

Though no fault of its own making, the Agency did not spend its 2005 Bond proceeds in a timely matter. You will recall that when Redevelopment Agencies were eliminated, that the issue of existing bond proceeds was “up in the air” with the State Legislature.

This event, coupled with the difficulty of getting Department of Finance approval, significantly delayed the spending of Bond proceeds within the 5 year window as provided in the IRS Regulations.

Given current IRS Regulations, if the Agency does not refund the current tax exempt Bonds with Taxable Bonds, the Agency could find itself in a position when it would lose all of its unspent proceeds as the money could be used to redeem Bonds.

By refunding the 2005 B Bonds on a taxable basis, the Agency will be able to keep the majority of the \$3,000,000 of its unspent proceeds as a taxable issue does not have the same time or expenditure problems as tax exempt offerings.

SUMMARY:

The Successor Agency Board will recall that at its April 2015 meeting, the Board approved the refunding of the City of Imperial Tax Allocation Bonds Issue of 2005 Series B.

The Board will also recall that on June 18, 2015 the Oversight Board also approved the issuance of the Bonds.

On February 8, 2016 the State Department of Finance prepared a letter to the Agency stating that the Oversight Board Resolution approving the issue of the Bonds was approved by the State Department of Finance.

Tonight, the Successor Agency is being requested to give final approval to the following documents which are on file in the Office of the City Clerk:

1. Preliminary Official Statement
2. Bond Purchase Agreement
3. Escrow Agreement
4. Continuing Disclosure Agreement

FISCAL IMPACT: It is anticipated that the refunding of the 2005 B Bonds will be completed by mid-April.

STAFF

RECOMMENDATION: Approve the attached Resolution.

MANAGER'S RECOMMENDATION:		MANAGER'S INITIALS		
MOTION:				
SECONDED:	APPROVED	()	REJECTED	()
AYES:	DISAPPROVED	()	DEFERRED	()
NAYES:				
ABSENT:	REFERRED TO:			

- ATTACHMENTS:** Resolution*
Preliminary Official Statement:
Bond Purchase Agreement*
Escrow Agreement*
Continuing Disclosure Agreement*

**Copies are available in the Office of the City Clerk*

RESOLUTION NO. SA2016-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE CITY OF IMPERIAL REDEVELOPMENT AGENCY APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT, A BOND PURCHASE CONTRACT, AN ESCROW AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION WITH CITY OF IMPERIAL REDEVELOPMENT PROJECT TAXABLE TAX ALLOCATION REFUNDING BONDS, ISSUE OF 2016, SERIES B, AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Successor Agency to the City of Imperial Redevelopment Agency (the "Successor Agency") has previously approved the issuance of its City of Imperial Redevelopment Project Taxable Tax Allocation Refunding Bonds, Issue of 2016, Series B (the "Bonds") and an Indenture of Trust relating thereto (the "Indenture") at its meeting on November 4, 2015 for the purpose of refunding certain bonds issued by the City of Imperial Redevelopment Agency (the "Prior Bonds"), and wishes at this time to approve a Preliminary Official Statement in connection with the marketing of the Bonds and for the purpose of deeming it final within the meaning of Rule 15c2-12;

WHEREAS, the Successor Agency desires to approve a Bond Purchase Contract, an Escrow Agreement and a Continuing Disclosure Agreement in connection with the sale and delivery of the Bonds;

WHEREAS, the Oversight Board to the Successor Agency to the City of Imperial Redevelopment Agency (the "Oversight Board") has approved of the issuance of the Bonds by a resolution adopted at its meeting on November 30, 2015 (the "Oversight Board Resolution");

WHEREAS, a copy of the Oversight Board Resolution was provided to the Department of Finance on or around December 8, 2015;

WHEREAS, Wilmington Trust, N.A., was initially appointed as trustee under the Indenture; and

WHEREAS, the Successor Agency now desires to appoint Wells Fargo Bank, National Association, as trustee under the Indenture;

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE CITY OF IMPERIAL REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. The Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement"), in the form presented at this meeting and on file with the Secretary, is hereby approved and deemed final for the purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934, as amended ("Rule 15c2-12"). The Underwriter of the Bonds is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the Bonds in substantially the form hereby approved, together with such additions thereto and changes therein as are determined necessary by the Chair of this Board, the Vice-Chair of this Board, the Executive Director of the Successor Agency, the Finance Director of the Successor Agency or any designee of such officers (collectively, the "Authorized Officers") to make the Preliminary Official Statement final as of its

date for purposes of Rule 15c2-12, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading.

