary; Extent of Insurer Rights. The Insurer is a third-party beneficiary of this Lease. Any and all rights of the Insurer to consent or to take or approve any actions hereunder shall be valid only if the Insurer shall not be in default under the terms of the Insurance Policy. So long as the Insurer is in default under the Insurance Policy it shall be entitled to receive notice of certain events as described herein but shall have no other rights hereunder, other than by subrogation.

Section XI.7 No Merger. The parties hereto intend that there shall be no merger of any estate or interest created by this Lease with any other estate or interest in the Property, or any part thereof, by reason of the fact that the same party may acquire or hold all or any part of the estate or interest in the Property created by this Lease as well as another estate or interest in the Property.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Corporation has caused this Lease to be executed in its name by its duly authorized officer, and the District has caused this Lease to be executed in its name by its duly authorized officer, as of the date first above written.

ANAHEIM UHSD FACILITIES CORPORATION, as
Lessor

By:
President

ANAHEIM UNION HIGH SCHOOL DISTRICT, as
Lessee

By:
Superintendent

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the Property conveyed under the foregoing to the Anaheim Union High School District, a school district duly organized under the laws of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the Board of Trustees of the Anaheim Union High School District, pursuant to authority conferred by resolution of the Board of Trustees adopted on _____, 2017 and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____, 2017

ANAHEIM UNION HIGH SCHOOL DISTRICT

By:
Superintendent

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On _____ before me, _____, Notary Public,

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On _____ before me, _____, Notary Public,

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

EXHIBIT A
SEMI-ANNUAL LEASE PAYMENT SCHEDULE
LEASE PAYMENTS

<i>Date⁽¹⁾</i>	<i>Principal Component</i>	<i>Interest Component</i>	<i>Total Lease Payments</i>
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⁽¹⁾ Each Lease Payment must be deposited with the Trustee on the Lease Payment Deposit Date which is the fifteenth day of the month preceding each of the dates listed.

EXHIBIT B

LEGAL DESCRIPTION OF THE PROPERTY

The property constituting the Leased Property consists of the parcels of land and all buildings, improvements and facilities at any time situated thereon, which parcels are located in the City of Anaheim, County of Orange, State of California, and are described as follows:

END OF LEGAL DESCRIPTION

EXHIBIT C

GENERAL DESCRIPTION OF THE PROJECT

[TO COME]

EXHIBIT D

LEASE SUPPLEMENT FORM

There is hereby [subjected to/released from] the terms of that certain Lease Agreement, dated as of _____ 1, 2017, by and between the Anaheim UHSD Facilities Corporation (the "Corporation") and the Anaheim Union High School District (the "District") the following real property:

Description of [Substituted Property/Released Property]

[Insert Description]

Cost

I, the District Representative, hereby certify that:

(a) [applicable in the case of Substituted Property] the Substituted Property is free from any liens other than Permitted Encumbrances;

(b) the District has provided prior written notice thereof to each rating agency then rating the Certificates evidencing the Lease Payments under the Lease;

(c) (i) an independent MAI or equivalent certified real estate appraiser selected by the District finds (and delivers a certificate to the District and the Trustee setting forth its findings) on (ii) documentation of insured/replacement values which demonstrates that the real property remaining after such substitution or release (i) has a fair rental value in each Fiscal Year during the remaining Term greater than or equal to the Lease Payments due in such Fiscal Year such that the Lease Payments payable by the District pursuant to this Lease will not be reduced and (ii) has an equivalent or greater useful life as the Property to be released and that the useful life of the Substituted Property exceeds the remaining Term;

(d) [applicable in the case of Substituted Property only] the District has obtained or caused to be obtained an ALTA title insurance policy (with Western Regional exceptions) with endorsement so as to be payable to the Trustee for the benefit of the Owners which complies with Section 5.5 of the Lease, is in a form satisfactory to the Trustee and the Corporation, is in the amount equal to the Principal Component of Lease Payments attributable to the Substituted Property, and insures all interest required under Section 5.5, as applicable, to the Substituted Property;

(e) the District has provided the Corporation and the Trustee with an opinion of Special Counsel that such [substitution/release] does not cause, in and of itself, the Interest Component evidenced by the Certificates to be included in gross income for federal income tax purposes;

(f) the District has given, or caused to be given, any notice of the occurrence of such [substitution/release] required to be given pursuant to the Continuing Disclosure Certificate;

(g) the District, the Corporation and the Trustee have executed and the District has recorded with the office of the County Recorder, County of Orange, California, any document necessary to reconvey to the District the portion of the Property being released and to include the Substituted Property and/or improvements thereon as all or a portion of the Property; and

(h) [applicable in the case of Substituted Property only] the Substituted Property is of approximately the same degree of essentiality to the District as the portion of the Property being released.

I, the District Representative, hereby certify that the portion of the Property being acquired, constructed or improved will be owned by the Corporation free and clear of all liens or claims of others, except for the lien of the Trust Agreement referred to in the Lease, the rights of the District under the Lease and other Permitted Encumbrances, and that the Corporation will not encumber title to the substituted portion of the Property while the Certificates remain outstanding.

ANAHEIM UNION HIGH SCHOOL DISTRICT

By: [form only; no signature required]
District Representative

EXHIBIT E

**FORM OF CERTIFICATE OF
ADDITION OF PROJECT COMPONENT**

I, _____, _____ of the Anaheim Union High School District (the "District") hereby certify that _____ project is to become a part of the Project as defined under the Lease Agreement, dated as of _____ 1, 2017, (the "Lease"), by and between the District and the Anaheim UHSD Facilities Corporation (the "Corporation") [in addition to the components of the Project as defined in the Lease or in substitution for _____ component of the Project as defined in the Lease]. This Certificate shall be filed with the Trustee under the Trust Agreement, dated as of _____ 1, 2017, by and among the District, the Corporation and U.S. Bank National Association, as trustee thereunder, until such time as the Lease is terminated.

[form only: no signature required]

District Representative

TRUST AGREEMENT

Dated as of _____ 1, 2017

by and among

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

and

ANAHEIM UHSD FACILITIES CORPORATION

and

ANAHEIM UNION HIGH SCHOOL DISTRICT

Relating to

**\$ _____
ANAHEIM UNION HIGH SCHOOL DISTRICT
2017 CERTIFICATES OF PARTICIPATION**

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TRUST AGREEMENT

THIS TRUST AGREEMENT is made and entered into as of _____ 1, 2017, by and among U.S. BANK NATIONAL ASSOCIATION, a national banking association organized under the laws of the United States of America, as trustee (the "Trustee"), the ANAHEIM UHSD FACILITIES CORPORATION, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California, including without limitation Sections 5110 *et seq.* of the Corporations Code of the State of California, as lessor under the Lease hereinafter referred to (the "Corporation"), and the ANAHEIM UNION HIGH SCHOOL DISTRICT, a school district duly organized and existing under the Constitution and laws of the State of California, as lessee under the Lease (the "District");

WITNESSETH:

WHEREAS, the District and the Corporation desire to finance the costs of the acquisition, construction and installation of certain capital improvements to the District's property (the "2017 Project");

WHEREAS, to finance the 2017 Project, the District and the Corporation have entered into a Lease Agreement, dated as of the date hereof (the "Lease"), whereby the Corporation has agreed to lease certain real property, as described therein (the "Property"), to the District, and the District has agreed to lease the Property from the Corporation; and

WHEREAS, the Trustee has agreed to execute and deliver the Anaheim Union High School District 2017 Certificates of Participation (the "Certificates"), each evidencing fractional interests in the Lease Payments and Prepayments (each as defined herein) made by the District under the Lease; and

WHEREAS, the District and the Corporation have authorized the preparation, sale and delivery of the Certificates in order to finance the 2017 Project; and

WHEREAS, as security therefor, the Corporation will assign its rights to receive Lease Payments pursuant to the Lease, and the Corporation and District will grant a security interest in all moneys held by the Trustee hereunder (other than the Rebate Fund as described herein) to the Trustee for the benefit of the Owners of the Certificates executed and delivered hereunder;

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

ARTICLE I

DEFINITIONS

Section 1.1 Definitions and Rules of Construction. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Trust Agreement, have the meanings herein specified. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa. The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Trust Agreement, refer to this Trust Agreement as a whole.

“Additional Certificates” means certificates of participation authorized by a supplemental Trust Agreement that are executed and delivered by the Trustee under and pursuant to Section 2.15.

“Additional Payments” means all amounts payable by the District as Additional Payments as defined in Section 4.11 of the Lease.

“Assignment Agreement” means the Assignment Agreement related to the Certificates, dated as of the date hereof, by and between the Trustee and the Corporation, and any duly authorized and executed amendments thereto.

“Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificates (including persons holding Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Certificates for federal income tax purposes.

“Business Day” means any day other than (i) a Saturday or Sunday, or (ii) a day on which banking institutions in the State of New York, the State of California or the State of Minnesota are authorized or required by law or executive order to remain closed.

“Certificate” or “Certificates” means the \$_____ aggregate principal amount of Anaheim Union High School District 2017 Certificates of Participation executed and delivered by the Trustee pursuant to this Trust Agreement.

“Certificate Payment Date” means March 1 and September 1 of each year commencing September 1, 2017 with respect to the interest payments evidenced by the Certificates and September 1 of each year commencing September 1, 2017 with respect to the principal payments evidenced by the Certificates.

“Certificate Year” shall have the meaning assigned to such term in the Tax Certificate.

“Closing Date” means the date on which the Certificates, duly executed by the Trustee, are delivered to the Underwriter thereof.

“Code” means the Internal Revenue Code of 1986, and the regulations issued thereunder, as the same may be amended from time to time, and any successor provisions of law. Reference to a particular section of the Code shall be deemed to be a reference to any successor to any such section.

“Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate dated as of the date hereof, executed by the District.

“Corporation” means the Anaheim UHSD Facilities Corporation, a nonprofit public benefit corporation organized under the laws of the State, its successors and assigns.

“Corporation Representative” means the Chair, Vice Chair, President, Vice President, Secretary or Chief Financial Officer of the Corporation, or any other person authorized to act on behalf of the Corporation under or with respect to the Lease.

“Defeasance Securities” means the securities described in paragraph (a) of the definition of “Permitted Investments.”

“Delivery Cost Fund” means the fund by that name established and held by the Trustee pursuant to Article III hereof.

“Delivery Cost Requisition” means a written requisition substantially in the form attached hereto as Exhibit B.

“Delivery Costs” means and further includes all items of expense directly or indirectly payable by or reimbursable to the District or the Corporation relating to the financing of the 2017 Project with the proceeds of the Certificates and the financing of the Project, including, but not limited to, the premium for any insurance policies purchased to satisfy the Reserve Requirement or to guarantee payment of the Certificates, filing and recording costs, settlement costs, printing costs, word processing costs, reproduction and binding costs, initial fees and charges of the Trustee, including its first annual administration fee and the fees of its counsel, legal fees and charges, financing and other professional consultant fees, costs of rating agencies and costs of providing information to such rating agencies, any computer and other expenses incurred in connection with the Certificates, fees for execution, transportation and safekeeping of the Certificates and charges and fees in connection with the foregoing.

“Depository” means the securities depository acting as Depository pursuant to Section 2.13 hereof, initially The Depository Trust Company, 55 Water Street, New York, New York 10041, Fax (212) 855-7320 or such other securities depositories as the District may designate in writing to the Trustee.

“District” means the Anaheim Union High School District, a school district organized and existing under the laws and Constitution of the State, and its successors and assigns.

“District Representative” means the Superintendent and the Assistant Superintendent, Business Services of the District or any other person authorized by the Superintendent of the District to act on behalf of the District with respect to the Lease or this Trust Agreement.

“DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Certificates.

“Event of Default” means an event of default under the Lease, as defined in Section 9.1 thereof.

“Fiscal Year” means the fiscal year of the District commencing July 1 and ending June 30 of the next year.

“Independent Counsel” means an attorney duly admitted to the practice of law before the highest court of the state in which such attorney maintains an office and who is not an employee of the Corporation, the Trustee or the District.

“Independent Insurance Consultant” means a nationally recognized independent actuary, insurance company or broker that has actuarial personnel experienced in the area of insurance for which the District is to be self-insured, as may from time to time be designated by the District.

“Insurance Policy” or “Policy” means the insurance policy issued by the Insurer that guarantees the scheduled payment of principal of and interest with respect to the Certificates when due.

“Insurer” means _____, or any successor thereto or assignee thereof.

“Lease” means the Lease Agreement related to the Certificates, dated as of the date hereof, by and between the District and the Corporation, and any duly authorized and executed amendments thereto.

“Lease Payment” means any payment required to be paid by the District to the Corporation pursuant to Section 4.4 of the Lease.

“Lease Payment Deposit Date” means the 15th day next preceding the respective Certificate Payment Date (or if such day is not a Business Day, the next succeeding Business Day).

“Lease Payment Fund” means the fund by that name established and held by the Trustee pursuant to Article V hereof.

“Lease Year” means the period extending from September 1 of each calendar year to August 31 of the subsequent calendar year provided that the first Lease Year shall commence on the Closing Date and end on August 31, 2017.

“Lessor” means the Corporation, its successors and assigns.

“Letter of Representations” means the letter of the District delivered to and accepted by the Depository on or prior to delivery of the Certificates as book-entry certificates making reference to the DTC Operational Arrangements memorandum, as it may be amended from time to time, setting forth the basis on which the Depository serves as depository for such book-entry certificates, as such letters were originally executed or as they may be supplemented or revised or replaced by letters from the District delivered to and accepted by the Depository.

“Moody’s” means Moody’s Investors Service or any successors or assigns thereto.

“Net Proceeds” means any proceeds of any insurance, performance bonds or taking by eminent domain or condemnation paid with respect to the Property remaining after payment therefrom of any expenses (including attorneys’ fees) incurred in the collection thereof.

“Net Proceeds Fund” means the fund by that name established and held by the Trustee pursuant to Article VII hereof.

“Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.13 hereof.

“Outstanding” when used as of any particular time with respect to Certificates, means (subject to the provisions of Section 10.03 hereof) all Certificates theretofore executed and delivered by the Trustee under this Trust Agreement except:

(1) Certificates theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;

(2) Certificates for the payment or prepayment of which funds or Defeasance Securities, together with interest earned thereon, in the necessary amount shall have theretofore been deposited with the Trustee (whether upon or prior to the maturity or prepayment date of such Certificates), provided that, if such Certificates are to be prepaid prior to maturity, notice of such prepayment shall have been given as provided in Section 4.05 hereof or provision satisfactory to the Trustee shall have been made for the giving of such notice; and

(3) Certificates in lieu of or in exchange for which other Certificates shall have been executed and delivered by the Trustee pursuant to Sections 2.08 and 2.09 hereof.

“Owner” or “Certificate Owner” or “Owner of a Certificate”, or any similar term, when used with respect to a Certificate means the person in whose name such Certificate is registered on the registration books maintained by the Trustee.

“Participants” means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

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

“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:

(a) For all purposes, including defeasance investments, 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:

(i) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America (“United States Treasury Obligations”),

(ii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America,

(iii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or

(iv) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

(b) For all purposes other than defeasance investments, 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:

(i) Federal Housing Administration debentures.

(ii) The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

- Federal Home Loan Mortgage Corporation (FHLMC)
Participation certificates (but not including stripped mortgage securities which are purchased at prices exceeding their principal amounts)
Senior Debt obligations
- Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives)
Consolidated system-wide bonds and notes
- Federal Home Loan Banks (FHL Banks)
Consolidated debt obligations
- Federal National Mortgage Association (FNMA)
Senior debt obligations
Mortgage-backed securities (but not including stripped mortgage securities which are purchased at prices exceeding their principal amounts)

(iii) Unsecured certificates of deposit (including those placed by a third party pursuant to an agreement between the Trustee and the Corporation), time deposits, trust accounts, trust funds, interest bearing deposits, overnight bank deposits, interest bearing money market accounts and bankers' acceptances (having maturities of not more than 365 days) of any bank the short-term obligations of which are rated 'A-1+' or better by S&P and "Prime-1" by Moody's, which may include the Trustee and its affiliates.

(iv) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$15 million.

(v) Commercial paper (having original maturities of not more than 270 days) rated at the time of purchase 'A-1+' by S&P and 'Prime-1' by Moody's.

(vi) Money market mutual funds rated 'AAM' or 'AAM-G' by S&P, or better, and if rated by Moody's rated "Aa2" or better, including mutual funds for which the Trustee, its parent company, if any, or any affiliates or subsidiaries of the Trustee provide investment advising or other management services or serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise, (ii) the Trustee collects fees for services rendered, which fees are separate from the fees received from such funds, and (iii) services performed for such funds may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee.

(vii) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated 'A3' by Moody's and 'A-' by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(viii) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (vii) above and rated 'A-1+' by S&P and 'MIG-1' by Moody's.

(ix) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (vii) above and rated 'AA-' or better by S&P and 'Aa3' or better by Moody's.

