
ESCROW AGREEMENT

by and between

**THE SUCCESSOR AGENCY TO
THE CARSON REDEVELOPMENT AGENCY,**

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee**

Dated as of April 1, 2020

*Relating to
the refunding and defeasance of*

**\$16,845,000 (Original Principal)
Carson Redevelopment Agency
Carson Merged and Amended Project Area Subordinate Lien Tax Allocation
Refunding Bonds, 2007 Series A**

ESCROW AGREEMENT

This ESCROW AGREEMENT, (the "Agreement"), made and entered into as of April 1, 2020, by and between the SUCCESSOR AGENCY TO THE CARSON REDEVELOPMENT AGENCY (the "Agency"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, having a corporate trust office located in Los Angeles, California, and being qualified to accept and administer the trusts hereby created, as trustee (the "Trustee") and acting as escrow agent hereunder (in such capacity, the "Escrow Agent"),

WITNESSETH:

WHEREAS, the former Carson Redevelopment Agency (the "RDA") has heretofore issued its (a) \$16,845,000 Carson Redevelopment Agency Carson Merged and Amended Project Area Subordinate Lien Tax Allocation Refunding Bonds, 2007 Series A ("Series 2007 Bonds"), pursuant to the terms of that certain Indenture of Trust, dated as of October 1, 2007 (the "2007 Indenture") by and between the RDA and the Trustee, as 2007 Trustee (the "2007 Trustee");

WHEREAS, the Agency has determined to issue its Subordinate Tax Allocation Refunding Bonds, 2020 Series B (the "Refunding Bonds") in the aggregate principal amount of \$_____ pursuant to the terms of an Indenture of Trust, dated as of April 1, 2020 (the "2020 Indenture"), by and between the Agency and the Trustee;

WHEREAS, the Refunding Bonds are being issued for the purpose of providing moneys, together with other funds of the Agency, which will, among other things, be sufficient to redeem the Series 2007 Bonds, with notice provided at least thirty (30) days but not more than sixty (60) days prior to the date of such redemption, at a redemption price equal to the sum of the principal amount of the Series 2007 Bonds plus accrued interest thereon to the redemption date, such amount hereinafter referred to as the "Redemption Price;"

WHEREAS, the Indenture contemplates the setting aside of a portion of the proceeds of the Refunding Bonds, together with other funds of the Agency, in order to provide for the payment of the Redemption Price related to the Series 2007 Bonds and that such proceeds shall be deposited in two special escrow funds to be created hereunder to be known as the Refunding Escrow to be maintained by the Escrow Agent (the "Refunding Escrow"); and

WHEREAS, the Agency has taken action to cause to be delivered to the Escrow Agent for deposit in or credit to the Refunding Escrow cash in the amount of \$_____ with respect to the Series 2007 Bonds, which has been verified by Causey Demgen & Moore, P.C., to be sufficient, if held invested and/or uninvested, as the case may be, as provided herein, to pay the principal of and interest on and the Redemption Price of the Series 2007 Bonds on the applicable redemption date;

NOW, THEREFORE, the Agency and the Escrow Agent hereby agree as follows:

Section 1. Establishment, Funding and Maintenance of Refunding Escrow for the Series 2007 Bonds (the "2007 Bonds Escrow"); Notice of Redemption; Investment Directions.

(a) Pursuant to the 2020 Indenture, the Agency has caused the Trustee to transfer to the Escrow Agent the sum of \$_____, \$_____ of which is derived from the proceeds of the Refunding Bonds and \$_____ of which are funds in the Redevelopment Obligation Retirement Fund of Agency and \$_____ transferred from funds held under the 2007 Indenture. The Escrow Agent hereby accepts and acknowledges receipt of \$_____ to secure the payment of the principal and interest of the Series 2007 Bonds to maturity. The Escrow Agent agrees to establish and maintain until the maturity of the Series 2007 Bonds has been paid in full a fund designated as the "2007 Bonds Escrow," and to hold the moneys therein at all times as a special and separate trust fund (wholly segregated from all other securities,

investments or moneys on deposit with the Escrow Agent). All moneys in the 2007 Bonds Escrow are hereby irrevocably pledged to secure the payment of the principal and interest on the Series 2007 Bonds. The moneys which are deposited in the 2007 Bonds Escrow shall be derived from the following moneys pursuant to the directions of the Agency provided to the Escrow Agent: (i) the sum of \$____ shall be derived from the proceeds of the Refunding Bonds under the 2020 Indenture, and (ii) the sum of \$____ shall be derived from funds in the Redevelopment Obligation Retirement Fund of the Agency for the Series 2007 Bonds.