Section 2. The form of the Bond Purchase Contract (the “Bond Purchase Contract”), in the form presented at this meeting and on file with the Secretary, is hereby approved. Each of the Authorized Officers, acting alone, is hereby authorized to execute the Bond Purchase Contract with such additions thereto and deletions therefrom as such Authorized Officer shall deem necessary; provided, however, that the Bond Purchase Contract shall be signed only if the Underwriter’s discount (exclusive of original issue discount) does not exceed ____% of the principal amount of the Bonds and the maximum interest rate on the Bonds does not exceed ____% per annum.

Section 3. The form of the Escrow Agreement in connection with the Prior Bonds (the “Escrow Agreement”), in the form presented at this meeting and on file with the Secretary, is hereby approved. Each of the Authorized Officers, acting alone is hereby authorized to execute the Escrow Agreement with such additions thereto and deletions therefrom as such Authorized Officer shall deem necessary.

Section 4. The form of the Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”), in the form presented at this meeting and on file with the Secretary, is hereby approved. Each of the Authorized Officers, acting alone, is hereby authorized to execute the Continuing Disclosure Agreement with such additions thereto and deletions therefrom as such Authorized Officer shall deem necessary.

Section 5. Wells Fargo Bank, National Association, is hereby appointed as trustee under the Indenture in place of Wilmington Trust, N.A.

Section 6. The members of this Board, the Authorized Officers and all other officers of the Successor Agency are hereby authorized, jointly and severally, to execute and deliver any and all necessary documents and instruments and to take all actions which they deem necessary or proper to effectuate the purposes of this Resolution and the issuance of the Bonds.

IN WITNESS WHEREOF, this Resolution is adopted and approved the 16th day of March, 2016.

Chair of the Successor Agency to the
City of Imperial Redevelopment Agency

ATTEST:

Secretary of the Successor Agency to the
City of Imperial Redevelopment Agency

ESCROW AGREEMENT

REDEVELOPMENT AGENCY OF THE CITY OF IMPERIAL CITY OF IMPERIAL REDEVELOPMENT PROJECT 2007 TAX ALLOCATION REFUNDING BONDS

This ESCROW AGREEMENT (the “Agreement”), dated as of _____ 1, 2016, is by and between the Successor Agency to the City of Imperial Redevelopment Agency (the “Agency”), as successor to the Redevelopment Agency of the City of Imperial (the “Prior Agency”), and Wells Fargo Bank, National Association, a national banking association having a corporate trust office in Los Angeles, California, and being qualified to accept and administer the escrow hereby created (the “Escrow Bank”).

WITNESSETH:

WHEREAS, pursuant to an Indenture of Trust dated as of December 1, 2007 (the “Prior Indenture”), by and between the Prior Agency and Wells Fargo Bank, National Association, as trustee (the “Prior Trustee”), the Prior Agency issued its City of Imperial Redevelopment Project 2007 Tax Allocation Refunding Bonds, (the “Prior Bonds”); and

WHEREAS, pursuant to an Indenture of Trust dated as of _____ 1, 2016 (the “Indenture”), by and between the Agency and Wells Fargo Bank, National Association, as trustee, the Agency will issue its City of Imperial Redevelopment Project Taxable Tax Allocation Refunding Bonds, Issue of 2016, Series B (the “Refunding Bonds”), for the purpose of providing moneys which, together with certain other amounts held under the Prior Indenture, will be sufficient to defease and redeem the outstanding Prior Bonds set forth on Schedule A attached hereto (such refunded Prior Bonds, the “Refunded Bonds”) on December 1, 2017 at a redemption price equal to the principal amount thereof plus accrued interest thereon to the redemption date, without premium (the “Redemption Price”); and

WHEREAS, a portion of the proceeds of the Refunding Bonds shall be set aside in order to provide for the payment of the Refunded Bonds and that such proceeds shall be deposited in a special escrow fund to be created hereunder and maintained by the Escrow Bank (the “Escrow Fund”); and