(x) Pre-refunded municipal obligations rated in the highest rating category then assigned to the United States of America by S&P and Moody's meeting the following requirements:

1. such municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for such municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of such municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

2. such municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

3. the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on such municipal obligations ("Verification");

4. the cash or United States Treasury Obligations serving as security for such municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

5. no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

6. the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(xi) Repurchase agreements entered into with (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A-" by S&P and 'A3' by Moody's including the Trustee and any of its affiliates; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A-" by S&P and 'A3' by Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated at least "A-" by S&P and 'A3' by Moody's and acceptable to the Insurer (each an "Eligible Provider"), provided that:

1. (i) permitted collateral shall include U.S. Treasury Obligations, or senior debt obligations of GNMA, FNMA or FHLMC (no collateralized mortgage obligations shall be permitted for these providers), and (ii) collateral levels must be at least 102% of the total principal when the collateral type is U.S. Treasury Obligations, 103% of the total principal when the collateral type is GNMA's and 104% of the total principal when the collateral type is FNMA and FHLMC ("Eligible Collateral");

2. the trustee or a third party acting solely as agent therefore or for the District (the "Custodian") has possession of the collateral or the collateral has been transferred to the Custodian in accordance with applicable state and federal laws (other than by means of entries on the transferor's books) and such collateral shall be marked to market;

3. the collateral shall be marked to market on a daily basis and the provider or Custodian shall send monthly reports to the Trustee, the District and the Insurer setting forth the type of collateral, the collateral percentage required for that collateral type, the market value of the collateral on the valuation date and the name of the Custodian holding the collateral;

4. the repurchase agreement (or guaranty, if applicable) may not be assigned or amended without the prior written consent of the Insurer;

5. the repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Custodian has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof;

6. the repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must notify the District, the Trustee and the Insurer within five (5) days of receipt of such notice. Within ten (10) days of receipt of such notice, the provider shall either: (i) provide a written guarantee acceptable to the Insurer, (ii) post Eligible Collateral, or (iii) assign the agreement to an Eligible Provider. If the provider does not perform a remedy within ten (10) business days, the provider shall, at the direction of the Trustee (who shall give such direction if so directed by the Insurer) repurchase all collateral and terminate the repurchase agreement, with no penalty or premium to the District or the Trustee.

(xii) Investment agreements: with a domestic or foreign bank or corporation the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA-" by S&P and "Aa3" by Moody's, and acceptable to the Insurer, each of which shall be an Eligible Provider, provided that:

1. interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service;

2. the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven (7) days' prior notice; the District and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

3. the provider shall send monthly reports to the Trustee, the District and the Insurer setting forth the balance the District or Trustee has invested with the provider and the amounts and dates of interest accrued and paid by the provider;

4. the investment agreement shall state that is an unconditional and general obligation of the provider, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the

obligation of the provider to make payments thereunder ranks pari passé with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

5. the investment agreement (or guaranty, if applicable) may not be assigned or amended without the prior written consent of the Insurer;

6. the District, the Trustee and the Insurer shall receive an opinion of domestic counsel to the provider that such investment agreement is legal, valid, binding and enforceable against the provider in accordance with its terms;

7. the District, the Trustee and the Insurer shall receive an opinion of foreign counsel to the provider (if applicable) that (1) the investment agreement has been duly authorized, executed and delivered by the provider and constitutes the legal, valid and binding obligation of the provider, enforceable against the provider in accordance with its terms, (b) the choice of law of the state set forth in the investment agreement is valid under that country's laws and a court in such country would uphold such choice of law, and (c) any judgment rendered by a court in the United States would be recognized and enforceable in such country;

8. the investment agreement shall provide that if during its term:

(i) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", the provider shall, at its option, within ten (10) days of receipt of publication of such downgrade, either (i) provide a written guarantee acceptable to the Insurer, (ii) post Eligible Collateral with the District, the Trustee or a third party acting solely as agent therefore (the "Custodian") free and clear of any third party liens or claims, or (iii) assign the agreement to an Eligible Provider, or (iv) repay the principal of and accrued but unpaid interest on the investment;

(ii) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3", the provider must, at the direction of the District or the Trustee (who shall give such direction if so directed by the Insurer), within ten (10) days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the District or Trustee.

9. in the event the provider is required to collateralize, permitted collateral shall include U.S. Treasury Obligations, or senior debt obligations of GNMA, FNMA or FHLMC (no collateralized mortgage obligations shall be permitted for these providers) and collateral levels must be 102% of the total principal when the collateral type is U.S. Treasury Obligations, 103% of the total principal when the collateral type is GNMA's and 104% of the total principal when the collateral type is FNMA and FHLMC ("Eligible Collateral"). In addition, the collateral shall be marked to market on a daily basis and the provider or Custodian shall send monthly reports to the Trustee, the District and the Insurer setting forth the type of collateral, the collateral percentage required for that collateral type, the market value of the collateral on the valuation date and the name of the Custodian holding the collateral;

10. the investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Custodian has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof;

11. the investment agreement must provide that if during its term: (i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the District or the Trustee (who shall give such direction if so directed by the Insurer), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the District or Trustee, as appropriate, and (ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the District or Trustee, as appropriate; and

(xiii) Deposits in the Local Agency Investment Fund of the California State Treasurer or the Orange County pooled investment program, to the extent the Trustee is authorized to register such investments in its name.

"Prepayment" means any payment made by the District pursuant to Article X of the Lease as a prepayment of Lease Payments.

"Prepayment Fund" means the fund by that name established and held by the Trustee pursuant to Article IV hereof.

"Principal Office" means the principal corporate trust office of the Trustee in Los Angeles, California, or such other address as the Trustee may inform the District, or the principal office of any successor trustee pursuant hereto except that with respect to presentation of Certificates for payment or for registration of transfer and exchange such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business shall be conducted.

"Project" means the Project, as defined in the Lease.

"Project Costs" means, with respect to any item or portion of the Project, the contract price paid or to be paid therefor upon acquisition, construction, procurement or improvement thereof, in accordance with a purchase order or contract therefor. Project Costs include, but are not limited to, the administrative, engineering, legal, financial and other costs incurred by the District and the Corporation in connection with the acquisition, construction, procurement, remodeling or improvement of the Project, all applicable sales taxes and other charges resulting from such construction, procurement, remodeling or improvement of the Project.

"Property" means the Property, as defined in the Lease.

"Record Date" means the close of business on the fifteenth day of the month preceding each Certificate Payment Date, whether or not such fifteenth day is a Business Day.

"Reserve Facility" means any line of credit, letter of credit, insurance policy, surety bond or other credit, including the Reserve Policy, deposited with the Trustee pursuant to Article VI.

"Reserve Fund" means the fund by that name established and held by the Trustee pursuant to Article VI hereof.

"Reserve Insurer" means _____, or any successor thereto or assignee thereof.

“Reserve Policy” means the financial guaranty insurance policy issued by the Reserve Insurer under which claims may be made in order to provide moneys in the Reserve Fund available for the purposes thereof.

“Reserve Replenishment Rent” means Reserve Replenishment Rent payable pursuant to Section 4.4(d) of the Lease.

“Reserve Requirement” means, as of any calculation date, the lesser of (1) the maximum aggregate annual Lease Payments (in any Certificate Year) then payable under the Lease with respect to the Certificates and Additional Certificates, (2) 125% of the average annual aggregate Lease Payments (calculated based on Certificate Years) then payable under the Lease with respect to the Certificates and Additional Certificates, or (3) 10% of the original face amount of the Certificates and the Additional Certificates (less original issue discount if in excess of two percent (2%) of the stated Principal Component amount at maturity).

“S&P” means Standard & Poor’s Ratings Services or any successors or assigns thereto.

“Site Lease” means the Site Lease related to the Certificates, dated the date hereof, by and between the Corporation and the District, and any duly authorized and executed amendments thereto.

“Special Counsel” means Stradling Yocca Carlson & Rauth, a Professional Corporation, or any other attorney or firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions and acceptable to the District.

“State” means the State of California.

“Tax Certificate” means the Tax Certificate dated as of the Closing Date, concerning matters pertaining to the use and investment of proceeds of the Certificates executed and delivered to the District on the date of execution and delivery of the Certificates, including any and all exhibits attached thereto.

“Term” means the time during which the Lease is in effect, as provided in Section 4.2 of the Lease.

“Trustee” means U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America, and any successor trustee.

“Trust Agreement” or “Agreement” means this Trust Agreement, together with any amendments hereof or supplements hereto permitted to be made hereunder.

“Underwriter” means _____, as original purchaser of the Certificates on the Closing Date.

Section I.2 Authorization. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Trust Agreement, and has taken all actions necessary to authorize the execution of this Trust Agreement by the officers and persons signing it.

Section I.3 Equal Security. In consideration of the acceptance of the Certificates by the Owners, this Trust Agreement shall be deemed to be and shall constitute a contract between the Trustee and the Owners to secure the full and final payment of the interest, if any, and principal evidenced by the Certificates which may be executed and delivered hereunder, subject to each of the agreements, conditions, covenants and terms contained herein; and all agreements, conditions, covenants and terms contained herein required to be observed or performed by or on behalf of the Trustee shall be for the equal and proportionate benefit, protection and security of all Owners without distinction, preference or priority as to security or otherwise of any Certificates over any other Certificates by reason of the number or date thereof or the time of execution or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein. All of the Certificates are equally secured as provided in this Section 1.03, except as may be otherwise expressly provided in this Trust Agreement.

ARTICLE II

THE CERTIFICATES OF PARTICIPATION

Section II.1 Authorization. Upon written request of the District Representatives the Trustee will execute and deliver to the Underwriter, through the facilities of DTC, Certificates in an aggregate principal amount of \$_____ representing proportionate ownership interests in the Lease Payments and the Prepayments. Such Certificates shall not be deemed a debt or obligation of the Trustee, and shall only be paid with funds received by the Trustee for such purposes hereunder or pursuant to the Lease.

Section II.2 Date. Each Certificate shall be dated the Closing Date, and interest evidenced thereby shall be payable from the Certificate Payment Date next preceding the date of execution thereof, unless:

- (i) it is executed as of a Certificate Payment Date, in which event interest with respect thereto shall be payable from the date thereof; or
- (ii) it is executed after a Record Date and before the following Certificate Payment Date, in which event interest with respect thereto shall be payable from such following Certificate Payment Date; or
- (iii) it is executed on or prior to August 15, 2017 in which event interest evidenced thereby shall be payable from the date of delivery; provided however, that if, as of any date, interest has not been paid when due with respect to any Outstanding Certificate, interest evidenced thereby shall be payable from the Certificate Payment Date to which interest has previously been paid or made available for payment with respect to Outstanding Certificates.

Section II.3 Maturity; Interest Rates. The Certificates shall become due and payable, subject to prior prepayment, on September 1 of the following years and shall evidence interest at the following rates:

<i>Maturity (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>
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Section II.4 Registration; Interest. The Certificates shall be delivered in fully registered form, without coupons, in denominations of \$5,000 and any integral multiple thereof. The Certificates shall be numbered from “R-1” upwards in consecutive numerical order.

Interest evidenced by the Certificates shall be payable semiannually on March 1 and September 1, of each year, commencing September 1, 2017, to the date of maturity or prepayment, whichever is earlier. Said interest shall represent the portion of Lease Payments designated as interest and coming due during the six month period (and with respect to the first Certificate Payment Date for the period from the Closing Date) preceding each Certificate Payment Date with respect to the Certificates computed on the basis of a 360-day year of twelve 30-day months. The proportionate share of the portion of Lease Payments designated as interest evidenced by any Certificate shall be computed by multiplying the portion of Lease Payments designated as principal evidenced by such Certificate by the rate of interest applicable to such Certificate.

Section II.5 Form of Certificates. The Certificates and the assignment to appear thereon shall be substantially in the form set forth in Exhibit A attached hereto and by this reference incorporated herein with such appropriate additions, modifications and insertions as are permitted or required by this Trust Agreement. Pending the preparation of definitive Certificates, the Certificates may be executed and delivered in temporary form exchangeable for definitive Certificates when ready for delivery. If the Trustee delivers temporary Certificates, it shall execute and deliver definitive Certificates in an equal aggregate principal amount of authorized denominations, when available, without additional charge, and thereupon the temporary Certificates shall be surrendered to the Trustee at its Principal Office. Until so exchanged, the temporary Certificates shall be entitled to the same benefits under this Trust Agreement as definitive Certificates.

Section II.6 Execution. The Certificates shall be executed by and in the name of the Trustee by the manual signature of any authorized signatory of the Trustee. The Trustee shall insert the date of execution of each Certificate in the place provided thereon.

Section II.7 Application of Proceeds and Other Amounts. The proceeds from the sale of the Certificates in the amount of \$_____ (representing the par amount of the Certificates of \$_____, [plus/less] the net original issue [premium/discount] of \$_____, less the Underwriter’s discount of \$_____, less the Insurance Policy premium of \$_____ and less

the Reserve Policy premium of \$ _____, which premiums shall be wired directly to the Insurer and the Reserve Insurer, respectively, by the Underwriter), shall be deposited with the Trustee and then be deposited or transferred by the Trustee as follows:

(a) The Trustee shall transfer the amount of \$ _____ to the Treasurer of Orange County to be held in the Special Reserve 2017 COP Project Fund relating to the District in order to pay Project Costs; and

(b) The Trustee shall deposit the amount of \$ _____ in the Delivery Cost Fund, to be applied to pay Delivery Costs.

The Trustee may, in its discretion, establish a temporary fund or account in its books or records to facilitate such deposits and transfers.

Section II.8 Transfer and Exchange.

(a) Transfer of Certificates. Any Certificate may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 2.12 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Certificate for cancellation at the Principal Office accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Certificate or Certificates shall be surrendered for transfer, the Trustee shall execute and deliver a new Certificate or Certificates of the same series, maturity and interest rate, for like aggregate principal amount in authorized denominations. The Trustee may require the payment by the Certificate Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such exchange. The cost of printing Certificates and any services rendered or expenses incurred by the Trustee in connection with any transfer and exchange shall be paid by the District.

(b) Exchange of Certificates. Certificates may be exchanged at the Principal Office for a like aggregate principal amount of Certificates of other authorized denominations of the same maturity and interest rate. The Trustee may require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. All Certificates surrendered pursuant to the provisions of this Section shall be cancelled and destroyed by the Trustee and shall not be redelivered.

(c) Time for Transfer or Exchange. The Trustee shall not be obligated to transfer or exchange any Certificate during the period in which it is selecting Certificates for prepayment, or after notice of prepayment has been given as provided in Section 4.05.

Section II.9 Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate shall become mutilated, the Trustee, at the expense of the Owner of said Certificate, shall execute and deliver a new Certificate of like tenor and maturity in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee shall be cancelled by it. If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and, if an indemnity, satisfactory to the Trustee indemnifying the Trustee, the Corporation and the District, shall be given, the Trustee, at the expense of the Certificate Owner, shall execute and deliver a new Certificate of like tenor and maturity and numbered as the Trustee shall determine in lieu of and in substitution for the Certificate so lost,

destroyed or stolen. The Trustee may require payment of an appropriate fee for each new Certificate delivered under this Section and of the expenses which may be incurred by the Trustee in carrying out the duties under this Section. Any Certificate executed under the provisions of this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Trust Agreement with all other Certificates secured by this Trust Agreement. The Trustee shall not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the principal amount of Certificates which may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of delivering a new Certificate in place of one which has been mutilated, lost, destroyed or stolen, and which has matured, or has been called for prepayment, the Trustee may make payment with respect to such Certificate upon receipt of the above-mentioned indemnity.

Section II.10 Payment. Subject to the provisions of the Letter of Representation, payment of interest evidenced by any Certificate on any Certificate Payment Date or prepayment date shall be made to the person appearing on the registration books of the Trustee as the Owner thereof as of the Record Date immediately preceding such Certificate Payment Date or prepayment date, as the case may be, such interest to be paid by check mailed, on the applicable Certificate Payment Date, by first class mail to such Owner on the Certificate Payment Date at his address as it appears on such registration books. Interest evidenced by the Certificates may, at the option of any Owner of Certificates in an aggregate principal amount of One Million Dollars (\$1,000,000) or more evidenced by the written request of such Owner to the Trustee, be paid to such Owner by wire transfer to the bank and account number within the United States on file with the Trustee as of the Record Date. Payments of defaulted interest shall be paid by check of the Trustee mailed by first class mail to the registered Owners as of a special record date to be fixed by the Trustee in its sole discretion, notice of which shall be given to the Owners not less than 15 days prior to such special record date. Subject to the provisions of the Letter of Representation, the principal payable upon maturity or prepayment with respect to the Certificates shall be payable upon surrender at the Principal Office. Said amounts shall be payable in lawful money of the United States of America. The Trustee is hereby authorized to pay or prepay the Certificates when duly presented for payment at maturity or on prepayment and to cancel all Certificates upon payment thereof.

Section II.11 Execution of Documents and Proof of Ownership. Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by Certificate Owners may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Owners in person or by their attorneys or agents appointed by an instrument in writing for that purpose, or by any bank, trust company or other depository for such Certificates. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the ownership of Certificates shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Owner or his attorney or agent of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in such jurisdictions, that the persons signing such instruments acknowledged before him the execution thereof. Where any such instrument is executed

by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of his authority.

(b) The fact of the ownership of Certificates by any person, the amount and numbers of such Certificates and the date of execution shall be proved by the registration books maintained pursuant to Section 2.12 hereof.

Nothing contained in this Article II shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which the Trustee may deem sufficient. Any request or consent of the Owner of any Certificate shall bind every future Owner of the same Certificate in respect of anything done or to be done by the Trustee in pursuance of such request or consent.

Section II.12 Certificate Register. The Trustee will keep or cause to be kept at its Principal Office sufficient books for the registration and transfer of the Certificates which shall, during normal working hours and upon reasonable notice, be open to inspection by the District and the Corporation; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Certificates as hereinbefore provided. The District, the Corporation and the Trustee shall be entitled to treat the registered owner of a Certificate as the absolute owner thereof for all purposes, whether or not a Certificate shall be overdue, and the District, the Corporation and the Trustee shall not be affected by any notice to the contrary.

