
ESCROW DEPOSIT AND TRUST AGREEMENT

by and between the

**SUCCESSOR AGENCY OF THE
REDEVELOPMENT AGENCY OF THE CITY OF BRISBANE**

and

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

Dated August __, 2013

Relating to Refunding of the Outstanding
\$1,660,000
Redevelopment Agency of the City of Brisbane
1998 Tax Allocation Bonds
(Housing Set-Aside Revenues—Tower Site Senior Housing)

ESCROW DEPOSIT AND TRUST AGREEMENT

This ESCROW DEPOSIT AND TRUST AGREEMENT is made and entered into this ____ day of August, 2013, by and between the SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF BRISBANE, as successor to the former Redevelopment Agency of the City of Brisbane, a public body corporate and politic, organized and existing under the laws of the State of California (the "Successor 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, with a corporate trust office in Los Angeles, California, and being qualified to accept and administer the trusts hereby created, as trustee with respect to the hereinafter described 1998 Bonds and as escrow bank hereunder (the "Escrow Bank");

WITNESSETH:

WHEREAS, the Redevelopment Agency of the City of Brisbane (the "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, a redevelopment plan for the Brisbane Community Redevelopment Project Area Number One in the City of Brisbane, San Mateo County, California ("Redevelopment Project No. 1"), has been adopted in compliance with all requirements of the Law;

WHEREAS, a redevelopment plan for the Brisbane Community Redevelopment Project Area Number Two in the City of Brisbane, San Mateo County, California ("Redevelopment Project No. 2" and, with Redevelopment Project No. 1, the "Redevelopment Projects"), has been adopted in compliance with all requirements of the Law;

WHEREAS, the Agency has previously issued its Redevelopment Agency of the City of Brisbane, 1998 Tax Allocation Bonds (Housing Set-Aside Revenues—Tower Site Senior Housing), originally issued in the principal amount of \$1,660,000 to finance low and moderate income housing activities within and for the benefit of the Redevelopment Projects, of which \$1,115,000 principal amount remains outstanding (the "1998 Agency Bonds");

WHEREAS, the 1998 Bonds were issued under the Law and pursuant to an indenture of trust, dated as of February 1, 1998 (the "1998 Indenture"), by and between the Successor Agency and First Trust of California, National Association, since succeeded by The Bank of New York Mellon Trust Company, N.A., as trustee (the "1998 Trustee");

WHEREAS, the 1998 Indenture provides that if the Successor Agency shall pay and provide for the entire indebtedness on all or any portion of the 1998 Bonds by irrevocably depositing in trust, cash or non-callable Federal Securities (as defined in the 1998 Indenture) with the 1998 Trustee, in trust, 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 1998 Indenture, be fully sufficient to pay and discharge the indebtedness on all or such portion of the 1998 Bonds (including all principal, interest and redemption premiums) at or before maturity, and if the 1998 Bonds are to be redeemed 1998 to the maturity thereof, and notice of such redemption is given pursuant to the 1998 Indenture or provision satisfactory to the 1998 Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any 1998 Bonds shall not have been surrendered for payment, the pledge of the Tax Revenues (as defined in the 1998 Indenture) and other funds provided for in the 1998 Indenture and all other obligations of the 1998 Trustee and the

Successor Agency under the 1998 Indenture with respect to all or such portion of the 1998 Bonds shall cease and terminate, except only the obligation of the 1998 Trustee to transfer and exchange the 1998 Bonds thereunder and except the obligation of the Successor Agency to pay or cause to be paid to the owners of the 1998 Bonds not so surrendered and paid all sums due thereon and all expenses and costs of the 1998 Trustee; and thereafter Revenues shall not be payable to the 1998 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 refinance low and moderate income housing activities within and for the benefit of the Redevelopment Projects and, in particular, to refund, on a current basis, the 1998 Bonds at this time;

WHEREAS, to raise funds necessary to effectuate such refunding, and for other purposes, the Successor Agency proposes to authorize the issuance of its Successor Agency of the Redevelopment Agency of the City of Brisbane 2013 Tax Allocation Refunding Bonds (the "2013 Bonds"), pursuant to an Indenture of Trust, dated as of August 1, 2013 (the "2013 Indenture"), by and between the Successor Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the "2013 Trustee");

WHEREAS, the Successor Agency wishes to make a deposit with the Escrow Bank and to enter into this Escrow Deposit and Trust 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 trust created herein and to perform the duties and obligations to be undertaken pursuant to this Escrow Deposit and Trust 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 bank for all purposes of this Escrow Deposit and Trust Agreement and in accordance with the terms and provisions of this Escrow Deposit and Trust 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 payment of the principal of and interest on the 1998 Bonds, as hereinafter set forth, an irrevocable escrow to be maintained in trust by the Escrow Bank on behalf of the Successor Agency and for the benefit of the owners of the 1998 Bonds, said escrow to be designated the "Escrow Fund." All moneys deposited in the Escrow Fund shall constitute a special fund for the payment of the principal of, redemption premium and interest on the 1998 Bonds in accordance with the provisions of the 1998 Indenture, respectively. 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: Investment of Amounts.