WHEREAS, the Agency has taken action to cause to be delivered to the Escrow Bank, for deposit in the Escrow Fund, proceeds of the Refunding Bonds for the purchase of certain securities and investments consisting of direct noncallable obligations of the United States of America as listed on Schedule B attached hereto and made a part hereof (the “Investment Securities”), in an amount which, together with the cash deposit described herein and the income to accrue on such Investment Securities, is intended by the Agency to be sufficient, upon the maturity of such Investment Securities, to pay the principal of and interest on the Refunded Bonds through and including December 1, 2017, and to redeem the Refunded Bonds on December 1, 2017 at the Redemption Price.

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

Section 1. Establishment, Funding and Maintenance of Escrow Fund.

(a) The Escrow Bank agrees to establish and maintain the Escrow Fund until final payment of the Refunded Bonds has been paid in full and to hold the securities, investments and

moneys therein at all times as a special and separate escrow fund (wholly segregated from all other securities, investments or moneys on deposit with the Escrow Bank). The Agency shall deposit with the Escrow Bank \$_____ of proceeds of the Refunding Bonds along with \$_____ from funds held under the Prior Indenture. All securities, investments and moneys in the Escrow Fund are hereby irrevocably pledged, subject to the provisions of Section 2 hereof, to secure the payment of the Refunded Bonds. The Escrow Bank shall purchase Investment Securities as described in Schedule B at a cost of \$_____ and shall hold \$_____ uninvested in cash.

(b) The Escrow Bank hereby acknowledges receipt of the verification report of Grant Thornton LLP, dated _____, 2016 relating to the Investment Securities (the "Verification Report") with respect to the Agency's defeasance of the Refunded Bonds in the manner and to the extent provided by law and in Section 1101 of the Prior Indenture.

Section 2. Investment of the Escrow Fund.

(a) The Agency and the Escrow Bank each shall take all remaining action, if any, necessary to have the Investment Securities issued and registered in the name of the Escrow Bank for the account of the Escrow Fund. Except as otherwise provided in this Section, the Escrow Bank shall not reinvest any cash portion of the Escrow Fund and shall hold such cash portion uninvested.

(b) Upon the written direction of the Agency, but subject to the conditions and limitations herein set forth, the Escrow Bank shall sell, transfer, request the redemption or otherwise dispose of some or all of the Investment Securities in the Escrow Fund and purchase with the proceeds derived from such sale, transfer, redemption or other disposition noncallable, non prepayable obligations constituting direct obligations issued by the United States Treasury or obligations which are unconditionally guaranteed as to full and timely payment by the United States of America (the "Substitute Investment Securities"). Such sale, transfer, redemption or other disposition of Investment Securities and purchase of Substitute Investment Securities shall be effected by the Escrow Bank upon the written direction of the Agency but only by a simultaneous transaction and only if (i) a nationally recognized firm of independent certified public accountants shall certify that (a) the Substitute Investment Securities, together with the Investment Securities which will continue to be held in the Escrow Fund, will mature in such principal amounts and earn interest in such amounts and, in each case, at such times so that sufficient moneys will be available from maturing principal and interest on such Investment Securities and Substitute Investment Securities held in the Escrow Fund, together with any uninvested moneys therein, to make all payments required by Section 3 hereof which have not previously been made, and (b) the amounts and dates of the anticipated payments by the Escrow Bank of the principal and interest on the Refunded Bonds will not be diminished or postponed thereby, and (ii) the Escrow Bank shall receive an unqualified opinion of nationally recognized municipal bond attorneys to the effect that the proposed sale, transfer, redemption or other disposition and substitution of Investment Securities will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunding Bonds and the Refunded Bonds.

(c) Upon the written direction of the Agency, but subject to the conditions and limitations herein set forth, the Escrow Bank will apply any moneys received from the maturing principal of or interest or other investment income on any Investment Securities and Substitute Investment Securities held in the Escrow Fund, or the proceeds from any sale, transfer, redemption or other disposition of Investment Securities pursuant to Section 2(b) not required for the purposes of said Section, as follows: to the extent such moneys will not be required at any time for the purpose of making a payment required by Section 3 hereof, as certified by a nationally recognized firm of

independent certified public accountants, such moneys shall be transferred to the Agency upon the written direction of the Agency as received by the Escrow Bank, free and clear of any trust, lien, pledge or assignment securing the Refunded Bonds or otherwise existing hereunder or under the Prior Indenture.