Section II.13 Book-Entry System.

(a) Election of Book-Entry System. Prior to the execution and delivery of the Certificates, the District may provide that such Certificates shall be initially executed and delivered as book-entry Certificates. If the District shall elect to deliver any Certificates in book-entry, then the District shall cause the delivery of a separate single fully registered Certificate (which may be typewritten) for each maturity date of such Certificates in an authorized denomination corresponding to that total principal amount of the Certificates designated to mature on such date. Upon initial execution and delivery, the ownership of each such Certificate shall be registered in the Certificate register in the name of the Nominee, as nominee of the Depository and ownership of the Certificates, or any portion thereof may not thereafter be transferred except as provided in Section 2.13(e).

With respect to book-entry Certificates, the District and the Trustee shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry Certificates. Without limiting the immediately preceding sentence, the District and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book-entry Certificates, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Certificate register, of any notice with respect to book-entry Certificates, including any notice of prepayment, (iii) the selection by the Depository and its Participants of the beneficial interests in book-entry Certificates to be prepaid in the event the District prepays the Certificates in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to principal, premium, if any, or interest evidenced and represented by book-entry Certificates. The District and the Trustee may treat and consider the person in whose name each book-entry Certificate is registered in the Certificate register as the

absolute Owner of such book-entry Certificate for the purpose of payment of principal, premium and interest evidenced by such Certificate, for the purpose of giving notices of prepayment and other matters with respect to such Certificate, for the purpose of registering transfers with respect to such Certificate, and for all other purposes whatsoever. The Trustee shall pay all principal, premium, if any, and interest evidenced by the Certificates only to or upon the order of the respective Owner, as shown in the Certificate register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal, premium, if any, and interest evidenced by the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Certificate register, shall receive a Certificate evidencing the obligation to make payments of principal, premium, if any, and interest evidenced by the Certificates. Upon delivery by the Depository to the Owner and the Trustee, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word "Nominee" in this Trust Agreement shall refer to such nominee of the Depository.

(b) Delivery of Letter of Representations. In order to qualify the book-entry Certificates for the Depository's book-entry system, the District shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District any obligation whatsoever with respect to persons having interests in such book-entry Certificates other than the Owners, as shown on the Certificate register. In addition to the execution and delivery of a Letter of Representations, the District shall take such other actions, not inconsistent with this Trust Agreement, as are reasonably necessary to qualify book-entry Certificates for the Depository's book-entry program.

(c) Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for book-entry Certificates, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the beneficial owners of the Certificates or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered Certificate for each of the maturity dates of such book-entry Certificates, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (e) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Certificates shall no longer be restricted to being registered in such Certificate register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Certificates shall designate, in accordance with the provisions of Section 2.08 hereof.

(d) Payments to Depository. Notwithstanding any other provision of this Trust Agreement to the contrary, so long as all Outstanding Certificates are held in book-entry and registered in the name of the Nominee, all payments with respect to principal, prepayment premium, if any, and interest evidenced and represented by such Certificate and all notices with respect to such Certificate shall be made and given, respectively to the Nominees, as provided in the Letter of Representations or as otherwise instructed by the Depository and agreed to by the Trustee notwithstanding any inconsistent provisions herein.

(e) Transfer of Certificates to Substitute Depository.

(i) The Certificates shall be initially executed and delivered as provided in Section 2.01 hereof. If such Certificates are initially registered in the name of the Nominee, then registered ownership of such Certificates, or any portions thereof, may not thereafter be transferred except:

(A) to any successor of DTC or its nominee, or of any substitute depository designated pursuant to clause (B) of subsection (i) of this Section 2.13(e) (“Substitute Depository”); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(B) to any Substitute Depository, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC (or its successor) is no longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(C) to any person as provided below, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(ii) In the case of any transfer pursuant to clause (A) or clause (B) of subsection (i) of this Section 2.13(e), upon receipt of all Outstanding Certificates by the Trustee, together with a written request of the District to the Trustee designating the Substitute Depository, a single new Certificate, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of Certificates then Outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (C) of subsection (i) of this Section 2.13(e), upon receipt of all Outstanding Certificates by the Trustee, together with a written request of the District to the Trustee, new Certificates, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, subject to the limitations of Section 2.01 hereof, provided that the Trustee shall not be required to deliver such new Certificates within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(iii) In the case of a partial prepayment or an advance refunding of any Certificates evidencing a portion of the principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Certificates indicating the date and amounts of such reduction in principal, in form acceptable to the Trustee, all in accordance with the Letter of Representations. The Trustee shall not be liable for such Depository’s failure to make such notations or errors in making such notations.

(iv) The District and the Trustee shall be entitled to treat the person in whose name any Certificate is registered as the Owner thereof for all purposes of this Trust Agreement and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the District; and the District and the Trustee shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Certificates. Neither the District nor the Trustee shall have any responsibility or obligation, legal or

otherwise, to any such beneficial owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Certificates, and the Trustee may rely conclusively on its records as to the identity of the Owners of the Certificates.

Section II.14 Destruction of Cancelled Certificates. Whenever in this Trust Agreement provision is made for the surrender or cancellation by the Trustee and the delivery to the District of any Certificates, the Trustee will cancel and destroy such Certificates and deliver a certificate of such destruction to the District upon its request.

Section II.15 Additional Certificates. Subsequent to the execution and delivery by the Trustee of the Certificates, the Trustee shall, with the written consent of the Insurer, upon written request or requests of the District Representative and of the Corporation Representative, execute and deliver from time to time one or more series of Additional Certificates in such aggregate principal amount as may be set forth in such written request or requests, provided that there shall have been compliance with all of the following conditions, which are hereby made conditions precedent to the preparation, execution and delivery of such Additional Certificates:

(a) The parties to this Trust Agreement shall have executed a supplemental agreement setting forth the terms and provisions of such Additional Certificates, including the establishment of such funds and accounts, separate and apart from the funds and accounts established hereunder for the Certificates executed and delivered on the Closing Date, as shall be necessary or appropriate, which supplemental agreement shall require that prior to the delivery of such Additional Certificates there shall be on deposit in the Reserve Fund established hereunder or in a reserve fund established under such supplemental agreement an amount equal to the Reserve Requirement upon the execution and delivery of the Additional Certificates;

(b) The principal and interest payable with respect to such Additional Certificates and any premium payable upon prepayment of such Additional Certificates shall be payable only on Certificate Payment Dates applicable to the Certificates;

(c) The Lease shall have been amended by the parties thereto if necessary to (i) increase or adjust the Lease Payments due and payable on each Lease Payment Deposit Date to an amount sufficient to pay the principal, premium (if any) and interest payable with respect to all Outstanding Certificates, including all Additional Certificates as and when the same mature or become due and payable (except to the extent such principal, premium and interest may be payable out of moneys then in the Reserve Fund or otherwise on deposit with the Trustee in accordance with this Trust Agreement), (ii) if appropriate, amend the definition of "Property" to include as part of the Property all or any portion of additions, betterments, extensions, improvements or replacements, or such other real or personal property (whether or not located upon the Property as such Property is constituted as of the date of this Trust Agreement), to be financed, acquired or constructed by the preparation, execution and delivery of such Additional Certificates, and (iii) make such other revisions to the Lease as are necessitated by the execution and delivery of such Additional Certificates (provided, however, that such other revisions shall not prejudice the rights of the Owners of Outstanding Certificates as granted them under the terms of this Trust Agreement);

(d) The District and the Corporation shall have determined that the Lease Payments to be paid by the District (including those evidenced by the Additional Certificates) do not exceed the fair rental value of the Property pursuant to Section 4.6 of the Lease.

(e) There shall have been delivered to the Trustee a counterpart of the amendments required by subsection 2.15(c) hereof;

(f) The Trustee shall have received a certificate of the Corporation Representative that there exists on the part of the Corporation no Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default);

(g) The Trustee shall have received a certificate of the District Representative that (i) there exists on the part of the District no Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) and (ii) the Lease Payments as increased or adjusted do not exceed in any year the fair rental value of the Property (as such term is defined in the amended Lease);

(h) The Trustee shall have received an opinion of Special Counsel substantially to the effect that (i) said supplemental agreement and said amendments to the Lease comply in all respects with the requirements of this Section 2.15 and Section 10.01 hereof, (ii) said supplemental agreement and said amendments to the Lease have been duly authorized, executed and delivered by each of the respective parties thereto (provided that said opinion of Special Counsel, in rendering the opinions set forth in this clause (ii), shall be entitled to rely upon one or more other opinions of counsel, including counsel to any of the respective parties to said supplemental agreement or said amendments to the Lease), (iii) assuming that no Event of Default has occurred and is continuing, this Trust Agreement, as amended by said supplemental agreement, and the Lease, as amended by the respective amendments thereto, constitute the legal, valid and binding obligations of the respective parties thereto, enforceable against said parties in accordance with their respective terms (except to the extent that enforcement thereof may be limited by bankruptcy, insolvency, moratorium, debt adjustment or other laws affecting creditors' rights generally, and except to the extent that enforcement thereof may be limited by general principles of equity, regardless of whether enforcement is sought in a legal or equitable proceeding) and (iv) the execution of such supplemental agreement and said amendments to the Lease, and performance by the parties thereunder, will not result in the inclusion of the Interest Component of any Lease Payments evidenced by any Certificates, including Additional Certificates, theretofore prepared, executed and delivered, in the gross income of the Owners of the Certificates for purposes of federal income taxation;

(i) The District shall have provided each rating agency then rating the Certificates written notice of the proposed execution and delivery of such Additional Certificates at the addresses indicated in Section 14.05 and shall receive a rating confirmation that the current rating or ratings of the Outstanding Certificates will not be reduced, withdrawn or suspended as a result of the execution and delivery of such Additional Certificates from each rating agency then rating the Certificates.

(j) There shall have been delivered to the Trustee an endorsement to or reissuance of the title insurance policy delivered under Section 5.5 of the Lease providing that the insured amount is at least equal to the aggregate principal amount of all of the Certificates and Additional Certificates outstanding upon the execution and delivery of such Additional Certificates;

(k) Upon the execution and delivery of such Additional Certificates, there shall have been delivered to the Trustee cash or a Reserve Facility sufficient to increase the amount on deposit in the Reserve Fund, or a reserve fund established under the supplemental agreement, to the

Reserve Requirement (calculated with respect to all Outstanding Certificates and Additional Certificates);

(l) Such other conditions shall have been satisfied, and such other instruments shall have been duly executed and delivered to the Trustee (with a copy to each rating agency then rating the Certificates), as the District or the Corporation shall have reasonably requested.

Upon delivery to the Trustee of the foregoing instruments, the Trustee shall cause to be executed and delivered Additional Certificates representing the aggregate principal amount specified in such supplemental agreement, and such Additional Certificates shall be equally and ratably secured with all Certificates, including any Additional Certificates, theretofore prepared, executed and delivered, all without preference, priority or distinction (other than with respect to maturity, payment, prepayment or sinking fund payment (if any)) of any one Certificate, including Additional Certificates, over any other; provided, however, that no provision of this Trust Agreement shall require the District to consent to or otherwise permit the preparation, execution and delivery of Additional Certificates, it being understood and agreed that any such consent or other action of the District to permit the preparation, execution and delivery of Additional Certificates, or lack thereof, shall be in the sole discretion of the District.

ARTICLE III

DELIVERY COST FUND

Section III.1 Establishment of the Delivery Cost Fund. There is hereby established a separate fund to be known as the "Delivery Cost Fund," which shall be held by the Trustee in trust. The moneys in the Delivery Cost Fund shall be used and withdrawn by the Trustee from time to time to pay the Delivery Costs upon submission of a Delivery Cost Requisition stating (a) the person to whom payment is to be made, (b) the amount to be paid, (c) the purpose for which the obligation was incurred, (d) that such payment is a proper charge against the Delivery Cost Fund, and (e) that such amounts have not been the subject of a prior Delivery Cost Requisition. On the earlier of (i) May 1, 2016, or (ii) the date of receipt by the Trustee of a Delivery Cost Requisition therefor, all amounts (if any) remaining in the Delivery Cost Fund shall be withdrawn therefrom by the Trustee and transferred to the Lease Payment Fund. Thereafter, the Delivery Cost Fund shall be closed. Each such Delivery Cost Requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts.

ARTICLE IV

PREPAYMENT OF CERTIFICATES

Section IV.1 Establishment of Prepayment Fund. The Trustee shall establish a special fund designated as the "Anaheim Union High School District Prepayment Fund," referred to herein as the "Prepayment Fund"; shall keep such fund separate and apart from all other funds and moneys held by it; and shall administer such fund as herein provided. Moneys to be used for prepayment of the Certificates shall be deposited into the Prepayment Fund and used solely for the purpose of prepaying the Certificates in advance of their maturity on the date designated for prepayment and upon presentation and surrender of such Certificates to the Trustee.

Section IV.2 Extraordinary Prepayment. The Certificates are subject to prepayment prior to their respective maturity dates on any date, in whole or in part, from Net Proceeds which the Trustee shall transfer to the Prepayment Fund as provided in Section 6.1(c) of the Lease at least 45 days prior to the date set for prepayment and credited towards the prepayment made by the District pursuant to Section 10.2 of the Lease, at a prepayment price equal to the Principal Component of the Lease Payments to be prepaid, together with accrued interest to the date fixed for prepayment, without premium.

Section IV.3 Optional and Mandatory Prepayment.

(a) Optional Prepayment of Certificates. The Certificates maturing on or after September 1, 2027, are subject to optional prepayment prior to their stated maturities on any date on or after September 1, 2026, in whole or in part, at the option of the District, from any lawfully available source in the event the District exercises its option under the Lease to prepay the Principal Component of the Lease Payments (in integral multiples of \$5,000), at the prepayment price of the Principal Component of the Lease Payments to be prepaid, plus accrued interest to the date fixed for prepayment, without premium.

In the event the District gives notice to the Trustee of its intention to exercise such option, but fails to deposit with the Trustee on or prior to the prepayment date an amount equal to the prepayment price, the District will continue to pay the Lease Payments as if no such notice had been given. The Trustee will notify all Certificate Owners that were notified pursuant to Section 4.05 of the District's election to optionally prepay the Certificates that such prepayment will not occur and that the District will continue to pay the Lease Payments as if no notice of optional prepayment had been given.

(b) Mandatory Prepayment of Certificates. The Certificates maturing on September 1, _____ are subject to mandatory prepayment in part, by lot, on September 1, _____, and each September 1 thereafter, at a prepayment price equal to the principal amount thereof, together with accrued interest to the date fixed for prepayment, without premium. The principal amount represented by such Certificates to be so prepaid and the date therefor and the principal amount represented by such Certificates to be paid on the final principal payment date is as indicated in the following table:

Term Certificates Due on September 1, _____

<i>Year</i> <i>(September 1)</i>	<i>Principal Amount</i>
-------------------------------------	-------------------------

(Maturity)

If prior to one of the mandatory prepayment dates specified above the District purchases any Certificates maturing on September 1, _____, then at least 45 days prior to the prepayment date, the District shall notify the Trustee as to the principal amount purchased, and the amount of Certificates so purchased shall be credited at the time of purchase, to the extent of the full principal amount

thereof to reduce the upcoming scheduled payment for the Certificates so purchased. All such Certificates purchased pursuant to the Trust Agreement shall be cancelled pursuant thereto

Section IV.4 Selection of Certificates for Prepayment. Whenever provision is made in this Trust Agreement for the optional prepayment of Certificates and less than all Outstanding Certificates are called for optional prepayment, the Trustee shall select Certificates for optional prepayment, from among maturities selected by the District and by lot within any maturity. For extraordinary prepayment of the Certificates, pursuant to Section 4.02 hereof, the Trustee shall select Certificates for prepayment pro rata among maturities of all Certificates Outstanding and by lot within any maturity.

The Trustee shall promptly notify the District and the Corporation in writing of the Certificates so selected for prepayment by mailing to the District and the Corporation copies of the notice of prepayment provided for in Section 4.05.

Section IV.5 Notice of Prepayment.

(a) Content. When prepayment is authorized or required pursuant to this Article IV, the Trustee shall give notice of the prepayment of the Certificates. Such notice shall specify: (a) the prepayment date, (b) the prepayment price, (c) if less than all of the Outstanding Certificates are to be prepaid, the Certificate numbers (and in the case of partial prepayment, the respective principal amounts), (d) the CUSIP numbers of the Certificates to be prepaid, (e) the place or places where the prepayment will be made, (f) the original date of execution and delivery of the Certificates, (g) the rate of interest payable with respect to each Certificate being prepaid, and (h) any other descriptive information regarding the Certificates needed to identify accurately the Certificates being prepaid. Such notice shall further state that on the specified date there shall become due and payable upon each Certificate to be prepaid, the portion of the principal amount of such Certificate to be prepaid, together with interest accrued to said date, and that from and after such date, provided that moneys therefor have been deposited with the Trustee, interest with respect thereto shall cease to accrue and be payable. Such prepayment notices may state that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the Certificates.

Any notice of prepayment for an optional prepayment of the Certificates pursuant to Section 4.03(a) may be conditional, and, if any condition stated in the notice of prepayment shall not have been satisfied on or prior to the prepayment date: (i) the notice of prepayment shall be of no force and effect, (ii) the Trustee shall not be required to prepay such Certificates, (iii) the prepayment shall not be made, and (iv) the Trustee shall within a reasonable time thereafter give notice to the persons in the manner in which the conditional notice of prepayment was given that such condition or conditions were not met and that the prepayment was canceled.