(b) Pursuant to instructions provided by the Agency, the Escrow Agent shall provide notice to the owners of the Series 2007 Bonds at the addresses appearing on the bond registration books of the Trustee not less than 30, nor more than 60, days prior to _____, being the Redemption Date of the Series 2007 Bonds in the manner provided in Section 2.04(e) of the 2007 Indenture. The form of Conditional Notice of Redemption is attached hereto as Exhibit B.

(c) The Escrow Agent is instructed to post a Notice of Defeasance with the EMMA platform of the Municipal Securities Rulemaking Board. A form of the Notice of Defeasance is attached as Exhibit C hereto, and shall be posted within 10 days following the defeasance of the Series 2007 Bonds on the Closing Date.

(d) The Agency hereby directs the Escrow Agent to accept the cash deposit of \$____ in the 2007 Bonds Escrow and to invest such moneys \$____ of such moneys as shown on Exhibit ____ hereto and to hold the remaining \$____ uninvested. _____, the verification agent has shown that the moneys deposited in the 2007 Bonds Escrow, as invested herein, shall be sufficient to pay the principal of and interest on the Series 2007 Bonds to the maturity date thereof.

Section 2. Reserved.

Section 3. Payment and Redemption of the Series 2007 Bonds. The Agency hereby requests and irrevocably instructs the Escrow Agent to transfer amounts from the 2007 Bonds Escrow to the Trustee to pay when due the principal of, interest on the Series 2007 Bonds as they become due and payable as provided in Exhibit ____ hereto. Upon payment in full of the principal of, interest on and the Redemption Price of the Series 2007 Bonds, the Escrow Agent shall transfer any moneys remaining in the 2007 Bonds Escrow to the Agency after provision for payment of amounts due the Escrow Agent pursuant to Section 4 and 11 hereof, and this Agreement shall terminate. The Series 2007 Bonds Escrow cash flow is set forth in Schedule I attached to Exhibit ____ hereto.

Section 4. Fees and Costs.

(a) The Agency shall pay to the Escrow Agent from time to time reasonable compensation for all services rendered under this Agreement. The parties hereto agree that the duties and obligations of the Escrow Agent shall be as expressly provided herein, and no implied duties or obligations shall be read into this Agreement against the Escrow Agent.

(b) The Agency shall pay to the Escrow Agent additional fees and reimbursements for costs incurred, including but not limited to legal and accountants' services, involving this Agreement.

(c) The fees of and the costs incurred by the Escrow Agent shall in no event be deducted or payable from, or constitute a lien against, the Refunding Escrow, except as otherwise provided herein.

Section 5. Merger or Consolidation. Any company into which the Escrow Agent 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 Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be

eligible under this Agreement, shall be the successor of such Escrow Agent without the execution or filing of any paper or any further act, notwithstanding anything herein to the contrary.

Section 6. Resignation of Escrow Agent. The Escrow Agent may at any time resign by giving written notice to the Agency of such resignation. The Agency shall promptly appoint a successor Escrow Agent upon receipt of such notice. Resignation of the Escrow Agent will be effective only upon acceptance of appointment of a successor Escrow Agent. If the Agency does not appoint a successor within 60 days of the receipt of such notice of resignation, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent, which court may thereupon, after such notice, if required by law, appoint a successor Escrow Agent. After receiving a notice of resignation of an Escrow Agent, the Agency may appoint a temporary Escrow Agent to replace the resigning Escrow Agent until the Agency appoints a successor Escrow Agent. Any such temporary Escrow Agent so appointed by the Agency shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

Section 7. Severability. If any section, paragraph, sentence, clause or provision of this 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 Agreement.

Section 8. Execution of Counterparts. This Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

Section 9. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 10. Definitions. Any capitalized term used but not otherwise defined in this Agreement shall have the meaning assigned to such term in the Indenture.