Section 3. Payment of the Refunded Bonds. The Agency hereby requests and irrevocably instructs the Escrow Bank, and the Escrow Bank hereby agrees, to collect and deposit in the Escrow Fund the principal of and interest on the Investment Securities and Substitute Investment Securities held for the account of the Escrow Fund promptly as such principal and interest become due, and, subject to the provisions of Section 2 hereof, to pay such principal and interest, together with any other moneys and the principal of and interest on any other securities deposited in the Escrow Fund, to the Prior Trustee for the payment of the Refunded Bonds at the places and in the manner stipulated in the Refunded Bonds and in the Prior Indenture. The Agency hereby irrevocably instructs the Prior Trustee to provide the Notice of Redemption required pursuant to Section 609 of the Prior Indenture. The Agency hereby further irrevocably instructs the Escrow Bank to provide the Notice of Defeasance in substantially the form set forth in Schedule D hereto. In accordance with Sections 602 and 1101 of the Prior Indenture, the Escrow Bank is irrevocably instructed to make all payments of principal and interest due on the Refunded Bonds on and prior to December 1, 2017 and to redeem the Refunded Bonds on December 1, 2017 at a redemption price equal to the principal amount thereof, without premium. Upon payment in full of the Refunded Bonds, the Escrow Bank shall transfer any moneys or securities remaining in the Escrow Fund to the Agency and this Agreement shall terminate. The Escrow Fund cash flow is set forth in Schedule C attached hereto.

Section 4. Possible Deficiencies; Amounts in Excess of Required Cash Balance.

(a) If at any time the Escrow Bank has actual knowledge that the moneys in the Escrow Fund, including the anticipated proceeds of the Investment Securities and any Substitute Investment Securities, will not be sufficient to make all payments required by Section 3 hereof, the Escrow Bank shall notify the Agency in writing as soon as is reasonably practicable, of such fact, the amount of such deficiency and the reason therefor solely to the extent actually known to it; provided, however, the Agency shall have no liability for any deficiency and shall not be required to provide funds to eliminate any such deficiency.

(b) The Escrow Bank shall in no manner be responsible for any deficiency in the Escrow Fund.

Section 5. Fees and Costs.

(a) The Agency shall pay to the Escrow Bank from time to time reasonable compensation for all services rendered under this Agreement and shall reimburse the Escrow Bank for all out of pocket expenses (including reasonable legal fees and expenses) incurred hereunder.

(b) The fees of and the costs incurred by the Escrow Bank shall in no event be deducted or payable from, or constitute a lien against, the Escrow Fund.

Section 6. Merger or Consolidation. 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 under this Agreement, shall be the successor to such Escrow Bank without

the execution or filing of any paper or any further act, notwithstanding anything herein to the contrary.

Section 7. Indemnity. To the maximum extent permitted by law, the Agency hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Bank and its respective successors, assigns, directors, officers, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Bank at any time (whether or not also indemnified against the same by the Agency or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the purchase of the Investment Securities and any Substitute Investment Securities, the retention of the Investment Securities and any Substitute Investment Securities or the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Bank in accordance with the provisions of this Agreement; provided, however, that the Agency shall not be required to indemnify the Escrow Bank against the Escrow Bank's own negligence or willful misconduct or the negligent or willful misconduct of the Escrow Bank's respective successors, assigns, agents and employees or the breach by the Escrow Bank of the terms of this Agreement. In no event shall the Agency or the Escrow Bank be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this section. The indemnities contained in this section shall survive the termination of this Agreement and the resignation or removal of the Escrow Bank.