(b) Recipients; Timing. Notice of such prepayment shall be sent by first class mail or delivery service postage prepaid, or by telecopy, facsimile or electronically, to the Depository on the date of mailing of notice to the Owners by first class mail and by first class mail, postage prepaid, to the Corporation and the respective Owners of any Certificates designated for prepayment at their addresses appearing on the Certificate registration books, at least thirty (30) days, but not more than sixty (60) days, prior to the prepayment date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the prepayment of such Certificates. Notwithstanding the foregoing, so long as the Certificates are held

in book-entry form by the Depository, notice of prepayment shall be given to the Depository in the manner agreed to by the Depository and the Trustee.

In addition, notice of such prepayment shall also be sent to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system simultaneously with the mailing of notices required by the first paragraph above; provided, that neither failure to provide such notice nor any defect in any notice shall affect the sufficiency of the proceedings for the prepayment of such Certificates.

Section IV.6 Partial Prepayment of Certificates. Upon surrender by the Owner of a Certificate for partial prepayment at the Principal Office, payment of such partial prepayment of the principal amount of a Certificate will be paid to such Owner. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute and deliver to the registered Owner thereof, at the expense of the District, a new Certificate or Certificates which shall be of authorized denominations equal in aggregate principal amount to the unprepaid portion of the Certificate surrendered and of the same interest rate and the same maturity. Such partial prepayment shall be valid upon payment of the amount thereby required to be paid to such Owner, and the District, the Corporation and the Trustee shall be released and discharged from all liability to the extent of such payment.

Section IV.7 Effect of Notice of Prepayment. Notice having been given to the Owners of the Certificates as aforesaid, and the moneys for the prepayment (including the interest to the applicable date of prepayment), having been set aside in the Prepayment Fund, the Certificates shall become due and payable on said date of prepayment, and, upon presentation and surrender thereof at the Principal Office, said Certificates shall be paid at the prepayment price with respect thereto, plus interest accrued and unpaid to said date of prepayment.

If, on said date of prepayment, moneys for the prepayment of all the Certificates to be prepaid, together with interest to said date of prepayment, shall be held by the Trustee so as to be available therefor on such date of prepayment, and, if notice of prepayment thereof shall have been given as aforesaid, then, from and after said date of prepayment, interest evidenced by the Certificates to be prepaid shall cease to accrue and become payable. All moneys held by or on behalf of the Trustee for the prepayment of Certificates shall be held in trust for the account of the Owners of the Certificates so to be prepaid, without liability for interest thereon.

All Certificates paid at maturity or prepaid prior to maturity pursuant to the provisions of this Article shall be cancelled upon surrender thereof and destroyed.

Section IV.8 Surplus. Any funds remaining in the Prepayment Fund after prepayment and payment of all Certificates Outstanding, including payment of any applicable fees and expenses to the Trustee pursuant to Sections 9.06 and 9.07 hereof and any other Additional Payments payable under the Lease or provision made therefor satisfactory to the Trustee, and provision for any amounts required to be transferred to the Rebate Fund pursuant to Sections 8.07 and 8.08 hereof, shall be withdrawn by the Trustee and remitted to the District.

ARTICLE V

LEASE PAYMENTS; LEASE PAYMENT FUND

Section V.1 Security Provisions.

(a) Assignment of Rights in Lease. The Corporation has, pursuant to the Assignment Agreement, assigned and set over to the Trustee certain of its rights in the Lease, including but not limited to all of the Corporation's rights to receive and collect all of the Lease Payments, Prepayments, Reserve Replenishment Rent and all other amounts required to be deposited in the Lease Payment Fund pursuant to the Lease or pursuant hereto. All Lease Payments, Prepayments, Reserve Replenishment Rent and such other amounts to which the Corporation may at any time be entitled (other than amounts due to the Corporation under Section 4.11 of the Lease) shall be paid directly to the Trustee, and all of such Lease Payments, Prepayments, Reserve Replenishment Rent collected or received by the Corporation shall be deemed to be held and to have been collected or received by the Corporation as the agent of the Trustee and if received by the Corporation at any time shall be deposited by the Corporation with the Trustee within one Business Day after the receipt thereof, and all such Lease Payments shall be forthwith deposited by the Trustee upon the receipt thereof in the Lease Payment Fund, all such Prepayments shall be forthwith deposited by the Trustee upon the receipt thereof in the Prepayment Fund, and all such Reserve Replenishment Rent shall be forthwith deposited by the Trustee upon the receipt thereof in the Reserve Fund.

(b) Security Interest in Moneys and Funds. The Corporation and the District, as their interests may appear, hereby grant to the Trustee for the benefit of the Owners a lien on and a security interest in all moneys in the funds held by the Trustee under this Trust Agreement (excepting only the Rebate Fund and any moneys to be deposited into the Rebate Fund), including without limitation, the Lease Payment Fund, the Reserve Fund (including the Reserve Policy), the Prepayment Fund and the Net Proceeds Fund, and all such moneys shall be held by the Trustee in trust and applied to the respective purposes specified herein and in the Lease.

(c) Pledge of Lease Payments and Proceeds. The Lease Payments and any proceeds from the re-letting or any other disposition of the Property pursuant to Article IX of the Lease (the "Lease Proceeds") are hereby irrevocably pledged to and shall be used for the punctual payment of the interest and principal represented by the Certificates and, except as permitted under Section 2.15 hereof with respect to Additional Certificates, the Lease Payments and Lease Proceeds shall not be used for any other purpose while any of the Certificates remain Outstanding. This pledge shall constitute a first lien on the Lease Payments and Lease Proceeds in accordance with the terms hereof, subject to Section 9.06 hereof.

Section V.2 Establishment of Lease Payment Fund. The Trustee shall establish a special fund designated as the "Anaheim Union High School District Lease Payment Fund" and shall establish an Interest Account therein. All moneys at any time deposited by the Trustee in the Lease Payment Fund shall be held by the Trustee in trust for the benefit of the Owners of the Certificates. So long as any Certificates are Outstanding, neither the District nor the Corporation shall have any beneficial right or interest in the Lease Payment Fund or the moneys deposited therein, except only as provided in this Trust Agreement, and such moneys shall be used and applied by the Trustee as hereinafter set forth.

Section V.3 Application of Moneys. Except as provided in this Section 5.03 and in Section 5.04, all amounts in the Lease Payment Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal and interest evidenced by the Certificates as the same shall become due and payable, in accordance with the provisions of Article II and Article IV hereof, subject to the requirement that certain investment earnings may be transferred to the Rebate Fund, as provided in Section 8.08 hereof. If the District fails to deposit with the Trustee a Lease Payment on

the applicable Lease Payment Deposit Date, the Trustee will, within two Business Days after such Lease Payment Deposit Date, notify the Insurer of such failure. The Insurance Policy will be held by the Trustee and will be deemed to be held in the Lease Payment Fund.

On each Certificate Payment Date, the Trustee first shall set aside in the Interest Account an amount sufficient to pay the interest evidenced by the Certificates becoming due and payable on such date, and mail such amount (or wire transfer as provided in this Trust Agreement) to the Owners; and second shall set aside an amount sufficient to pay the principal evidenced by the Certificates becoming due and payable on such Certificate Payment Date.

Section V.4 Surplus. Any funds remaining in the Lease Payment Fund after payment of all Certificates Outstanding, including payment of any applicable fees, expenses or other amounts owed to the Trustee pursuant to Sections 9.06 and 9.07 hereof and any other Additional Payments due under the Lease, or provision made therefor satisfactory to the Trustee, and provision for any amounts required to be transferred to the Rebate Fund pursuant to Section 8.08 hereof, shall be withdrawn by the Trustee and remitted to the District.

ARTICLE VI

RESERVE FUND

Section VI.1 Establishment of Reserve Fund. The Trustee shall establish a special fund designated as the "Anaheim Union High School District Reserve Fund," referred to herein as the "Reserve Fund." All moneys at any time on deposit in the Reserve Fund (including the Reserve Policy and any Reserve Facility hereafter provided to satisfy the Reserve Requirement in whole or in part) shall be held in trust for the benefit of the Owners of the Certificates, as a reserve for the payment when due of all the Lease Payments to be paid pursuant to the Lease and of all payments on the Certificates and applied solely as provided herein.

Section VI.2 Funding.

(a) Reserve Requirement. On the Closing Date, there shall be deposited in the Reserve Fund the Reserve Policy. The Reserve Requirement may thereafter be satisfied by the District crediting to the Reserve Fund cash or with notice to S&P, a Reserve Facility or Facilities or any combination thereof, which in the aggregate make funds available in the Reserve Fund in an amount equal to the Reserve Requirement; however, the long-term unsecured debt or claim-paying ability, as the case may be, of the provider of any such Reserve Facility other than the Reserve Policy, must be rated in one of the two highest rating categories by Moody's or S&P, but only at the time of purchase of the Reserve Facility.

The term of any Reserve Facility shall either be equal to the term of the Lease or a rollover of the Reserve Facility or other equivalent replacement shall be required such that the aggregate term of all Reserve Facilities shall equal the term of the Lease.

(b) Reserve Facility. Any amounts paid pursuant to the Reserve Policy and any other Reserve Facility shall be deposited in the Reserve Fund, as appropriate. The District may substitute moneys for all or part of the amount available to be drawn under the Reserve Policy and any other Reserve Facility so long as, at the time of such substitution, the amount on deposit in the Reserve Fund, together with the amount available the Reserve Facilities credited thereto (taking into

account any reduction in the amount available under such Reserve Facility to be made in connection with said substitution) shall be at least equal to the Reserve Requirement. The District shall not substitute any Reserve Facility in lieu of all or any portion of the Reserve Policy or moneys on deposit in the Reserve Fund without the prior written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy or the Reserve Policy).

Amounts on deposit in the Reserve Fund which were not derived from payments under the Reserve Policy or another Reserve Facility credited thereto to satisfy a portion of the Reserve Requirement shall be used and withdrawn by the Trustee prior to using and withdrawing any amounts derived from payments under the Reserve Policy or other Reserve Facility. In order to accomplish such use and withdrawal of such amounts not derived from payments under the Reserve Policy or another Reserve Facility, the Trustee shall, as and to the extent necessary, liquidate any investments purchased with such amounts.

Section VI.3 Transfers of Excess. The Trustee shall, on or before February 15 and August 15 of each year, provide written notice to the District of any moneys which are estimated to be on hand in the Reserve Fund (including investment earnings) in excess of the Reserve Requirement on the next succeeding March 1 or September 1, as the case may be, and one Business Day immediately preceding any Lease Payment Deposit Date, the Trustee shall transfer such excess moneys to the Lease Payment Fund to be applied to the Lease Payment then due from the District. In the event of the partial Prepayment of Lease Payments the District may instruct the Trustee to reduce the amounts on deposit in the Reserve Fund to the Reserve Requirement as of such date and may direct the Trustee to transfer excess amounts from the Reserve Fund for any lawful purpose.

The transfers described above are in each case subject to the requirement that if the Certificate proceeds shall have become subject to the arbitrage rebate provisions of Section 148(f) of the Code as described in Section 8.08 hereof then certain investment earnings are to be transferred to the Rebate Fund at the direction of the District as provided in Section 8.08 hereof.

Section VI.4 Application of Reserve Fund in Event of Deficiency in Lease Payment Fund.

(a) At least five (5) Business Days immediately preceding any Certificate Payment Date, the Trustee shall ascertain the necessity for a claim under the Reserve Policy or other Reserve Facility in accordance with the terms hereof, and shall provide notice to the Reserve Insurer and the provider of any other Reserve Facility at least five (5) Business Days prior to each date upon which interest or principal is due on the Certificates.

(b) Whether or not Lease Payments are then in abatement, if five (5) Business Days immediately preceding any Certificate Payment Date, the moneys available in the Lease Payment Fund do not equal the amount of the principal and interest with respect to the Certificates then coming due and payable, the Trustee first shall apply the moneys available in the Reserve Fund to make delinquent Lease Payments on behalf of the District by transferring the amount necessary for such purpose to the Lease Payment Fund. All cash and investments in the Reserve Fund shall be transferred to the Lease Payment Fund before any drawing shall be made on the Reserve Policy or any other Reserve Facility. The Trustee shall take whatever action is necessary to liquidate or draw upon investments of funds held in the Reserve Fund or draw upon the Reserve Policy or other Reserve Facility to make such funds available for application as provided hereunder on the Certificate Payment Date.

(e) Draws on all Reserve Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Fund. "Available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable Reserve Facilities without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provide to honor any such claim or draw.

(d) The Trustee shall repay the Reserve Insurer any draws under the Reserve Policy together with interest thereon at the Late Payment Rate (defined below) from Reserve Replenishment Rent paid by the District pursuant to Section 4.4(d) of the Lease. The Trustee shall also pay all related reasonable expenses incurred by the Reserve Insurer together with interest thereon at the Late Payment Rate from Additional Payments made by the District pursuant to Section 4.11 of the Lease. "Late Payment Rate" means, as calculated by the Reserve Insurer, the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest due with respect to the Certificates, and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Reserve Insurer shall specify.

Repayment of draws under the Reserve Policy and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw. Payment of any Policy Costs and reimbursements of amounts with respect to other Reserve Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund.

Amounts in respect of Policy Costs paid to the Reserve Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Insurer on account of principal drawn on the Reserve Policy, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

If the District shall fail to pay any Policy Costs in accordance with the requirements hereof, the Reserve Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided hereunder, other than remedies which would adversely affect owners of the Certificates. This Agreement and the Lease shall not be discharged or terminated until all Policy Costs owing the Reserve Insurer shall have been paid in full. The District's obligation to pay such amounts shall expressly survive payment in full of the Certificates.

Section VI.5 Trustee to Make All Lease Payments. If on any Certificate Payment Date the moneys on deposit in the Reserve Fund and the Lease Payment Fund (excluding amounts required for payment of principal or interest evidenced by the Certificates not presented for payment) are sufficient to pay all Outstanding Certificates, including all principal, interest and prepayment premiums (if any), the Trustee shall, upon the written direction of the District Representative,

transfer all amounts in the Reserve Fund to the Lease Payment Fund to be applied to the payment of the Lease Payments or Prepayments on behalf of the District and such moneys shall be distributed to the Owners of Certificates in accordance with Article II of this Trust Agreement. Any amounts remaining in the Reserve Fund upon payment in full of all Outstanding Certificates and the Trustee's fees and expenses pursuant to Sections 9.06 and 9.07 hereof and any other Additional Payments due under the Lease, or upon provision for such payments as provided in Section 14.01 hereof and provisions for any amounts required to be transferred to the Rebate Fund pursuant to Section 8.08 hereof, shall at the written direction of the District be withdrawn by the Trustee and paid to the District.

ARTICLE VII

NET PROCEEDS FUND

Section VII.1 Establishment of Net Proceeds Fund; Deposits. The Trustee shall establish when required a special fund designated as the "Anaheim Union High School District Net Proceeds Fund," referred to herein as the "Net Proceeds Fund," to be maintained and held in trust for the benefit of the Owners, subject to disbursement therefrom as provided herein. The Trustee shall deposit Net Proceeds in the Net Proceeds Fund as provided in Section 6.1(a) of the Lease.

Section VII.2 Disbursements.

(a) Casualty Insurance. The Trustee shall disburse Net Proceeds for replacement or repair of the Property as provided in Section 6.1(b) of the Lease, or transfer such proceeds to the Prepayment Fund upon notification of the District Representative as provided in Section 6.1(b) or 6.1(c) of the Lease. Pending such application, such Net Proceeds may be invested by the Trustee as directed by the District in Permitted Investments that mature not later than such times moneys are expected to be needed to pay such costs of repair or replacement. Any amounts remaining in the Net Proceeds Fund following the repair or replacement of the Property shall, with the prior written consent of the Insurer, be disbursed to the District. After all of the Certificates have been paid and the entire amount of principal and interest evidenced by the Certificates has been paid in full, or provision made for payment satisfactory to the Trustee, including provision for all amounts required to be transferred to the Rebate Fund pursuant to Section 8.08 hereof, the Trustee shall pay any remaining moneys in the Net Proceeds Fund to the District after payment of any amounts due to the Trustee pursuant to Sections 9.06 and 9.07 hereof and any other Additional Payments due under the Lease.

(b) Title Insurance. Proceeds of any policy of title insurance received by the Trustee with respect to the Property shall be applied and disbursed by the Trustee upon the Written Request of the District as follows:

(i) If the District determines that the title defect giving rise to such proceeds has not substantially interfered with its use and occupancy of the Property and will not result in an abatement of Lease Payments and Additional Payments payable by the District under the Lease (such determination to be certified by the District in writing), such proceeds shall be remitted to the District and used for any lawful purpose thereof; or

(ii) If the District determines that the title defect giving rise to such proceeds has substantially interfered with its use and occupancy of the Property and will result in an

abatement of Lease Payments and Additional Payments payable by the District under the Lease, then the Trustee shall, with the prior consent of the Insurer, immediately deposit such proceeds in the Prepayment Fund and such proceeds shall be applied to the prepayment of Certificates in the manner provided in Section 4.02 hereof.

Section VII.3 Cooperation. The Corporation and the Trustee shall cooperate fully with the District at the expense of the District in filing any proof of loss with respect to any insurance policy maintained pursuant to Article V of the Lease and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Property or any item or portion thereof; provided, however, the Trustee shall not be obligated to take any action hereunder if it is not indemnified to its satisfaction from and against any liability or expense arising therefrom.