Section 11. Indemnification. The Agency agrees to indemnify, hold harmless and defend the Escrow Agent and its officers, directors, employees and agents to the maximum extent permitted by law against any and all losses, damages, claims, actions, liabilities, costs and expenses of whatever nature, kind or character (including, without limitation, attorneys' fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) which may be imposed on, or incurred by or asserted against the Escrow Agent directly or indirectly arising out of or related to the acceptance and performance by the Escrow Agent of its duties hereunder. This indemnification shall apply whether any such claim, suit, investigation, proceeding or action is based upon (i) the interference with or breach of or alleged interference with or alleged breach of any existing contract in connection with the Series 2007 Bonds, (ii) any untrue statement or alleged untrue statement of a material fact or omission of a material fact required to be stated in any offering document with respect to the Series 2007 Bonds necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or (iii) any other wrongful act or alleged wrongful act of the Agency related to the redemption of the Series 2007 Bonds; provided, however, that this indemnification shall not cover any losses or expenses incurred by the Escrow Agent as a result of its negligence or willful misconduct. In addition to the foregoing, the prevailing party in any lawsuit shall be entitled to attorneys' fees and costs incurred in any judgment proceeding to collect or enforce the judgment. This provision is separate and severable and shall survive the merger of this Agreement into any judgment on this Agreement.

The agreements of the Agency hereunder shall survive the resignation or removal of the Escrow Agent or termination of this Agreement.

Section 12. Immunities and Liability of Escrow Agent.

(a) The Escrow Agent undertakes to perform only such duties as are expressly and specifically set forth in this Agreement and no implied duties or obligations shall be read into this Agreement against the Escrow Agent.

(b) The Escrow Agent shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. In no event shall the Escrow Agent be liable for any special, indirect or consequential damages, even if the Escrow Agent or the Agency knows of the possibility of such damages. The Escrow Agent shall have no duty or responsibility under this Agreement in the case of any default in the performance of the covenants or agreements contained in the Indenture. The Escrow Agent is not required to resolve conflicting demands to money or property in its possession under this Agreement.

(c) The Escrow Agent may consult with counsel of its own choice (which may be counsel to the Agency) and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action hereunder in accordance with such opinion of counsel.

(d) The Escrow Agent shall not be responsible for any of the recitals or representations contained herein or in the Indenture, other than recitals or representations specifically made by the Escrow Agent.

(e) The Escrow Agent may become the owner of, or acquire any interest in, any of the Refunding Bonds with the same rights that it would have if it were not the Escrow Agent and may engage or be interested in any financial or other transaction with the Agency.

(f) The Escrow Agent shall not be liable for the accuracy of any calculations provided as to the sufficiency of the moneys or securities deposited with it to pay the principal of or interest or premium on the Series 2007 Bonds.

(g) The Escrow Agent shall not be liable for any action or omission of the Agency under this Agreement or the Indenture.

(h) Whenever in the administration of this Agreement the Escrow Agent 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) may, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be deemed to be conclusively proved and established by a certificate of any authorized representative of the Agency, and such certificate shall, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be full warrant to the Escrow Agent for any action taken or suffered by it under the provisions of this Agreement upon the faith thereof.

(i) The Escrow Agent may conclusively rely as to the truth and accuracy of the statements and correctness of the opinions and the calculations provided to it in connection with this Agreement and shall be protected in acting, or refraining from acting, upon any written notice, instruction, request, certificate, document or opinion furnished to the Escrow Agent in connection with this Agreement and reasonably believed by the Escrow Agent to have been signed or presented by the proper party, and it need not investigate any fact or matter stated in such notice, instruction, request, certificate or opinion.

(j) No provision of this Agreement shall require the Escrow Agent 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.

(k) The Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Agency the right to receive brokerage confirmations of security transactions as they occur, the Agency specifically waive receipt of such

confirmations to the extent permitted by law. The Escrow Agent will furnish the Agency periodic cash transaction statements which include detail for all investment transactions made by the Escrow Agent hereunder.

(l) If the Escrow Agent learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of securities that is to be submitted pursuant to this Agreement, the Escrow Agent shall promptly request alternative written investment instructions from the Agency with respect to escrowed funds which were to be invested in securities. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold funds uninvested and without liability for interest until receipt of further written instructions from the Agency. In the absence of investment instructions from the Agency, the Escrow Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent may conclusively rely upon the Agency's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

(m) The Escrow Agent may execute any of the trusts 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.