(a) Concurrently with delivery of the Bonds, the Successor Agency shall cause to be transferred to the Escrow Bank for deposit into the Escrow Fund the amount of \$ _____, derived as follows:

(i) from the proceeds of the 2013 Bonds, the sum of \$ _____; and

(ii) from the funds and accounts held by the 1998 Trustee under the 1998 Indenture, the sum of \$ _____.

(b) The Escrow Bank shall hold all amounts deposited in the Escrow Fund in cash, uninvested.

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

Section 4. Instructions as to Application of Deposit.

(a) The amounts deposited in the Escrow Fund pursuant to Section 3 shall be applied by the Escrow Bank for the sole purpose of redeeming the 1998 Bonds, on _____, 2013, at the price of 100% of the principal amount thereof, plus accrued interest, as more particularly set forth in Exhibit B attached hereto and hereby made a part hereof. Following the redemption of the 1998 Bonds, together with accrued interest to the payment date, the Escrow Bank shall transfer any remaining amounts relating to the 1998 Bonds to the 2013 Trustee for deposit in the debt service fund held by the 2013 Trustee under the 2013 Indenture.

(b) The Successor Agency has previously instructed the Escrow Bank, in its capacity as trustee for the 1998 Bonds, to give notice of conditional redemption of the 1998 Bonds, and the Escrow Bank, as trustee for the 1998 Bonds, has given notice of conditional redemption of the 1998 Bonds in accordance with the applicable provisions of the 1998 Indenture on the redemption date set forth in Exhibit A attached hereto and by this reference incorporated herein.

Section 5. Application of 1998 Funds.

(a) The Escrow Bank, as 1998 Trustee, is hereby directed to transfer to the Escrow Bank for deposit in the Escrow Fund, from the funds and accounts held by the 1998 Trustee under the 1998 Indenture, the sum of \$ _____.

(b) Any amounts remaining on deposit in any fund or account established under the 1998 Indenture, including any investment earnings received after the date of original delivery of the 2013 Bonds, shall be transferred by the Escrow Bank to the Trustee for deposit in the debt service fund held by the 2013 Trustee under the 2013 Indenture.

Section 6. Application of Certain Terms of 1998 Indenture. All of the terms of the 1998 Indenture relating to the making of payments of principal and interest with respect to the 1998 Bonds are incorporated in this Escrow Deposit and Trust Agreement as if set forth in full herein. The provisions of the 1998 Indenture relating to the limitations from liability and protections afforded the 1998 Trustee and the resignation and removal of the 1998 Trustee are also incorporated in this Escrow Deposit and Trust 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 Deposit and Trust 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 Deposit and Trust 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 Deposit and Trust 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 Deposit and Trust 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 4 hereof, or any payment, transfer or other application of moneys by the Escrow Bank in accordance with the provisions of this Escrow Deposit and Trust 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 4 hereof or to the validity of this Escrow Deposit and Trust 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 Deposit and Trust 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 Deposit and Trust 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 Deposit and Trust 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.

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 Deposit and Trust 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 Deposit and Trust 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 Deposit and Trust Agreement or the resignation or removal of the Escrow Bank.

Section 9. Amendment. This Escrow Deposit and Trust 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 1998 Bonds shall have been filed with the Escrow Bank. This Escrow Deposit and Trust 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, (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 1998 Bonds or the 2013 Bonds, and that such amendment will not cause interest on the 1998 Bonds or the 2013 Bonds to become subject to federal income taxation. In connection with any contemplated amendment or revocation of this Escrow Deposit and Trust 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 1998 Bonds.

Section 10. Severability. If any section, paragraph, sentence, clause or provision of this Escrow Deposit and Trust 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 Deposit and Trust Agreement. Notice of any such invalidity or unenforceability shall be provided to each rating agency then rating the 1998 Bonds.

Section 11. Notice of Escrow Bank 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 1998 Trustee in accordance with the provisions of the 1998 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 1998 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 1998 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 Deposit and Trust 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 Deposit and Trust Agreement shall be construed and governed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF BRISBANE has caused this Escrow Deposit and Trust Agreement to be signed in its name by its Executive Director and attested to by its Secretary, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., in token of its acceptance of the

trust created hereunder, has caused this Escrow Deposit and Trust 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
REDEVELOPMENT AGENCY OF THE
CITY OF BRISBANE

By _____
Name _____
Title _____

Attest:

Secretary

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

By _____
Authorized Officer

EXHIBIT A

PAYMENT SCHEDULE OF 2001 AUTHORITY BONDS

<u>Interest Payment Date</u>	<u>Maturing Principal</u>	<u>Interest</u>	<u>Called Principal</u>	<u>Premium</u>	<u>Total Payment</u>
___/___/13	—		\$1,115,000	—	