ARTICLE VIII

MONEYS IN FUNDS; INVESTMENT

Section VIII.1 Held in Trust. The moneys and investments held by the Trustee under this Trust Agreement are irrevocably held in trust for the benefit of the Owners and, in the case of the Rebate Fund, for payment as required to the United States Treasury, and for the purposes herein specified, and such moneys, and any income or interest earned thereon, shall be expended only as provided in this Trust Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Corporation, the Trustee or the District, or any of them.

Section VIII.2 Investments Authorized.

(a) By Trustee. Subject to the further provisions of this Article VIII, moneys held by the Trustee hereunder shall be invested and reinvested on maturity by the Trustee pursuant to Section 8.02(b). The Trustee will report any such investments to the District on a monthly basis in its regular statements. Such investments and reinvestments shall be made giving full consideration for the time at which funds are required to be available hereunder based upon information supplied by the District, as at, among other things, scheduled completion of the various components of the Project.

Investments purchased with funds on deposit in the Lease Payment Fund and Prepayment Fund shall mature not later than the Certificate Payment Date or prepayment date, as appropriate, immediately succeeding the investment. Notwithstanding anything to the contrary contained herein, investments purchased with funds on deposit in the Reserve Fund should have an average aggregate weighted term to maturity of not greater than five years unless invested in the Permitted Investments described in paragraph (b)(vi) of the definition thereof contained in Section 1.01 pursuant to which funds may be withdrawn, without penalty, to make payments.

(b) Upon Direction of District. The District Representative shall direct by telefacsimile or email such investment in specific Permitted Investments not less than two Business Days prior to the date that such Permitted Investment is to take effect, confirmed by written order filed with the Trustee. In the event that the District Representative does not so direct the Trustee, the Trustee shall invest in the Permitted Investments described in paragraph (b)(vi) of the definition thereof contained in Section 1.01; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a written order of the District specifying a specific money market fund and, if no such

written order of the District is so received, the Trustee shall hold such moneys uninvested. The Trustee may rely on the investment direction of the District as to the suitability and legality of the directed investments. In making investments, the Trustee may act as principal or agent.

(c) Registration. Such investments, if registrable, shall be registered in the name of the Trustee for the benefit of the Owners and held by the Trustee or its nominee.

(d) Trustee as Purchaser or Agent. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section. The Trustee may act as purchaser or agent in the making or disposing of any investment. The Trustee or any of its affiliates may act as a sponsor of, or as an advisor to any provider of, Permitted Investments hereunder. The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, at no additional cost, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

(e) Trustee Standard of Care. Except as otherwise provided in Section 9.05, the Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds or sale of such investment made by it in accordance with this Section or disposition made by it in accordance with Section 8.05(b).

Section VIII.3 Disposition of Investments. Any income, profit or loss on the investment of moneys held by the Trustee hereunder shall be credited to the respective fund for which it is held, except as otherwise provided herein.

Section VIII.4 Accounting. The Trustee shall furnish to the District, not less than monthly, an accounting (which may be in the form of its regular statements) of all investments made by the Trustee and all funds and amounts held by the Trustee; provided, that the Trustee shall not be obligated to deliver an accounting for any fund or account that (i) has a balance of zero and (ii) has not had any activity since the last reporting date. The Trustee shall keep accurate records of all funds administered by it and of all Certificates paid and discharged.

Section VIII.5 Valuation and Disposition of Investments.

(a) Valuation. Subject to the provisions of Section 8.08 hereof, for the purpose of determining the amount in any fund, all Permitted Investments (except investment agreements) credited to such fund shall be valued at the lower of the cost or the market price, exclusive of accrued interest. With respect to all funds and accounts, investments shall be valued by the Trustee (i) as frequently as deemed necessary by the Insurer but not less often than annually nor more often than monthly, and (ii) upon any draw upon the Reserve Fund. In making any such valuations, the Trustee may utilize, and conclusively rely upon such valuation services as may be available to the Trustee (including brokers and dealers in securities), including those within its regular accounting system.

(b) Disposition. Subject to the provisions of Section 8.08 hereof, the Trustee shall sell, or present for prepayment, any Permitted Investment so purchased by the Trustee whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investment is credited.

Section VIII.6 Commingling of Moneys in Funds. The Trustee may, and upon the written request of the District Representative shall, commingle any of the funds held by it pursuant to this Trust Agreement into a separate fund or funds for investment purposes only; provided, however, that all funds or accounts held by the Trustee hereunder shall be accounted for separately notwithstanding such commingling by the Trustee. The District shall ensure that any such commingling complies with Section 1.148-4 of the Treasury Regulations, and shall provide direction to the Trustee accordingly.

Section VIII.7 Tax Covenants.

(a) General. The District and the Corporation hereby covenant with the holders of the Certificates that, notwithstanding any other provisions of this Trust Agreement, they shall not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the Interest Component evidenced by the Certificates under Section 103 of the Code. The District and the Corporation (to the extent that the Corporation may have control over the Project or the proceeds of the Certificates) shall not, directly or indirectly, use or permit the use of proceeds of the Certificates or the Project, or any portion thereof, by any person other than a governmental unit (as such term is used in Section 141 of the Code), in such manner or to such extent as would result in the loss of exclusion from gross income for federal income tax purposes of the Interest Component evidenced by the Certificates.

(b) Use of Proceeds. The District and the Corporation (to the extent that the Corporation may have control over the Project or the proceeds of the Certificates) shall not take any action, or fail to take any action, if any such action or failure to take action would cause the Lease Payment evidenced by the Certificates to be “private activity bonds” within the meaning of Section 141 of the Code, and in furtherance thereof, shall not make any use of the proceeds of the Certificates or the Project, or any portion thereof, or any other funds of the District, that would cause the Lease Payments evidenced by the Certificates to be “private activity bonds” within the meaning of Section 141 of the Code. To that end, so long as any Certificates evidencing Lease Payments are outstanding, the District and the Corporation, with respect to such proceeds and the Project, will comply with applicable requirements of the Code and all regulations of the United States Department of the Treasury issued thereunder and under Section 103 of the Code, to the extent such requirements are, at the time, applicable and in effect. The District shall establish reasonable procedures necessary to ensure continued compliance with Section 141 of the Code and the continued qualification of the Lease Payments evidenced by the Certificates as “governmental bonds.”

(c) Arbitrage. The District and the Corporation (to the extent that the Corporation may have control over the Project or the proceeds of the Certificates) shall not, directly or indirectly, use or permit the use of any proceeds of any Certificates, or of the Project, or other funds of the District, or take or omit to take any action, that would cause the Lease Payments evidenced by the Certificates to be “arbitrage bonds” within the meaning of Section 148 of the Code. To that end, the District and the Corporation shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent such requirements are, at the time, in effect and applicable to the Lease Payments evidenced by the Certificates.

(d) Federal Guarantee. The District and the Corporation (to the extent that the Corporation may have control over the proceeds of the Certificates) shall not make any use of the proceeds of the Certificates or any other funds of the District, or take or omit to take any other action,

that would cause the Lease Payments evidenced by the Certificates to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(e) Compliance with Tax Certificate. In furtherance of the foregoing tax covenants of this Section, the District covenants that it will comply with the provisions of the Tax Certificate, which is incorporated herein as if fully set forth herein. These covenants shall survive payment in full or defeasance of the Certificates.

Section VIII.8 Rebate Fund.

(a) General. The Trustee shall establish a special fund designated the “Anaheim Union High School District Rebate Fund” (the “Rebate Fund”). Absent an opinion of Special Counsel that the exclusion from gross income for federal income tax purposes of the Interest Component evidenced by the Certificates will not be adversely affected, the District shall cause to be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to this Section and the Tax Certificate. All amounts at any time on deposit in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the “Rebate Requirement”) pursuant to Section 148 of the Code and the Treasury Regulations promulgated thereunder (the “Treasury Regulations”). Such amounts shall be free and clear of any lien under this Trust Agreement and shall be governed by this Section and Section 8.07 of this Trust Agreement and by the Tax Certificate executed by the District. The Trustee shall be deemed conclusively to have complied with the Rebate Requirement and the Tax Certificate if it follows the directions of the District, and shall have no independent responsibility to, or liability resulting from its failure to, enforce compliance by the District with the Rebate Requirement.

(b) Deposits.

(i) Within 45 days of the end of the fifth Certificate Year and each fifth Certificate Year thereafter, (1) the District shall calculate or cause to be calculated with respect to the Certificates the amount that would be considered the “rebate amount” within the meaning of Section 1.148-3 of the Treasury Regulations, and (2) the District shall transfer to the Trustee for deposit in the Rebate Fund, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the “rebate amount” so calculated.

(ii) The District shall not be required to deposit any amount to the Rebate Fund in accordance with preceding sentence if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the “rebate amount” calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section.

(iii) The District shall not be required to calculate the “rebate amount,” and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Certificates (including amounts treated as proceeds of the Certificates) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a 1½% penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of

Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a “bona fide debt service fund.”

(c) Withdrawal Following Payment of Certificates. Any funds remaining in the Rebate Fund after prepayment of all the Certificates and any amounts described in paragraph (ii) of subsection (d) of this Section, or provision made therefor satisfactory to the Trustee, including accrued interest and payment of any applicable fees and expenses to the Trustee, shall be withdrawn by the Trustee and remitted to the District.

(d) Withdrawal for Payment of Rebate. Upon the District’s written direction, but subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the “rebate amount” and make deposits to the Rebate Fund, the Trustee shall pay to the United States, from amounts on deposit in the Rebate Fund,

(i) not later than 60 days after the end of (1) the fifth Certificate Year, and (2) each fifth Certificate Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the “rebate amount” calculated as of the end of such Certificate Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(ii) not later than 60 days after the payment of all Certificates, an amount equal to 100% of the “rebate amount” calculated as of the date of such payment (and any income attributable to the “rebate amount” determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) Rebate Payments. Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service Center, Ogden, Utah. 84201 on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, which shall be completed by the arbitrage rebate consultant for execution by the District and provided to the Trustee.

(f) Deficiencies in the Rebate Fund. In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate the amount of such deficiency and direct the Trustee to deposit an amount received from the District equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(g) Withdrawals of Excess Amounts. In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the “rebate amount” calculated in accordance with said subsection, upon written instructions from the District, the Trustee shall withdraw the excess from the Rebate Fund and credit such excess to the Lease Payment Fund.

(h) Record Keeping. The District shall retain records of all determinations made hereunder until six years after the complete retirement of the Certificates.

(i) Survival of Defeasance. Notwithstanding anything in this Trust Agreement to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Certificates.

ARTICLE IX

THE TRUSTEE

Section IX.1 Appointment of Trustee.

(a) Appointment. U.S. Bank National Association, a national banking association organized under the laws of the United States of America, is hereby appointed Trustee by the Corporation and the District.

(b) Qualifications. The Corporation and the District agree that they will maintain a Trustee having an office in New York, New York, San Francisco, California, or Los Angeles, California capable of exercising trust powers in the State of California, with a combined capital (exclusive of borrowed capital) and a surplus of at least Seventy-Five Million Dollars (\$75,000,000), or be a member of a bank holding company system, which shall have a combined capital and surplus of at least Seventy-Five Million Dollars (\$75,000,000), and subject to supervision or examination by federal or state authority, so long as any Certificates are Outstanding. If such bank, corporation or trust company 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 Section the combined capital and surplus of such bank, national banking association, corporation or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(c) Removal. The Insurer and, so long as there is no Event of Default, the District (with the prior consent of the Insurer), may remove the Trustee initially appointed, and any successor thereto, and may appoint a successor or successors thereto.

(d) Resignation. The Trustee may, upon prior written notice to the District, the Insurer and the Corporation, resign; provided that such resignation shall not take effect until the successor Trustee is appointed as provided in this Section. Upon receiving such notice of resignation, the District shall promptly appoint a successor Trustee. In the event the District does not name a successor Trustee within thirty (30) days of receipt of notice of the Trustee's resignation, then the Trustee may petition a court of suitable jurisdiction to seek the immediate appointment of a successor Trustee.

(e) Successor. Any successor Trustee shall be a bank, association, corporation or trust company meeting the qualifications as set forth in Subsection (b) above and acceptable to the Insurer. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. Upon such acceptance, the successor Trustee shall mail notice thereof to the Owners at their respective addresses set forth on the Certificate registration books maintained pursuant to Section 2.12.

Section IX.2 Merger or Consolidation. Any company or banking association into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company shall be eligible under Section 9.01, shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section IX.3 Protection of the Trustee.

(a) Reliance Upon Papers or Documents. The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, facsimile, request, consent, direction, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Trust Agreement, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may, in the absence of bad faith on its part, accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements.

(b) Reliance Upon Opinions of Counsel. The Trustee may consult with counsel, who may be counsel to the District, with regard to legal questions and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith. Before being required to take any action, the Trustee may require an opinion of Independent Counsel acceptable to the Trustee which opinion shall be made available to the other parties hereto upon request, which counsel may be counsel to any of the parties hereto, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, Trustee shall be absolutely protected in relying thereon.

(c) Reliance Upon Requested Certificates. Whenever in the administration of its duties under this Trust Agreement, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed), in the absence of bad faith on its part, shall be deemed to be conclusively proved and established by the certificate of the District Representative or the Corporation Representative and such certificate shall be full warranty to the Trustee, in the absence of bad faith on its part, for any action taken or suffered under the provisions of this Trust Agreement upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section IX.4 Rights of the Trustee.

(a) Ownership of Certificates. The Trustee may become the Owner with the same rights it would have if it were not Trustee; may acquire and dispose of other bonds or evidence of indebtedness of the District with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners, whether or not such committee shall represent the Owners of the majority in principal amount of the Certificates then Outstanding.

(b) Attorneys, Agents, Receivers. The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, shall not be responsible for the actions or omissions of such attorneys, agents or receivers if appointed by it with reasonable care, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder; provided that the Trustee shall not assign any of its trust responsibilities without the prior written consent of the District.

(c) Funds and Accounts. In addition to the funds and accounts established or required to be established pursuant to this Trust Agreement, the Trustee may establish such additional funds and accounts as it deems necessary or appropriate to perform its duties hereunder.

Section IX.5 Standard of Care. So long as there is no Event of Default, (a) the Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct, and (b) the Trustee shall only perform those duties specifically set forth herein and no implied duties, covenants or obligations shall be read into this Trust Agreement. In the event of and during the continuance of an Event of Default, the Trustee shall exercise such care in performing its duties hereunder as a prudent person would exercise in the conduct of his affairs.

Section IX.6 Compensation of the Trustee. As an Additional Payment under Section 4.11 of the Lease, the District shall from time to time on demand, pay to the Trustee reasonable compensation and reimbursement for its services and the services of any accountants, consultants, attorneys and other experts as may be engaged by the Trustee to provide services under this Trust Agreement pursuant to a written agreement between the District and the Trustee. The District's obligation hereunder shall remain valid and binding notwithstanding maturity and payment of the Certificates and resignation or removal of the Trustee. Upon an Event of Default, and only upon an Event of Default, the Trustee as set forth in Section 13.03 shall have a first right of payment prior to payment on account of principal of and premium, if any, and interest evidenced by any Certificate, for the foregoing fees, charges and expenses incurred by it. When the Trustee incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section IX.7 Indemnification of Trustee. The District shall, to the extent permitted by law, indemnify and save the Trustee and its officers, directors, agents, and employees harmless from and against all claims, losses, costs, expenses, liability and damages, including legal fees and expenses, arising out of (i) the use, maintenance, condition or management of, or from any work or thing done on, the Property or the Project by the District, (ii) any breach or default on the part of the District in the performance of any of its obligations under this Trust Agreement and any other agreement made and entered into for purposes of the Property or the Project, (iii) any act of negligence of the District or of any of its agents, contractors, servants, employees or licensees with respect to the Property or the Project, (iv) any act of negligence of any assignee of, or purchaser from, the District or of any of its or their agents, contractors, servants, employees or licensees with respect to the Property or the Project, (v) the construction or acquisition of the Project, or (vi) the exercise and performance by the Trustee of its powers and duties hereunder or any related document, (vii) the sale of the Certificates and the carrying out of any of the transactions contemplated by the Certificates or this Agreement or (viii) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements made in light of the circumstances in which they were made, not misleading in any official statement or other disclosure document utilized in connection with the sale of the Certificates. The indemnification set forth in this Section 9.07 shall extend to the Trustee's officers, agents, employees, successors and assigns. No indemnification will be made under this Section or elsewhere in this Trust Agreement or other agreements for willful misconduct or negligence by the Trustee, its officers, agents, employees, successors or assigns. The District's obligations hereunder shall remain

valid and binding notwithstanding maturity and payment of the Certificates, or the resignation or removal of the Trustee.

In accepting the trust hereby created, the Trustee acts solely as Trustee for the Owners and not in its individual capacity, and all persons, including, without limitation, the Owners, Corporation and District, having any claim against the Trustee arising from the Trust Agreement shall look only to the funds and accounts held by the Trustee hereunder for payment, except as otherwise provided herein or where the Trustee has breached its standard of care as described in Section 9.05 hereof. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Certificates.

No provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder or in the exercise of any of its rights or powers.

The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Insurer or the Owners of not less than a majority in aggregate principal amount of the Certificates at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or in the exercise of any right hereunder.

The Trustee is authorized and directed to execute in its capacity as Trustee the Assignment Agreement.

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

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

The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request, order or direction of any of the Certificate Owners or the Insurer pursuant to the provisions of this Trust Agreement unless such Certificate Owners or the Insurer shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities, including, without limitation, liabilities arising under any Environmental Regulation (as defined in the Lease) which may be incurred therein or thereby.

