

---

---

**ESCROW AGREEMENT**

**by and between the**

**SUCCESSOR AGENCY OF THE FORMER  
REDEVELOPMENT AGENCY OF THE CITY OF THE COALINGA**

**and**

**U.S. BANK NATIONAL ASSOCIATION, as Escrow Bank**

**Dated March 20, 2018**

---

---

Relating to the current refunding of the outstanding

Redevelopment Agency of the City of Coalinga  
Coalinga Redevelopment Project  
2000 Tax Allocation Bonds

## ESCROW AGREEMENT

This ESCROW AGREEMENT is made and entered into this 20th day of March, 2018, by and between the SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF COALINGA, as successor to the former Redevelopment Agency of the City of Coalinga, a public entity, organized and existing under the laws of the State of California (the "Successor Agency"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, with a corporate trust office in Los Angeles, California, and being qualified to accept and administer the funds and accounts hereby created, as successor trustee with respect to the hereinafter described 2000 Bonds and as escrow agent hereunder (the "Escrow Bank");

### WITNESSETH:

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

WHEREAS, the Former Agency has previously issued its Redevelopment Agency of the City of Coalinga, Coalinga Redevelopment Project, 2000 Tax Allocation Bonds (the "2000 Bonds");

WHEREAS, the 2000 Bonds were issued pursuant to an Indenture of trust, dated as of April 1, 2000 (the "2000 Indenture"), by and between the Former Agency and U.S. Bank Trust National Association, since succeeded by U.S. Bank National Association, as trustee (the "2000 Trustee");

WHEREAS, the 2000 Indenture provides that if the Successor Agency shall pay and provide for the entire indebtedness on all or any portion of the 2000 Bonds and by irrevocably depositing cash or non-callable Defeasance Obligations (as defined in the 2000 Indenture) with the 2000 Trustee in such amount as will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to the 2000 Indenture, be fully sufficient to pay and discharge the indebtedness on all or such portion of the 2000 Bonds (including all principal, interest and redemption premiums) at or before maturity, and if the 2000 Bonds are to be redeemed prior to the maturity thereof, and notice of such redemption is given pursuant to the 2000 Indenture or provision satisfactory to the 2000 Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any 2000 Bonds shall not have been surrendered for payment, the pledge of the Tax Revenues (as defined in the 2000 Indenture) and other funds provided for in the 2000 Indenture and all other obligations of the 2000 Trustee and the Successor Agency under the 2000 Indenture with respect to all or such portion of the 2000 Bonds shall cease and terminate, except only the obligations of the 2000 Trustee to transfer and exchange the 2000 Bonds thereunder and except the obligations of the Successor Agency to pay or cause to be paid to the owners of the 2000 Bonds not so surrendered and paid all sums due thereon and all expenses and costs of the 2000 Trustee; and thereafter Tax Revenues shall not be payable to the 2000 Trustee;

WHEREAS, the Successor Agency has determined that, due to prevailing financial market conditions, it is in the best interests of the Successor Agency at this time to provide for

the redemption of the 2000 Bonds in full on April 9, 2018 (the "Redemption Date") at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to such date (the "Redemption Price");

WHEREAS, to raise funds necessary to effectuate the refunding of the 2000 Bonds, and for other purposes, the Successor Agency has issued its \$\_\_\_\_\_ Successor Agency of the Former Redevelopment Agency of the City of Coalinga Tax Allocation Refunding Bonds, Series 2018 (the "2018 Bonds"), pursuant to an Indenture of Trust, dated as of March 1, 2018 (the "2018 Indenture"), by and between the Successor Agency and Wells Fargo bank, National Association, as trustee (the "2018 Trustee");

WHEREAS, the Successor Agency wishes to make a deposit with the Escrow Bank and to enter into this Escrow Agreement for the purpose of providing the terms and conditions for the deposit and application of amounts so deposited; and

WHEREAS, the Escrow Bank has full powers to act with respect to the irrevocable escrow and escrow created herein and to perform the duties and obligations to be undertaken pursuant to this Escrow Agreement;

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

*Section 1. Appointment of Escrow Bank.* The Successor Agency hereby appoints the Escrow Bank as escrow agent for all purposes of this Escrow Agreement and in accordance with the terms and provisions of this Escrow Agreement, and the Escrow Bank hereby accepts such appointment.