(n) The Escrow Agent shall incur no liability for losses arising from any investment made pursuant to this Agreement.

Section 13. Termination of Agreement. Upon payment in full of the principal of and interest on the Series 2007 Bonds and all of the fees and expenses of the Escrow Agent as described above, all obligations of the Escrow Agent under this Agreement shall cease and terminate, except for the obligation of the Escrow Agent to pay or cause to be paid to the owners of the Series 2007 Bonds not presented for payment all sums due thereon and the obligation of the Agency to pay to the Escrow Agent any amounts due and owing to the Escrow Agent hereunder; provided, however, the obligations of the Escrow Agent with respect to the payment of the respective series of Series 2007 Bonds shall cease and terminate two years after the date on which the same shall have become due as described hereunder and in accordance with the Indenture.

Section 14. Substitution or Withdrawal of Federal Securities. The Agency may at any time direct the Escrow Bank to substitute federal securities described herein with federal securities permitted under the Indenture for discharge of the Series 2007 Bonds ("Federal Securities") for any or all of the Federal Securities then deposited in the Refunding Escrow, or to withdraw and transfer to the Agency any portion of the Federal Securities then deposited in the Refunding Escrow, provided that any such direction and substitution or withdrawal shall be accompanied by: (a) a certification of an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions that the Federal Securities then to be so deposited in the Refunding Escrow together with interest to be derived therefrom, or in the case of withdrawal, the Federal Securities to be remaining in the Refunding Escrow following such withdrawal together with the interest to be derived therefrom, shall be in an amount at all times at least sufficient to make the payments specified in Section 3 hereof; and (b) an opinion of Bond Counsel that the substitution or withdrawal will not affect, for Federal income tax purposes the exclusion from gross income for federal income tax purposes of the interest on the Series 2007 Bonds and that such substitution is consistent with the 2007 Indenture. In the event that, following any such substitution of Federal Securities pursuant to this Section 14, there is an amount of moneys or Federal Securities in excess of an amount sufficient to make the payments required by Section 3 hereof, such excess shall be transferred by the Escrow Bank to the Trustee for deposit in the Interest Account under the 2020 Indenture.

IN WITNESS WHEREOF, the Successor Agency to the Carson Redevelopment Agency and The Bank of New York Mellon Trust Company, N.A., have caused this Agreement to be executed each on its behalf as of the day and year first above written.

**SUCCESSOR AGENCY TO THE CARSON
REDEVELOPMENT AGENCY**

By: _____
City Manager, acting for the Carson Successor
Agency

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Escrow Agent**

By: _____
Authorized Officer

SCHEDULE I/SCHEDULE II

REFUNDING ESCROW CASH FLOW

The cash flow for the Refunding Escrow is set forth on Exhibit A to the Verification Report prepared by _____, attached hereto and incorporated herein by reference as though fully set forth herein and made a part hereof, relating to the Refunding Bonds.

Exhibit A

Schedule of Payments to Redemption

<u>Period Ending</u>	<u>Accrued Interest</u>	<u>Principal</u>	<u>Redemption Price</u>	<u>Total</u>
	\$	\$	0	\$

Exhibit B

Conditional Notice of Redemption
\$16,845,000 OUTSTANDING
CARSON REDEVELOPMENT AGENCY
CARSON MERGED AND AMENDED PROJECT AREA SUBORDINATE LIEN TAX
ALLOCATION
REFUNDING BONDS, 2007 SERIES A
Date of Issue: October 24, 2007

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP*</u>
01/01/2021	\$155,000	4.125	145750 NV3
01/01/2022	170,000	4.250	145750 NW1
01/01/2023	175,000	4.250	145750 NX9
01/01/2024	185,000	4.375	145750 NY7
01/01/2025	190,000	4.375	145750 NZ4
01/01/2026	1,060,000	4.500	145750 PA7
01/01/2027	1,105,000	4.500	145750 PB5
01/01/2032*	6,325,000	4.500	145750 PC3
01/01/2036*	6,185,000	4.750	145750 PD1