The Trustee shall not be deemed to have knowledge of any Event of Default hereunder or under the Lease unless it has actual knowledge thereof at its Principal Office.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" means the following communications methods: S.W.I.F.T., e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the District, shall provide to the Trustee an incumbency certificate listing officers with the authority to

provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the District whenever a person is to be added or deleted from the listing. If the District elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The District understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The District shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the District and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the District. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The District agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the District; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

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

The Trustee shall not be concerned with or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty and it shall not be answerable for other than its negligence or willful misconduct.

Section IX.8 Trustee’s Disclaimer of Warranties. THE TRUSTEE MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE DISTRICT OF THE PROPERTY, OR ANY PORTION THEREOF. THE DISTRICT ACKNOWLEDGES THAT THE TRUSTEE IS NOT A MANUFACTURER OF PORTIONS OF THE PROPERTY, AND THAT THE DISTRICT IS LEASING THE PROPERTY AS IS. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages, in connection with or arising out of the Lease, the Site Lease, the Assignment Agreement or this Trust Agreement for the existence, furnishing, functioning or District’s use and possession of the Project or the Property.

ARTICLE X

MODIFICATION OR AMENDMENT OF AGREEMENTS

Section X.1 Amendments Permitted.

(a) With Consent. This Trust Agreement and the rights and obligations of the Owners, and the Lease and the rights and obligations of the parties thereto, may be modified or amended at any time, with notice to any rating agency then rating the Certificates by a supplemental agreement or amendment thereto which shall become effective when the prior written consents of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy) and the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 10.03 hereof, shall have been filed with the Trustee. No such modification or amendment shall:

(i) extend or have the effect of extending the fixed maturity of any Certificate or reducing the interest rate with respect thereto or extending the time of payment of interest, or reducing the amount of principal thereof or reducing any premium payable upon the prepayment thereof, or diminish the security afforded by the Insurance Policy without the prior written consent of the Owner of each Certificate so affected and the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy), or

(ii) reduce the percentage of Owners whose consent is required for the execution of any amendment hereof or supplement hereto without the prior written consent of the Owners of all Certificates then Outstanding and the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy), or

(iii) modify any of the rights or obligations of the Trustee without its written assent thereto, or

(iv) amend this Section 10.01 without the prior written consent of the Owners of all Certificates then outstanding and the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy).

The Trustee shall be provided such opinions of counsel under this Article X concerning (i) the lack of material adverse effect of the amendment on Owners, (ii) the amendment not affecting the tax status of the Interest Component evidenced by the Certificates and (iii) that such amendment is authorized or permitted under the terms of this Trust Agreement (and, if applicable, the Lease) and complies with the provisions of this Article X. Any such supplemental agreement or amendments thereto shall become effective as provided in Section 10.02 hereof.

(b) Without Consent. This Trust Agreement and the rights and obligations of the Owners, and the Lease and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental agreement or amendments thereto, upon prior written notice to the Insurer, with notice to any rating agency then rating the Certificates but without the consent of any such Owners, but only to the extent permitted by law and only:

(i) to add to the covenants and agreements of the District and the Corporation hereunder,

(ii) to cure, correct or supplement any ambiguous or defective provision contained herein or therein,

(iii) in regard to matters arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable (which may be based upon opinions as provided in Section 9.03(b)), shall not materially adversely affect the interest of the Owners or the Insurer (unless the Insurer has consented, in writing, to such amendment),

(iv) to substitute the Property or add to the Project, or a portion thereof, in accordance with Sections 3.5 and 7.12 of the Lease, with the consent of the Insurer,

(v) to make such additions, deletions or modifications as may be necessary or appropriate to assure the exclusion from gross income for federal income tax purposes of the Interest Component evidenced by the Certificates,

(vi) to add to the rights of the Trustee,

(vii) to maintain the rating or ratings assigned to the Certificates, or

(viii) to provide for the execution and delivery of Additional Certificates in accordance with the provisions of Section 2.15 hereof.

No such modification or amendment, however, shall modify any of the rights or obligations of the Trustee or the Insurer without its written assent thereto. Any such supplemental agreement shall become effective upon execution and delivery by the parties hereto or thereto as the case may be.

The Insurer shall be provided by the District with a full original transcript of all proceedings relating to the amendment of or supplement to this Trust Agreement or the Lease pursuant to this Section 10.01.

Section X.2 Procedure for Amendment with Written Consent of the Owners. This Trust Agreement or the Lease may be amended by supplemental agreement as provided in this Section 10.02 in the event the consent of the Owners is required pursuant to Section 10.01(a) hereof. A copy of such supplemental agreement, together with a request to the Owners for their consent thereto, shall be mailed by the Trustee to each Owner of a Certificate at his address as set forth in the Certificate registration books maintained pursuant to Section 2.12 hereof, but failure to receive copies of such supplemental agreement and request so mailed shall not affect the validity of the supplemental agreement when assented to as in this Section provided.

Such supplemental agreement shall not become effective unless there shall be filed with the Trustee the written consent of the Owners of at least a majority in aggregate principal amount of the Certificates then Outstanding (exclusive of Certificates disqualified as provided in Section 10.03 hereof) and notices shall have been mailed as hereinafter in this Section provided. Any such consent shall be binding upon the Owner of the Certificate giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Certificates shall have filed their consent to such supplemental agreement, the Trustee shall mail a notice to the Owners of the Certificates in the manner hereinbefore provided in this Section for the mailing of such supplemental agreement, stating in substance that such supplemental agreement has been consented to by the Owners of the required percentage of Certificates and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this Section to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Trustee may obtain and conclusively rely on an opinion of counsel with regard to such matters.

Any amendment under this Section 10.02 requiring the consent of the Owners shall require the prior written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy). The Insurer shall be provided prior written notice of all proposed amendments subject to its approval. All such Notices under this Section shall be sent to the addresses shown in Section 14.05 hereof.

Section X.3 Disqualified Certificates. Certificates owned or held by or for the account of the District or the Corporation or by any person directly or indirectly controlled or controlled by, or under direct or indirect common control with the District or the Corporation (except any Certificates held in any pension or retirement fund) shall not be deemed Outstanding for the purpose of any vote, consent, waiver or other action or any calculation of Outstanding Certificates provided for in this Trust Agreement, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Trust Agreement; except that in determining whether the Trustee shall be protected in relying upon any such approval or consent of an Owner, only Certificates which the Trustee actually knows to be owned or held by or for the account of the District or the Corporation or by any person directly or indirectly controlled or controlled by, or under direct or indirect common control with the District or the Corporation (except any Certificates held in any pension or retirement fund) shall be disregarded unless all Certificates are so owned or held by or for the account of the District or the Corporation or by any person directly or indirectly controlled or controlled by, or under direct or indirect common control with the District or the Corporation, in which case such Certificates shall be considered Outstanding for the purpose of such determination.

The District or the Trustee may adopt appropriate regulations to require each Owner, before his consent provided for in this Article X shall be deemed effective, to reveal if the Certificates as to which such consent is given are disqualified as provided in this Section 10.03 hereof.

Upon request of the Trustee, the District and Corporation shall specify in a certificate to the Trustee those Certificates disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

Section X.4 Effect of Supplemental Agreement. From and after the time any supplemental agreement becomes effective pursuant to this Article X, this Trust Agreement or the Lease, as the case may be, shall 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 of Certificates Outstanding, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any supplemental agreement shall be deemed to be part of the terms and conditions of this Trust Agreement or the Lease, as the case may be, for any and all purposes.

Section X.5 Endorsement or Replacement of Certificates Delivered After Amendments. The Trustee may determine that Certificates delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement, in form approved by the District, as to such action. In that case, upon demand of the Owner of any Outstanding Certificate at such effective date and presentation of his Certificate for such purpose at the Principal Office, a suitable notation shall be made on such Certificate. The District may determine that new Certificates, so modified as in the opinion of the District is necessary to conform to such Owner's action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Certificate then Outstanding, such new Certificate shall be exchanged in the Principal Office without cost to such Owner, for a Certificate of the same character then Outstanding, upon surrender of such Certificate.

Section X.6 Amendatory Endorsement of Certificates. Subject to Section 10.01 hereof, the provisions of this Article X shall not prevent an Owner from accepting any amendment as to the particular Certificates held by him, provided that due notification thereof is made on such Certificates.

Section X.7 Copies of Amendments Delivered to Rating Agencies. Copies of any modifications or amendments to this Agreement, the Lease, the Site Lease, this Trust Agreement or the Assignment Agreement shall be delivered by the District to each rating agency then rating the Certificates at least 10 days prior to the effective date thereof.

ARTICLE XI

COVENANTS; NOTICES

Section XI.1 Compliance With and Enforcement of the Lease. The District covenants and agrees with the Owners to perform all obligations and duties imposed on it under the Lease. The Corporation covenants and agrees with the Owners to perform all obligations and duties imposed on it under the Lease.

The District will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for cancellation or termination of the Lease by the Corporation thereunder. The Corporation and the District, immediately upon receiving or giving any notice, communication or other document in any way relating to or affecting their respective estates, or either of them, in the Property, which may or can in any manner affect such estate of the District, will deliver the same, or a copy thereof, to the Trustee.

Section XI.2 Payment of Taxes. The District shall pay all taxes as provided in Section 7.7(b) of the Lease.

Section XI.3 Observance of Laws and Regulations. The District will well and truly keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the District, including its right to exist and carry on business as a school district, to the end that such rights, privileges and

franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section XI.4 Prosecution and Defense of Suits. The District shall promptly, and also upon request of the Trustee, the Insurer or any Owner, from time to time take such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Property, whether now existing or hereafter developing and shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and save the Trustee and every Owner harmless from all loss, cost, damage and expense including attorneys' fees, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceeding.

Section XI.5 District Budgets. In accordance with Section 4.7 of the Lease, the District Representative shall certify to the Trustee on or before September 1 of each year that the District has included all Lease Payments, Additional Payments and Reserve Replenishment Rent due under the Lease in the Fiscal Year covered by its annual budget and the amount so included. If the District fails to certify that it has included all such Lease Payments, Additional Payments and Reserve Replenishment Rent in such annual budget, the Trustee shall promptly provide the District written notice specifying that the District has failed to observe and perform its covenant and agreement in such Section 4.7 and requesting that such failure be remedied within 30 days, or such failure shall constitute an Event of Default under Section 9.1(b) of the Lease. Upon receipt of such notice, the District shall notify the Trustee of the proceedings proposed to be taken by the District, and shall keep the Trustee advised of all proceedings thereafter taken by the District.

Section XI.6 Further Assurances. The Corporation and the District will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement, and for the better assuring and confirming unto the Owners the rights and benefits provided herein.

Section XI.7 Continuing Disclosure. The District hereby covenants that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Trust Agreement, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default or an event of default hereunder; however, any Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section and the Continuing Disclosure Certificate.

ARTICLE XII

LIMITATION OF LIABILITY

Section XII.1 Limited Liability of the District. Except for the payment of Lease Payments, Additional Payments, Reserve Replenishment Rent and Prepayments when due in accordance with the Lease and the performance of the other covenants and agreements of the District contained herein and in the Lease, the District shall have no obligation or liability to any of the other parties or to the Owners with respect to this Trust Agreement or the terms, execution, delivery or transfer of the Certificates, or the distribution of Lease Payments to the Owners by the Trustee.

Section XII.2 No Liability of the District or Corporation for Trustee Performance. Except as expressly provided herein, neither the District nor the Corporation shall have any

obligation or liability to any other parties or to the Owners with respect to the performance by the Trustee of any duty imposed upon it under this Trust Agreement.

Section XII.3 Limited Liability of Trustee.

(a) No Investment Advice. The Trustee shall have no obligation or responsibility for providing information to the Owners concerning the investment character of the Certificates.

(b) Sufficiency of this Trust Agreement or Lease Payments. The Trustee makes no representations as to the validity or sufficiency of the Certificates, shall incur no responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Certificates assigned to or imposed upon it. The Trustee shall not be responsible for the sufficiency or enforceability of the Lease, the Site Lease or the Assignment Agreement. The Trustee shall not be liable for the sufficiency or collection of any Lease Payments or other moneys required to be paid to it under the Lease (except as provided in this Trust Agreement), its right to receive moneys pursuant to said Lease, or the value of or title to the Property.

(c) Actions of Corporation and District. The Trustee shall have no obligation or liability to any of the other parties or the Owners with respect to this Trust Agreement or failure or refusal of any other party to perform any covenant or agreement made by any of them under this Trust Agreement or the Lease, but shall be responsible solely for the performance of the duties and obligations expressly imposed upon it hereunder as provided in Section 9.05.

(d) Recitals and Agreements of Corporation and District. The recitals of facts, covenants and agreements herein and in the Certificates shall be taken as statements, covenants and agreements of the District or the Corporation (as the case may be), and the Trustee assumes no responsibility for the correctness of the same.

Section XII.4 Limitation of Rights to Parties and Certificate Owners. Nothing in this Trust Agreement or in the Certificates expressed or implied is intended or shall be construed to give any person other than the District, the Corporation, the Trustee and the Owners, any legal or equitable right, remedy or claim under or in respect of this Trust Agreement or any covenant, condition or provision hereof; and all such covenants, conditions and provisions are and shall be for the sole and exclusive benefit of the District, the Corporation, the Trustee and the Owners.

ARTICLE XIII

EVENTS OF DEFAULT AND REMEDIES OF CERTIFICATE OWNERS

Section XIII.1 Assignment of Rights. The parties hereto acknowledge that pursuant to the Assignment Agreement the Corporation has transferred, assigned and set over to the Trustee for the benefit of the Owners, certain of the Corporation's rights under the Lease.

Section XIII.2 Events of Default.

(a) Remedies. If an Event of Default shall happen, then, and in each and every such case during the continuance of such Event of Default, the Trustee may exercise any and all remedies available pursuant to law or granted pursuant to the Lease; provided, however, that notwithstanding anything herein or in the Lease to the contrary, THERE SHALL BE NO RIGHT

UNDER ANY CIRCUMSTANCES TO ACCELERATE THE MATURITIES OF THE CERTIFICATES OR OTHERWISE TO DECLARE ANY LEASE PAYMENTS NOT THEN IN DEFAULT TO BE IMMEDIATELY DUE AND PAYABLE; provided further that so long as the Insurer shall not be in default in its payment obligations under the Insurance Policy, the Insurer, acting alone, shall control and direct all remedies upon an Event of Default. Section 9.2 of the Lease is hereby incorporated by reference.

(b) Actual Knowledge. The Trustee shall not be deemed to have knowledge of any Event of Default unless and until it shall have actual knowledge thereof, or shall have received written notice thereof at its Principal Office.

(c) Action on Default. If an Event of Default (within the meaning of Article IX of the Lease) shall happen, then such Event of Default shall constitute an Event of Default hereunder. The Trustee may give notice, as assignee of the Corporation, of an Event of Default under the Lease or hereunder to the District, and shall do so if directed to do so by the Insurer or, with the consent of the Insurer and the Owners of not less than a majority of the aggregate principal evidenced by Certificates then Outstanding. In each and every case during the continuance of an Event of Default, subject to Section 9.07, the Trustee (a) may, with the prior written consent of the Insurer, at the direction of the Owners of not less than a majority of the aggregate principal evidenced by Certificates then Outstanding, and (b) upon being indemnified to its satisfaction, shall, so long as the Insurer is not in default in its payment obligations under the Insurance Policy, at the direction of the Insurer, upon notice in writing to the District and the Corporation, exercise any of the remedies granted to the Corporation under the Lease and, in addition, with the written consent or at the written direction of, the Insurer, take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee pursuant to the Assignment Agreement or to protect and enforce any of the rights vested in the Trustee or the Owners by this Trust Agreement or by the Certificates, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or for the enforcement of any other legal or equitable right, including any one or more of the remedies set forth in Section 13.04 hereof.

Section XIII.3 Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article XIII or of Article IX of the Lease, and any funds then held by the Trustee, shall be deposited into the Lease Payment Fund and be applied by the Trustee after payment of all amounts due and payable under Section 9.06 hereof and Section 4.11 of the Lease in the following order upon presentation of the several Certificates, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid -

First, Costs and Expenses: to the payment of the costs, fees and expenses of the Trustee and then of the Owners in declaring such Event of Default and in performing its duties under the Trust Agreement, Lease and Assignment Agreement, including reasonable compensation to its or their agents, attorneys and counsel;

Second, Interest: to the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installment, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference;

Third, Principal: to the payment to the persons entitled thereto of the unpaid principal evidenced by any Certificates which shall have become due, whether at maturity or by call for prepayment, in the order of their due dates, with interest on the overdue principal and interest at a rate equal to the rate paid with respect to the Certificates and, if the amount available shall not be sufficient to pay in full all the amounts due evidenced by the Certificates on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference; and

Fourth, Insurer: to the extent not included in clauses First, Second or Third above, to the payment of all amounts then due to the Insurer or the Reserve Insurer, as certified in writing to the Trustee.

Section XIII.4 Institution of Legal Proceedings. If one or more Events of Default shall happen and be continuing, the Trustee shall, at the direction of the Insurer, or may, with the prior written consent of the Insurer, upon the written request of the Owners of a majority in principal amount of the Certificates then Outstanding, and upon being indemnified to its satisfaction therefor, proceed to protect or enforce its rights or the rights of the Owners by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained herein or in the Lease, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as the Trustee shall deem most effectual in support of any of its rights or duties hereunder; provided that such written request shall not be otherwise than in accordance with provisions of law and this Trust Agreement and that the Trustee shall have the right to decline to follow any such written request if the Trustee shall be advised by counsel that the action or proceeding so requested may not be taken lawfully or if the Trustee in good faith shall determine that the action or proceeding so requested would be unjustly prejudicial to the Certificate Owners not a party to such written request or expose the Trustee to liability.