*Section 2. Establishment of Escrow Fund.* There is hereby created by the Successor Agency with, and to be held by, the Escrow Bank, as security for the defeasance and redemption of the 2000 Bonds, as hereinafter set forth, an irrevocable escrow to be maintained by the Escrow Bank on behalf of the Successor Agency and for the benefit of the owners of the 2000 Bonds, said escrow to be designated the "Escrow Fund." All moneys deposited in the Escrow Fund shall constitute a special fund for the defeasance and redemption of the 2000 Bonds in accordance with the provisions of the 2000 Indenture. If at any time the Escrow Bank shall receive actual knowledge that the moneys in the Escrow Fund will not be sufficient to make any payment required by Section 4 hereof, the Escrow Bank shall notify the Successor Agency of such fact and the Successor Agency shall immediately cure such deficiency.

*Section 3. Deposit into Escrow Fund.*

(a) Concurrently with delivery of the 2018 Bonds, the Successor Agency shall cause to be transferred to the Escrow Bank for deposit into the Escrow Fund the amount of \$\_\_\_\_\_, derived from the proceeds of the 2018 Bonds.

(b) The Escrow Bank shall hold all amounts deposited in the Escrow Fund in cash, uninvested. The moneys held by the Escrow Bank in the Escrow Fund shall be used solely for the uses and purposes set forth herein.

(c) The Escrow Bank shall not be liable or responsible for any loss resulting from its full compliance with the provisions of this Escrow Agreement.

(d) Any money left on deposit in the Escrow Fund after payment in full of the 2000 Bonds, and the payment of all amounts due to the Escrow Bank hereunder, shall be paid to the

Successor Agency for deposit in the Redevelopment Obligation Retirement Fund established under the 2018 Indenture.

*Section 4. Instructions as to Application of Deposit; Redemption Notice.*

(a) The moneys deposited in the Escrow Fund pursuant to Section 3 shall be applied by the Escrow Bank for the sole purpose of redeeming the outstanding 2000 Bonds in full on the Redemption Date at the Redemption Price, all as set forth in Exhibit B attached hereto and by this reference incorporated herein.

(b) The Escrow Bank, in its capacity as 2000 Trustee, has been previously requested, and the Escrow Bank, as 2000 Trustee, previously agreed to give timely notice of the redemption of the 2000 Bonds on the Redemption Date in accordance with the applicable provisions of the 2000 Indenture.

*Section 5. Application of 2000 Funds.* Any amounts remaining on deposit in any fund or account established under the 2000 Indenture relating to the 2000 Bonds, including any investment earnings received after the date of original delivery of the 2018 Bonds, shall be transferred by the Escrow Bank to the Successor Agency for deposit in the Redevelopment Obligation Retirement Fund established under the 2018 Indenture.

*Section 6. Application of Certain Terms of 2000 Indenture.* All of the terms of the 2000 Indenture relating to the making of payments of principal and interest with respect to the 2000 Bonds are incorporated in this Escrow Agreement as if set forth in full herein. The provisions of the 2000 Indenture relating to the limitations from liability and protections afforded the 2000 Trustee and the resignation and removal of the 2000 Trustee are also incorporated in this Escrow Agreement as if set forth in full herein and shall be the procedure to be followed with respect to any resignation or removal of the Escrow Bank hereunder.

*Section 7. Compensation to Escrow Bank.* The Successor Agency shall pay the Escrow Bank full compensation for its duties under this Escrow Agreement, including out-of-pocket costs such as publication costs, prepayment or redemption expenses, legal fees and other costs and expenses relating hereto. Under no circumstances shall amounts deposited in the Escrow Fund be deemed to be available for said purposes.

*Section 8. Liabilities and Obligations of Escrow Bank.* The Escrow Bank shall have no obligation to make any payment or disbursement of any type or incur any financial liability in the performance of its duties under this Escrow Agreement unless the Successor Agency shall have deposited sufficient funds with the Escrow Bank. The Escrow Bank may rely and shall be protected in acting upon the written instructions of the Successor Agency or its agents relating to any matter or action as Escrow Bank under this Escrow Agreement.

The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys deposited therein, the sufficiency of the uninvested moneys held hereunder to accomplish the purposes set forth in Section 3 hereof, or any payment, transfer or other application of moneys by the Escrow Bank in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the "whereas" clauses herein shall be taken as the statement of the Successor Agency, and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representations as to the sufficiency of the uninvested moneys to accomplish the purposes set forth in Section 3 hereof or to the validity of this Escrow

Agreement as to the Successor Agency and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Agreement. The Escrow Bank may consult with counsel, who may or may not be counsel to the Successor Agency, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel) may be deemed to be conclusively established by a written certification of the Successor Agency.

Anything in this Escrow Agreement to the contrary notwithstanding, in no event shall the Escrow Bank be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Bank has been advised of the likelihood of such loss or damage and regardless of the form of action.