*Term Bond

NOTICE IS HEREBY GIVEN, that the Successor Agency to the Carson Redevelopment Agency (the "Agency"), as successor to the Carson Redevelopment Agency ("Former RDA"), has called for redemption on _____, 2020 (the "Redemption Date") all of the outstanding Carson Merged and Amended Project Area Subordinate Lien Tax Allocation Refunding Bonds, 2007 Series A listed above (the "Bonds"), at a redemption price equal to the principal amount specified above, plus accrued interest as of the Redemption Date, without premium (the "Redemption Price"). On the Redemption Date, the Redemption Price shall become due and payable on each of the Bonds, and from and after the Redemption Date, interest on the Bonds will cease to accrue. The Bonds are being called for redemption on the Redemption Date pursuant to the provisions of the Indenture of Trust, dated as of October 1, 2007 ("Indenture"), by and between the Former RDA and the Bank of New York Trust Company, N.A., predecessor to the undersigned trustee (the "Trustee") under which the Bonds were issued.

Holders of the Bonds are requested to present their Bonds, at the following addresses:

First Class/Registered/Certified

The Bank of New York Mellon
Global Corporate Trust
P.O. Box 396
East Syracuse, New York 13057

Express Delivery Only

The Bank of New York Mellon
Global Corporate Trust
111 Sanders Creek Parkway
East Syracuse, New York 13057

By Hand Only

The Bank of New York Mellon
Global Corporate Trust
Corporate Trust Window
101 Barclay Street 1st Floor East
New York, New York 10286

Additional information regarding the foregoing actions may be obtained from The Bank of New York Mellon Trust Company, N.A., Corporate Trust Department, Bondholder Relations, telephone number (800) 254-2826

Pursuant to the Indenture, this notice is subject to rescission by the Trustee on or prior to the Redemption Date in the event insufficient moneys are available to the Agency or the Trustee to pay the Redemption Price on the Redemption Date. Any such cancellation does not constitute an event of default under the Indenture. The Agency and the Trustee shall have no liability to the owners or any other party related to or arising from such rescission of redemption.

IMPORTANT TAX NOTICE

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), unless the Trustee has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. **Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.**

Dated: _____, 2020

**By: The Bank of New York Mellon Trust Company,
N.A., as Trustee**

**Note: The Agency and Trustee shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Certificate. They are included solely for the convenience of the holders.*

Exhibit C
NOTICE OF DEFEASANCE

Carson Redevelopment Agency
Carson Merged and Amended Project Area
Subordinate Lien Tax Allocation Refunding Bonds,
2007 Series A
*

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP*</u>
01/01/2021	\$155,000	4.125	145750 NV3
01/01/2022	170,000	4.250	145750 NW1
01/01/2023	175,000	4.250	145750 NX9
01/01/2024	185,000	4.375	145750 NY7
01/01/2025	190,000	4.375	145750 NZ4
01/01/2026	1,060,000	4.500	145750 PA7
01/01/2027	1,105,000	4.500	145750 PB5
01/01/2032**	6,325,000	4.500	145750 PC3
01/01/2036**	6,185,000	4.750	145750 PD1

*Redemption Date on _____, 2020 at 100%; ** Term Bonds

NOTICE IS HEREBY GIVEN to the owners of the bonds described above-referenced Bonds (the “Refunded Bonds”), that pursuant to the Escrow Deposit and Trust Agreement (the “Agreement”) dated as of [April] 1, 2020, by and between the Successor Agency to the Carson Redevelopment Agency (the “Agency”) and The Bank of New York Mellon Trust Company, N. A., a national banking association organized and existing under the laws of the United States of America having a corporate trust office in Los Angeles, California, as escrow agent (the “Escrow Bank”), that:

The City has irrevocably deposited in the Refunding Escrow (as defined in the Agreement) with the Escrow Bank cash plus federal securities, in amounts, which are fully sufficient, upon maturity, to pay the principal of and interest on the Refunded Bonds as they become due and redeem such Refunded Bonds, including all principal and accrued interest on the Refunded Bonds on _____, 2020, the date of early redemption of the Refunded Bonds. Pursuant to authorizing document (“2007 Indenture”) for the Refunded Bonds are deemed paid and the 2007 Indenture discharged (except for certain requirements as provided therein, as of _____ [15], 2020.

The Escrow Bank has been instructed by the Agency to redeem the Refunded Bonds maturing January 1, 2021 to January 1, 2041 on _____, 2020 at the Redemption price of 100%.

Date: _____, 2020

By: THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A, as Escrow Bank

THIS IS NOT A NOTICE OF REDEMPTION