Section XIII.5 Non-Waiver. Nothing in this Article XIII or in any other provision of this Trust Agreement or in the Certificates shall affect or impair the obligation of the District to pay or prepay the Lease Payments as provided in the Lease. So long as the Insurer is not in default in its payment obligations under the Insurance Policy, the Trustee shall not waive any default or breach of duty or contract hereunder without the prior written consent of the Insurer. No delay or omission of the Trustee or of any Owner of any of the Certificates to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by this Article XIII to the Trustee or to the Owners may be exercised from time to time and as often as shall be deemed expedient by the Trustee or the Owners.

Section XIII.6 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise.

Section XIII.7 Power of Trustee to Control Proceedings. Subject to the Insurer's right to control all remedies in the Event of a Default, in the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Insurer, or the Owners of a majority in principal amount of the Certificates then Outstanding, it shall have full power, in the exercise of its discretion for the best interest of the Owners of the Certificates, with respect to the

continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of at least a majority in principal amount of the Outstanding Certificates hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation. Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Certificates or the rights of any Owner thereof, or to authorize the Trustee to vote in respect of the claim of any Owner in any such proceeding without the approval of the Owners so affected.

Section XIII.8 Limitation on Certificate Owners' Right to Sue. No Owner of any Certificate executed hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Trust Agreement, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default under the Lease; (b) so long as the Insurer is not in default in its payment obligations under the Insurance Policy, such Owner shall have obtained the Insurer's consent to such institution or appointment; (c) the Owners of a majority in aggregate principal amount of all the Certificates then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (d) said Owners shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; (e) the Trustee shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee; and (f) there shall have been a default in the payment of such Owner's proportionate interest in the Lease Payments as the same become due.

Such notification, request, tender of indemnity, refusal or omission, and default are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Agreement, except in the manner herein provided and for the equal benefit of all Owners of the Outstanding Certificates.

The right of any Owner of any Certificate to receive payment of said Owner's proportionate interest in the Lease Payments as the same become due, or to institute suit for the enforcement of such payment, shall not be impaired or affected without the consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Trust Agreement.

ARTICLE XIV

MISCELLANEOUS

Section XIV.1 Defeasance.

(a) Methods. If and when any Outstanding Certificates shall be paid and discharged in any one or more of the following ways -

(i) Payment or Prepayment: by well and truly paying or causing to be paid the principal, interest and prepayment premiums (if any) with respect to such Certificates Outstanding, as and when the same become due and payable;

(ii) Cash: if prior to maturity and having given at least forty (40) days prior written notice of prepayment by depositing with the Trustee, in trust, concurrent with the giving of such notice, an amount of cash which (together with cash then on deposit in the Lease Payment Fund and the Reserve Fund together with the interest to accrue thereon, in the event of payment or provision for payment of all Outstanding Certificates) is sufficient to pay such Certificates Outstanding, including all principal and interest and premium, if any; or

(iii) Defeasance Securities: by irrevocably depositing with the Trustee, in trust, Defeasance Securities together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon (and, in the event of payment or provision for payment of all Outstanding Certificates, moneys then on deposit in the Lease Payment Fund and the Reserve Fund together with the interest to accrue thereon), be fully sufficient to pay and discharge such Certificates (including all principal and interest represented thereby and prepayment premiums if any) at or before their maturity date;

and all other amounts due hereunder have been paid in full, then, notwithstanding that any Certificates shall not have been surrendered for payment, all obligations of the Corporation, the Trustee and the District with respect to such Certificates shall cease and terminate, except only the obligation of the Trustee to pay or cause to be paid, from Lease Payments paid by or on behalf of the District from funds deposited pursuant to paragraphs (ii) and (iii) of this Section, to the Owners of the Certificates not so surrendered and paid all sums due with respect thereto, and in the event of deposits pursuant to paragraphs (ii) and (iii) of this Section, the Certificates shall continue to represent direct and proportionate interests of the Owners thereof in Lease Payments under the Lease.

(b) Surplus Moneys. Any funds held by the Trustee, at the time of payment or provision for payment of all Outstanding Certificates pursuant to the one of the procedures described in paragraphs (a)(i) through (a)(iii) of this Section, which are not required for the payment to be made to Owners, shall be paid over to the District, after the payment of any amounts due to the Trustee pursuant to Sections 9.06 and 9.07 hereof, any amounts due and owing to the Insurer, and any other Additional Payments due under the Lease.

(c) Surviving Provisions. Notwithstanding the satisfaction and discharge hereof, the Trustee shall retain such rights, powers and privileges under Section 9.06 and 9.07 hereof and hereunder as may be necessary or convenient for the payment of the principal, interest and prepayment premium, if any, on the Certificates and for the registration, transfer and exchange of the Certificates.

(d) Opinions and Reports. Prior to any defeasance becoming effective under this Section, (A) all amounts currently due to the Insurer under the Insurance Policy and Reserve Policy shall have been paid in full, and (B) the District shall cause to be delivered (i) an executed copy of a report, addressed to the Trustee, the District and the Insurer, in form and substance acceptable to the Trustee, the District and the Insurer of a nationally recognized firm of certified public accountants, verifying that the Defeasance Securities and cash, if any, satisfy the requirements of Section 14.01(a) above, (ii) a copy of the escrow deposit agreement entered into in connection with such defeasance, which escrow deposit agreement shall be in form and substance acceptable to the Insurer, and (iii) a copy of an opinion of Special Counsel, dated the date of such defeasance and addressed to the Trustee, the District and the Insurer, in form and substance acceptable to the Trustee, the District and the Insurer, to the effect that such Certificates are no longer Outstanding under the Trust Agreement.

In the event a forward purchase agreement will be employed in the refunding, such agreement shall be subject to the approval of the Insurer and shall be accompanied by such opinions of counsel as may be require by the Insurer. The Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

(e) Amounts paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of this Trust Agreement and the Certificates relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Corporation in accordance with this Trust Agreement. This Trust Agreement shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

Section XIV.2 Non-Presentation of Certificates. In the event any Certificate shall not be presented for payment when the principal with respect thereto becomes due, either at maturity, or at the date fixed for prepayment thereof, if moneys sufficient to pay such Certificate shall have been deposited in the Prepayment Fund or Lease Payment Fund, as applicable, all liability of the District to the Owner thereof for payment of such Certificate shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Owner of such Certificate who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on his or her part under this Trust Agreement or on, or with respect to, said Certificate.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Certificates within two (2) years after the date on which the same shall have become due shall be paid by the Trustee to the District (without liability for interest), free from the trusts created by this Trust Agreement. In addition, Trustee shall be indemnified from and against any and all liabilities to third parties resulting from its actions under this Section. Thereafter, Owners shall be entitled to look only to the District for payment, and then only to the extent of the amount so repaid by the Trustee. The District shall not be liable for any interest on the sums paid to it pursuant to this section and shall not be regarded as a trustee or trustees of such money.

Section XIV.3 Acquisition of Certificates by District. All Certificates acquired by the District, whether by purchase, gift or otherwise, shall be surrendered by the District to the Trustee for cancellation.

Section XIV.4 Records. The Trustee shall keep complete and accurate records of all moneys received and disbursed by it under this Trust Agreement, which shall be available for inspection by the District, the Corporation and any Owner, or the agent of any of them, at any time during regular business hours upon reasonable prior notice.

Section XIV.5 Notices. Except as specifically provided otherwise in this Trust Agreement, all written notices to be given under this Trust Agreement shall be given by mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be deemed to have been received upon actual receipt after deposit in the United States mail, postage prepaid or, in the case of personal delivery, upon delivery to the address set forth below:

If to the District: Anaheim Union High School District
 501 North Crescent Way
 Anaheim, California 92801
 Attention: Assistant Superintendent, Business Services

If to the Corporation: Anaheim UHSD Facilities Corporation
501 North Crescent Way
Anaheim, California 92801
Attention: President

If to the Trustee: U.S. Bank National Association
633 West 5th Street, 24th Floor
Los Angeles, California 90071
Attention: Global Corporate Trust Services

If to the Insurer: [TO COME]

If to S&P: Standard & Poor's Corporation
55 Water Street
New York, New York 10041
Attention: Public Finance Rating Desk

Section XIV.6 Governing Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State.

Section XIV.7 Binding Effect; Successors. This Trust Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Whenever in this Trust Agreement either the Corporation, the District or the Trustee 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 Trust Agreement contained by or on behalf of the Corporation, the District or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section XIV.8 Execution in Counterparts. This Trust 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 agreement.

Section XIV.9 Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Trust Agreement. All references herein to "Articles", "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Trust Agreement; and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Section XIV.10 Waiver of Notice. Whenever in this Trust Agreement the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section XIV.11 Separability of Invalid Provisions. In case any one or more of the provisions contained in this Trust Agreement or in the Certificates shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision of this Trust Agreement, and this Trust Agreement shall be

construed as if such invalid or illegal or unenforceable provision had never been contained herein. The parties hereto hereby declare that they would have entered into this Trust Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the delivery of the Certificates pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Trust Agreement may be held illegal, invalid or unenforceable.

Section XIV.12 Payment on Business Day. In any case where the date of the payment of interest on or of principal (and premium, if any) of the Certificates or the date fixed for prepayment is other than a Business Day, the payment of interest or principal need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required, and no interest shall accrue for the period from and after such date.

Section XIV.13 Provisions Relating to Certificate Insurance. Notwithstanding anything to the contrary herein:

(a) Any notice that is required to be given to any Owners, Information Services, or Securities Depositories shall be given to the Insurer.

(b) Notwithstanding any other provision herein, in determining whether the rights of the Owners will be adversely affected by an action taken pursuant to the terms and provisions hereof, the effect on the Owners shall be considered as if there were no Insurance Policy.

(c) The Insurer shall be deemed to be the holder of all of the Certificates for purposes of:

(i) exercising all remedies and directing the Trustee to take actions or for any other purposes following an Event of Default (as defined in the Lease), and

(ii) granting any consent, direction or approval or taking any action permitted by or required hereunder, as the case may be, to be granted or taken by the Owners of the Certificates.

(d) Any provision herein expressly recognizing or granting rights in and to the Insurer may not be amended in any manner that affects the rights of the Insurer without the prior written consent of the Insurer.

(e) Whenever the consent of the Owners is required pursuant to the provisions herein, the Insurer's consent shall also be required.

(f) Any reorganization or liquidation plan with respect to the District must be acceptable to the Insurer. In the event of any reorganization or liquidation, the Insurer shall have the right to vote on behalf of all Owners who hold Certificates guaranteed by the Insurer (so long as the Insurer is not in default of its obligations under the Policy). In furtherance thereof and as a term of this Trust Agreement and each Certificate, the Trustee and each Owner of a Certificate appoint the Insurer as their agent and attorney-in-fact and agree that the Insurer may at any time during the continuation of any proceeding by or against the District under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including

without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Owner of a Certificate delegate and assign to the Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a Certificate in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

(g) Payment Procedures Under the Insurance Policy.

(i) If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under the Trust Agreement, moneys sufficient to pay the principal of and interest on the Certificates due on such Payment Date, the Trustee shall give notice to the Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Certificates due on such Payment Date, the Trustee shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Certificates and the amount required to pay principal of the Certificates, confirmed in writing to the Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy.

(ii) The Trustee shall designate any portion of payment of principal on Certificates paid by the Insurer, whether by virtue of mandatory sinking fund prepayment, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Certificates registered to the then current Owner, whether DTC or its nominee or otherwise, and shall issue a replacement Certificate to the Insurer, registered in the name of _____, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Certificate shall have no effect on the amount of principal or interest payable by the Corporation on any Certificate or the subrogation rights of the Insurer.

(iii) The Trustee shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Certificate. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(iv) Upon payment of a claim under the Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The funds in such Policy Payments Account shall be held uninvested. The Trustee shall receive any amount paid under the Insurance Policy in trust on behalf of Owners and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with

respect to the Certificates under the sections hereof regarding payment of Certificates. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the District agrees to pay to the Insurer (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The District hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the funds on deposit with the Trustee and payable from such funds on a parity with interest and principal due on the Certificates.

(h) The Insurer shall, to the extent it makes any payment of principal or interest evidenced by the Certificates, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy. Each obligation of the District to the Insurer under this Trust Agreement, the Lease, the Site Lease and the Assignment Agreement (each, a "Related Document") shall survive discharge or termination of such Related Document.

(i) The District shall pay or reimburse the Insurer, to the extent permitted by law and subject solely to annual appropriation by the District, any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under this Trust Agreement or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Trust Agreement or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Trust Agreement or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Trust Agreement or any other Related Document.

(j) The Insurer shall be entitled to pay principal or interest evidenced by the Certificates that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the District (as such terms are defined in the Insurance Policy), whether or not the Insurer has received a Notice of Nonpayment or a claim upon the Insurance Policy.

(k) The rights granted to the Insurer under this Trust Agreement or any other Related Document to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the Owners or any other person is required in addition to the consent of the Insurer.

(l) The Insurer shall have the right to receive such additional information as it may reasonably request.

(m) The Corporation and the District will permit the Insurer to discuss the affairs, finances and accounts of the Corporation and the District or any information the Insurer may

reasonably request regarding the security for the Certificates with appropriate officers of the Corporation and the District and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the Corporation and the District on any Business Day upon reasonable prior notice.

(n) Any interest rate exchange agreement (“Swap Agreement”) entered into by the Corporation on behalf of the District or the District shall meet the following conditions: (i) the Swap Agreement must be entered into to manage interest costs related to, or a hedge against (a) assets then held, or (b) debt then outstanding, or (iii) debt reasonably expected to be issued within the next twelve (12) months, and (ii) the Swap Agreement shall not contain any leverage element or multiplier component greater than 1.0x unless there is a matching hedge arrangement which effectively off-sets the exposure from any such element or component. Unless otherwise consented to in writing by the Insurer, any uninsured net settlement, breakage or other termination amount then in effect shall be subordinate to the payment of the Lease Payments evidenced by on the Certificates and on any debt on parity with the Certificates. Neither the Corporation nor the District shall terminate a Swap Agreement unless it demonstrates to the satisfaction of the Insurer prior to the payment of any such termination amount that such payment will not cause the Corporation or the District to be in default under the Related Documents, including but not limited to, any monetary obligations thereunder. All counterparties or guarantors to any Swap Agreement must have a rating of at least “A-” and “A3” by S&P and Moody’s. If the counterparty or guarantor’s rating falls below “A-” or “A3” by either S&P or Moody’s, the counterparty or guarantor shall execute a credit support annex to the Swap Agreement, which credit support annex shall be acceptable to the Insurer. If the counterparty or the guarantor’s long term unsecured rating falls below “Baa1” or “BBB+” by either Moody’s or S&P, a replacement counterparty or guarantor, acceptable to the Insurer, shall be required.

Section XIV.14 Information to be Provided to the Insurer. The District or the Trustee shall furnish to the Insurer the following, as the case may be:

(a) Annual audited financial statements of the District within 180 days after the end of the District’s fiscal year (together with a certification of the District that it is not aware of any default or Event of Default under the Trust Agreement or the Lease), and the District’s annual budget within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;

(b) Notice of any draw upon the Reserve Fund within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of Certificates;

(c) Notice of any default actually known to the Trustee or District within five Business Days after knowledge thereof;

(d) Prior notice of the advance refunding or prepayment of any of the Certificates, including the principal amount, maturities and CUSIP numbers thereof;

(e) Notice of the resignation or removal of the Trustee and the Registrar for the Certificates and the appointment of, and acceptance of duties by, any successor thereto;

(f) Notice of the commencement of any proceeding by or against the Corporation or the District commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”);

(g) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest evidenced by, the Certificates;

(h) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents; and

(i) All reports, notices and correspondence to be delivered to Owners under the terms of the Related Documents.

Section XIV.15 Interested Parties.

(a) The Insurer as Third Party Beneficiary. The Insurer is hereby deemed a third party beneficiary of this Trust Agreement.

(b) Parties Interested Herein. Nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or to give grant to any person or entity, other than the District, the Trustee, the Insurer, the Reserve Insurer and the Owners of the Certificates, any right, remedy or claim under or by reason of this Trust Agreement or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Trust Agreement contained by and on behalf of the District shall be for the sole and exclusive benefit of the District, the Corporation, the Trustee, the Insurer, the Reserve Insurer and the registered owners of the Certificates.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Officer

ANAHEIM UHSD FACILITIES CORPORATION

By: _____
President

ANAHEIM UNION HIGH SCHOOL DISTRICT

By: _____
Superintendent

EXHIBIT A

FORM OF CERTIFICATE OF PARTICIPATION

R-__

\$_____

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE TRUST AGREEMENT) TO THE REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), 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.