The Escrow Bank agrees to accept and act upon instructions or directions pursuant to this Escrow Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Escrow Bank shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Escrow Bank e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Bank in its discretion elects to act upon such instructions, the Escrow Bank's understanding of such instructions shall be deemed controlling. The Escrow Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Bank's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Bank, including without limitation the risk of the Escrow Bank acting on unauthorized instructions, and the risk of interception and misuse by third parties.

The Successor Agency hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated), to the extent permitted by law, to indemnify, protect, save and hold harmless the Escrow Bank and its respective successors, assigns, agents and servants from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Bank (whether or not also indemnified against by any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the retention of the moneys therein and any payment, transfer or other application of moneys by the Escrow Bank in accordance with the provisions of this Escrow Agreement, or as may arise by reason of any act, omission or error of the Escrow Bank made in good faith in the conduct of its duties; provided, however, that the Successor Agency shall not be required to indemnify the Escrow Bank against its own negligence or misconduct. The indemnities contained in this Section 8 shall survive the termination of this Escrow Agreement or the resignation or removal of the Escrow Bank.

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

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

The Escrow Bank may execute any of the obligations or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Bank shall furnish the Successor Agency periodic cash transaction statements which include detail for all transactions effected by the Escrow Bank. Upon the Successor Agency's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request.

*Section 9. Amendment.* This Escrow Agreement may be modified or amended at any time by a supplemental agreement which shall become effective when the written consents of the owners of one hundred percent (100%) in aggregate principal amount of the 2000 Bonds shall have been filed with the Escrow Bank. This Escrow Agreement may be modified or amended at any time by a supplemental agreement, without the consent of any such owners, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein or therein reserved to the Successor Agency and the Successor Agency, (2) to cure, correct or supplement any ambiguous or defective provision contained herein, (3) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which, in the opinion of counsel, shall not materially adversely affect the interests of the owners of the 2000 Bonds or the 2018 Bonds, and that such amendment will not cause interest on the 2000A Bonds, the 2000C Bonds or the 2018 Bonds to become subject to federal income taxation. In connection with any contemplated amendment or revocation of this Escrow Agreement, prior written notice thereof and draft copies of the applicable legal documents shall be provided by the Successor Agency to each rating agency then rating the 2000 Bonds.

*Section 10. Severability.* If any section, paragraph, sentence, clause or provision of this Escrow Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, sentence clause or provision shall not affect any of the remaining provisions of this Escrow Agreement. Notice of any such invalidity or unenforceability shall be provided to each rating agency then rating the 2000 Bonds.

*Section 11. Notice of Escrow Bank, Agency and Successor Agency.* Any notice to or demand upon the Escrow Bank may be served and presented, and such demand may be made, at the Principal Corporate Trust Office of the Escrow Bank as specified by the Escrow Bank as 2000 Trustee in accordance with the provisions of the 2000 Indenture. Any notice to or demand upon the Successor Agency shall be deemed to have been sufficiently given or served for all purposes by being mailed by first class mail, and deposited, postage prepaid, in a post office letter box, addressed to such party as provided in the 2000 Indenture (or such other address as may have been filed in writing by the Successor Agency with the Escrow Bank).

*Section 12. Merger or Consolidation of Escrow Bank.* Any company into which the Escrow Bank 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 Escrow Bank may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible to act as trustee under the 2000 Indenture, shall be the successor hereunder to the Escrow Bank without the execution or filing of any paper or any further act.

*Section 13. Execution in Several Counterparts.* This Escrow Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same instrument.

*Section 14. Governing Law.* This Escrow Agreement shall be construed and governed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF COALINGA has caused this Escrow Agreement to be signed in its name by its Executive Director and U.S. BANK NATIONAL ASSOCIATION in token of its acceptance of the escrow created hereunder, has caused this Escrow Agreement to be signed in its corporate name by its officer identified below, all as of the day and year first above written.

SUCCESSOR AGENCY OF THE FORMER  
REDEVELOPMENT AGENCY OF THE  
CITY OF COALINGA

By \_\_\_\_\_  
Executive Director

Attest:

\_\_\_\_\_  
Secretary

U.S. BANK NATIONAL ASSOCIATION,  
as Escrow Bank and 2000 Trustee

By \_\_\_\_\_  
Michelle Knutson  
Vice President

## EXHIBIT A

### REDEMPTION SCHEDULE

Redemption Date	Scheduled Principal	Called Principal	Interest	Redemption Premium	Total Payment
4/9/18	—	\$2,610,000		—	