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF ORANGE

ANAHEIM UNION HIGH SCHOOL DISTRICT
2017 CERTIFICATE OF PARTICIPATION

Evidencing the Fractional Interest of the Owner Hereof
In Lease Payments to be Made by
ANAHEIM UNION HIGH SCHOOL DISTRICT
As rental for a certain property
Pursuant to a Lease Agreement with the
ANAHEIM UHSD FACILITIES CORPORATION

Interest Rate *Maturity Date* *Dated Date* *CUSIP*
____% September 1, 20____ _____, 2017 _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ AND NO/100 DOLLARS

THIS IS TO CERTIFY THAT the registered owner named above, or registered assigns, as the registered owner (the "Registered Owner") of this Certificate of Participation (the "Certificate") is the owner of a fractional and undivided interest in the right to receive certain Lease Payments and Prepayments thereof under and as defined in that certain Lease Agreement, dated as of _____ 1, 2017 (the "Lease"), by and between the ANAHEIM UHSD FACILITIES CORPORATION, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California (the "Corporation") and the ANAHEIM UNION HIGH SCHOOL DISTRICT, a school district organized and existing under and by virtue of the laws and Constitution

of the State of California (the "District"), which Lease Payments and Prepayments and certain other rights and interests under the Lease have been assigned to U.S. Bank National Association, as trustee (the "Trustee"), having a corporate trust office in Los Angeles, California.

The Registered Owner of this Certificate is entitled to receive, subject to the terms of the Lease, on the Maturity Date specified above, the Principal Amount specified above, representing a portion of the Lease Payments designated as principal coming due during the preceding twelve months, and to receive semiannually on March 1 and September 1 of each year, commencing September 1, 2017 (the "Payment Dates"), until payment in full of the Principal Amount, the Registered Owner's portion of the Lease Payments designated as interest coming due during the six months immediately preceding each of the Payment Dates; provided that interest with respect hereto shall be payable from the Payment Date next preceding the date of execution of this Certificate (unless (i) this Certificate is executed on a Payment Date in which event it should be payable from the date thereof, (ii) this Certificate is executed after the close of business on the fifteenth day of the month preceding a Payment Date (the "Record Date") and prior to the following Payment Date, in which event interest shall be payable from such Payment Date, or (iii) it is executed on or prior to August 15, 2017 in which event interest evidenced thereby shall be payable from the Dated Date specified above; provided however, that if, as of any date, interest has not been paid when due with respect to any Outstanding Certificate, interest evidenced thereby shall be payable from the Payment Date to which interest has previously been paid or made available for payment with respect to Outstanding Certificates). The portion of the Lease Payments designated as interest is computed on the basis of a 360-day year of twelve 30-day months and is the result of the multiplication of the aforesaid portion of the Lease Payments designated as principal by the rate per annum identified above. Said amounts are payable in lawful money of the United States of America. The amount representing principal payable at maturity or upon prepayment in whole or in part is payable to the Registered Owner upon presentation and surrender of this Certificate at the Principal Office. The amounts representing interest are payable by check mailed by the Trustee on each Payment Date by first class mail to the Registered Owner hereof as of the Record Date preceding the Payment Date at the Registered Owner's address as it appears on the registration books of the Trustee. Interest evidenced by any Certificates may, at the option of any Owner of Certificates in an aggregate principal amount of \$1,000,000 or more evidenced by the written request of such Owner to the Trustee, be paid to such Owner by wire transfer to the bank and account number on file with the Trustee as of the Record Date.

This Certificate is one of the \$ _____ aggregate principal amount of 2017 Certificates of Participation (the "Certificates") which have been executed and delivered by the Trustee pursuant to the terms of a Trust Agreement, dated as of _____ 1, 2017 (the "Trust Agreement"), by and among the Trustee, the Corporation and the District. The District is authorized to enter into the Lease and the Trust Agreement under the Constitution and laws of the State of California. Reference is hereby made to the Lease and the Trust Agreement (copies of which are on file at the Principal Office) for a description of the terms on which the Certificates are delivered, the rights thereunder of the Owners of the Certificates, the rights, duties and immunities of the Trustee and the rights and obligations of the District under the Lease, to all of the provisions of which Lease and Trust Agreement the Registered Owner of this Certificate, by acceptance hereof, assents and agrees.

The District is obligated to pay Lease Payments from any source of legally available funds, and the District has covenanted in the Lease to make the necessary annual appropriations therefor. The obligation of the District to pay the Lease Payments does not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation or for which the

District has levied or pledged any form of taxation. The obligation of the District to pay Lease Payments does not constitute a debt of the District, the State of California or any of its political subdivisions within the meaning of any Constitutional or statutory debt limitation or restriction. The District's obligation to pay Lease Payments may be completely or partially abated during any period in which, by reason of material damage, destruction, title defect, or taking eminent domain or condemnation there is substantial interference with the use and right of possession by the District of the Property. Failure of the District to pay Lease Payments during any such period shall not constitute a default under the Lease, the Trust Agreement or this Certificate.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended by the parties thereto with the written consents of the Insurer (so long as the Insurer is not in default on its payment obligations under the Insurance Policy) and the Owners of at least a majority in aggregate principal amount of the Certificates then Outstanding, and may be amended, without the consent of the Owners under certain circumstances, but in no event such that the interests of the Owners of the Certificates are adversely affected. No such modification or amendment shall (i) extend or have the effect of extending the fixed maturity of any Certificate or reducing the interest rate with respect thereto or extending the time of payment of interest, or reducing the amount of principal thereof or reducing any premium payable upon the prepayment thereof, or diminish the security provided by the Insurance Policy without the express consent of the Owner of such Certificate, or (ii) reduce or have the effect of reducing the percentage of Certificates required for the affirmative vote or written consent to an amendment or modification of the Lease, (iii) modify any of the rights or obligations of the Trustee without its written assent thereto, or (iv) amend the section of the Trust Agreement dealing with permitted amendments thereof without the prior written consent of the Owners of all Certificates and the Insurer (so long as the Insurer is not in default on its payment obligations under the Insurance Policy).

This Certificate is transferable by the Registered Owner hereof, in person or by his duly authorized attorney, at the Principal Office, but only in the manner, subject to the limitations and upon payment of the charges provided in the Trust Agreement and upon surrender and cancellation of this Certificate. Upon such transfer a new Certificate or Certificates, of an authorized denomination or denominations, for the same aggregate principal amount, maturity and interest rate, will be delivered to the transferee. This Certificate also may be exchanged for a like aggregate principal amount of Certificates of other authorized denominations as prescribed in the Trust Agreement. The District, the Corporation and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes whether or not this Certificate shall be overdue, and the District, the Corporation and the Trustee shall not be affected by any notice to the contrary.

The Trustee shall not be required to transfer any Certificate selected for prepayment or be required to transfer any Certificate during the period in which the Trustee is selecting Certificates for prepayment.

Extraordinary Prepayment. The Certificates are subject to prepayment prior to their respective maturity dates on any date, in whole or in part, from Net Proceeds which the Trustee shall transfer to the Prepayment Fund as provided in the Lease at least 45 days prior to the date set for prepayment and credited towards the prepayment made by the District pursuant to the Lease, at a prepayment price equal to the Principal Component of the Lease Payments to be prepaid, together with accrued interest to the date fixed for prepayment, without premium.

Optional Prepayment. The Certificates maturing on or after September 1, 2027, are subject to optional prepayment prior to their stated maturities on any date on or after September 1, 2026, in whole or in part, at the option of the District, from any lawfully available source in the event the District exercises its option under the Lease to prepay the Principal Component of the Lease Payments (in integral multiples of \$5,000), at the prepayment price of the Principal Component of the Lease Payments to be prepaid, plus accrued interest to the date fixed for prepayment, without premium.

Mandatory Prepayment. The Certificates maturing on September 1, _____ are subject to mandatory prepayment in part, by lot, on September 1, _____, at a prepayment price equal to the principal amount thereof, together with accrued interest to the date fixed for prepayment, without premium. The principal amount represented by such Certificates to be so prepaid and the date therefor and the principal amount represented by such Certificates to be paid on the final principal payment date is as indicated in the following table:

Term Certificates Due on September 1, _____

<i>Year</i> <i>(September 1)</i>	<i>Principal Amount</i>
-------------------------------------	-------------------------

(Maturity)

As provided in the Trust Agreement, notice of optional or extraordinary prepayment shall be mailed by first class mail, not less than 30 nor more than 60 days before the prepayment date, to the Owners of the Certificates to be prepaid, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for prepayment. Any notice of prepayment for an optional prepayment may be conditional as described in the Trust Agreement. If this Certificate is called for prepayment and payment is duly provided therefor as specified in the Trust Agreement, interest shall cease to accrue with respect hereto from and after the date fixed for prepayment.

The District has certified that all acts, conditions and things required by the laws of the State of California and the Trust Agreement to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Certificate do exist, have happened and have been performed in regular and due time, form and manner as required by law, and that the Trustee is duly authorized to execute and deliver this Certificate, and that the amount of this Certificate, together with all other Certificates executed and delivered under the Trust Agreement, is not in excess of the amount of Certificates authorized to be executed and delivered thereunder.

Terms used herein which are not otherwise defined shall have the respective meanings assigned thereto in the Trust Agreement.

The Trustee has no obligation or liability to the Registered Owner of this Certificate to make payments of principal or interest evidenced by this Certificate except from Lease Payments paid to the Trustee and from the various funds and accounts established under the Trust Agreement. The Trust Agreement provides that the recitals of facts, covenants and agreements in this Certificate shall

be taken as statements, covenants and agreements of the District, and the Trustee assumes no responsibility for the correctness of the same. The Trustee has executed this Certificate solely in its capacity as Trustee under the Trust Agreement and not in its individual or personal capacity.

IN WITNESS WHEREOF, this Certificate has been executed and delivered by U.S. Bank National Association, as Trustee, acting pursuant to the Trust Agreement.

Date of Execution: _____, 2017

U.S. BANK NATIONAL ASSOCIATION, Trustee

By: _____
Authorized Signatory

[FORM OF STATEMENT OF INSURANCE]

[TO COME]

[FORM OF ASSIGNMENT]

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

(print or typewrite name, address, including postal zip code,
and social security or other identifying number of Transferee)

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints

to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

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

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

EXHIBIT B

FORM OF WRITTEN DELIVERY COST REQUISITION

U.S. Bank National Association
633 West 5th Street, 24th Floor
Los Angeles, CA 90017

RE: Disbursement from the Delivery Cost Fund pursuant to Section 3.01 of the Trust Agreement related to the Anaheim Union High School District 2017 Certificates of Participation, dated as of _____ 1, 2017 (the "Agreement"), by and among U.S. BANK NATIONAL ASSOCIATION, as trustee (the "Trustee"), ANAHEIM UHSD FACILITIES CORPORATION (the "Corporation") and the ANAHEIM UNION HIGH SCHOOL DISTRICT (the "District")

REQUISITION NO. _____

You are hereby instructed to pay to the District, or to _____ at _____ \$_____ as a Delivery Cost from the Delivery Cost Fund as provided in Section 3.04 of the Agreement. This Delivery Cost has been properly incurred, is a proper charge against the Delivery Cost Fund and has not been the basis of any previous disbursements.

The amount remaining in the Delivery Cost Fund, together with interest earnings on the Delivery Cost Fund plus investment earnings will, after payment of the amount set forth in this requisition, be sufficient to pay all remaining Delivery Costs as presently estimated.

Very truly yours,

[form only; no signature required] _____
District Representative

RECORDING REQUESTED BY:
Anaheim Union High School District

AND WHEN RECORDED MAIL TO:
Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attn: Robert J. Whalen, Esq.

[Space above for Recorder's use.]

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11921 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE. THE ASSIGNOR IS A GOVERNMENTAL AGENCY.

ASSIGNMENT AGREEMENT

by and between

ANAHEIM UHSD FACILITIES CORPORATION

and

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

Dated as of _____ 1, 2017

Relating to

**§ _____
ANAHEIM UNION HIGH SCHOOL DISTRICT
2017 CERTIFICATES OF PARTICIPATION**

ASSIGNMENT AGREEMENT

This ASSIGNMENT AGREEMENT is executed and entered into as of _____ 1, 2017 by the ANAHEIM UHSD FACILITIES CORPORATION, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California, including without limitation, Sections 5110 *et seq.* of the Corporations Code of the State of California (the "Corporation"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States, as trustee under the Trust Agreement (defined below) (the "Trustee");

WITNESSETH:

WHEREAS, the Corporation and the Anaheim Union High School District, a school district duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), have executed and entered into a Site Lease (the "Site Lease") and a Lease Agreement (the "Lease"), each dated as of the date hereof and recorded concurrently herewith, whereby respectively, the District has agreed to lease certain real property of the District described in Exhibit A to the Site Lease and in Exhibit A hereto and any facilities thereon (collectively, the "Property") to the Corporation and the Corporation has agreed to lease back such Property to the District, as provided in the Lease; and

WHEREAS, under and pursuant to the Lease, the District is obligated to make Lease Payments, as defined therein, to the Corporation for the lease of the Property; and

WHEREAS, the Corporation desires to assign to the Trustee irrevocably and absolutely, without recourse, all its rights to receive the Lease Payments scheduled to be paid by the District under and pursuant to the Lease to the Trustee and certain of its other rights under the Lease as described herein; and

WHEREAS, the Corporation desires to assign to the Trustee irrevocably and absolutely, without recourse, all of its rights to, under and pursuant to the Site Lease to the Trustee; and

WHEREAS, in consideration of such irrevocable and absolute assignment and the execution and entering into of a Trust Agreement (the "Trust Agreement") to be executed and entered into as of the date hereof, by and among the Trustee, the Corporation and the District, the Trustee has agreed to execute and deliver certificates of participation designated Anaheim Union High School District 2017 Certificates of Participation (the "Certificates") in an aggregate principal amount equal to the aggregate principal components of such Lease Payments; and

WHEREAS, the Corporation has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Assignment Agreement (the "Assignment Agreement") do exist, have happened and have been performed in regular and due time, form and manner as required by law and the parties hereto are now duly authorized to execute and enter into the Assignment Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER

VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

Section 1. Assignment.

(a) Site Lease. The Corporation hereby irrevocably and absolutely transfers, assigns and sets over to the Trustee, for the benefit of the Owners (as defined in the Trust Agreement) of the Certificates and any Additional Certificates executed and delivered under the Trust Agreement, all of the Corporation's rights, title, and interest, but none of its obligations, under the Site Lease.

(b) Lease. The Corporation hereby irrevocably and absolutely transfers, assigns and sets over to the Trustee, for the benefit of the Owners of the Certificates and any Additional Certificates executed and delivered under the Trust Agreement, all of the Corporation's rights, title and interest under the Lease (excepting only the Corporation's rights under Sections 2.1(e), 4.11 and 9.4 of the Lease, and the Corporation's rights to give consents and approvals prior to an event of default under the Lease), including, without limitation, (1) the right to receive and collect all of the Lease Payments, Prepayments, and Reserve Replenishment Rent (as such terms are defined in the Trust Agreement) from the District under the Lease, (2) the right to receive and collect any proceeds of any insurance maintained under the Lease, or any condemnation award rendered with respect to the Property, or of any lease or sale of the Property in the event of a default by the District under the Lease, (3) the right to take all actions and give all consents under Section 9.2 (regarding defaults) of the Lease, (4) the right to exercise such rights and remedies conferred on the Corporation pursuant to the Lease as may be necessary or convenient (i) to enforce payment of the Lease Payments, Prepayments, and Reserve Replenishment Rent and any other amounts required to be deposited in the Lease Payment Fund, the Prepayment Fund, the Reserve Fund or the Net Proceeds Fund established under the Trust Agreement, or (ii) otherwise to protect the interests of the Corporation in the event of a default by the District under the Lease, and (5) the right of the Corporation to be paid its fees and expenses for repossessing and/or re leasing the Property upon events of default under the Lease, as provided in Section 9.2 (a) and (b) of the Lease.

(c) Assignment for Owners of Certificates and Additional Certificates. All rights assigned by the Corporation shall be administered by the Trustee as assignee thereof according to the provisions of the Trust Agreement and for the equal and proportionate benefits of the Owners of the Certificates and any Additional Certificates.

Section 2. Acceptance. The Trustee hereby accepts the foregoing assignment for the benefit of the Owners of the Certificates and any Additional Certificates, subject to the conditions and terms of the Trust Agreement, and all such Lease Payments, Prepayments, Reserve Replenishment Rent and other amounts assigned hereunder shall be applied and all such rights so assigned shall be exercised by the Trustee under and pursuant to the Trust Agreement.

Section 3. Conditions. This Assignment Agreement shall confer no rights and shall impose no obligations upon the Trustee beyond those expressly provided in the Trust Agreement. The Trustee does not warrant the accuracy of the recitals hereto. The Trustee shall not be responsible for any representations, covenants or warranties of the Corporation. The assignment hereunder is to the Trustee solely in its capacity as Trustee under the Trust Agreement and not in its individual or personal capacity. The Trustee is not responsible for any representations, warranties or covenants made by the Corporation under the Lease or the Site Lease.

Section 4. No Other Claims. The Corporation hereby represents and warrants that there are no present and outstanding claims on Lease Payments or any other moneys assigned by the Corporation to the Trustee hereunder.

Section 5. Counterparts. This Assignment Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6. Applicable Law. This Assignment Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 7. Third Party Beneficiary. _____, as insurer of the Certificates, is a third party beneficiary of this Assignment Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have executed and entered into the Assignment Agreement by their officers thereunto duly authorized as of the day and year first above written.

ANAHEIM UHSD FACILITIES CORPORATION

By: _____
President

[SIGNATURES CONTINUED ON NEXT PAGE.]

[SIGNATURE PAGE CONTINUED.]

Accepted by:

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Vice President

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On _____ before me, _____, Notary Public,

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____ before me, _____, Notary Public,

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

The property constituting the Leased Property consists of the parcels of land and all buildings, improvements and facilities at any time situated thereon, which parcels are located in the City of Anaheim, County of Orange, State of California, and are described as follows:

END OF LEGAL DESCRIPTION