Section 8. Responsibilities of the Escrow Bank. 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 Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or securities deposited therein, the purchase of the Investment Securities and any Substitute Investment Securities, the retention of the Investment Securities and any Substitute Investment Securities or the proceeds thereof, the sufficiency of the Investment Securities and any Substitute Investment Securities to accomplish the defeasance of the Refunded Bonds or any payment, transfer or other application of moneys or obligations by the Escrow Bank in accordance with the provisions of this 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 statements of the Agency and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representation as to the sufficiency of the Investment Securities and any Substitute Investment Securities to accomplish the defeasance of the Refunded Bonds or to the validity of this Agreement as to the Agency and, except as otherwise provided herein, the Escrow Bank shall incur no liability with respect thereto. The Escrow Bank shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence or willful misconduct, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Agreement and no implied covenants or obligations shall be read against the Escrow Bank hereunder. The Escrow Bank may consult with counsel, who may or may not be counsel to the Agency, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection with respect to any action taken, suffered or omitted by it in good faith in accordance therewith. No provisions of this Agreement shall require the Escrow Bank to expend or risk its own funds or otherwise incur any financial liability by the performance or exercise of its rights or powers. 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 Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Agency.

The Escrow Bank may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Bank 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.

Anything in this 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 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 Escrow Bank and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

The Escrow Bank agrees to accept and act upon instructions or directions pursuant to this 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 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 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 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 waives receipt of such confirmations to the extent permitted by law. The Escrow Bank will furnish the Agency periodic cash transaction statements which include detail for all investment transactions made by the Escrow Bank hereunder.

If the Escrow Bank learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of Investment Securities that is to be submitted pursuant to this Agreement, the Escrow Bank shall promptly request alternative written investment instructions from the Agency with respect to escrowed funds which were to be invested in Investment Securities. The Escrow Bank shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Bank 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 Bank shall not be responsible for the investment of such funds or interest thereon. The Escrow Bank 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.

The Escrow Bank shall have no liability or responsibility for any loss resulting from any investment made in accordance with the provisions of this Agreement.

The Escrow Bank shall not be liable for the accuracy of any calculations provided as to the sufficiency of the moneys or Federal securities deposited with it to pay the principal, interest, or premiums, if any, on the Bonds.

Section 9. Amendments. This Agreement is made for the benefit of the Agency and the owners from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Bank and the Agency; provided, however, that if the Agency and the Escrow Bank receive an opinion of nationally recognized bond attorneys to the effect that the exclusion from gross income for federal income tax purposes of the interest on the Refunded Bonds and the Bonds will not be adversely affected thereby, they may, without the consent of, or notice to, such owners, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not materially adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Bank for the benefit of the owners of the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Bank; (iii) to include under this Agreement additional funds, securities or properties (but only if the sufficiency of the Escrow Fund for the purpose herein set forth is verified by a nationally recognized firm of independent certified public accountants) and shall hold funds received by it uninvested. The Escrow Bank shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized municipal bond attorneys with respect to compliance with this Section 9, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the Refunded Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section 9.

Section 10. Resignation or Removal of Escrow Bank.

(a) The Escrow Bank may resign by giving not less than 30 days notice in writing to the Agency, which notice shall be mailed to the owners of the Refunded Bonds remaining unpaid. The Escrow Bank may be removed (1) by (i) filing with the Agency of an instrument or instruments executed by the owners of at least 51% in aggregate principal amount of the Refunded Bonds then remaining unpaid, and (ii) the delivery of a copy of the instruments filed with the Agency to the Escrow Bank, or (2) by a court of competent jurisdiction for failure to act in accordance with the provisions of this Agreement upon application by the Agency or the owners of 5% in aggregate principal amount of the Refunded Bonds then remaining unpaid.

(b) If the position of Escrow Bank becomes vacant due to resignation or removal of the Escrow Bank or any other reason, a successor Escrow Bank may be appointed by the Agency. Notice of such appointment shall be mailed by first class mail, postage prepaid, to the registered owners of the Refunded Bonds. Within one year after a vacancy, the owners of a majority in

principal amount of the Refunded Bonds then remaining unpaid may, by an instrument or instruments filed with the Agency, appoint a successor Escrow Bank who shall supersede any Escrow Bank theretofore appointed by the Agency. If no successor Escrow Bank is appointed by the Agency or the owners of such Refunded Bonds then remaining unpaid, within 45 days after any such resignation or removal, the Escrow Bank may petition the appropriate court having jurisdiction for the appointment of a successor Escrow Bank. The responsibilities of the Escrow Bank under this Escrow Agreement will not be discharged until a new Escrow Bank is appointed and until the cash and investments held under this Escrow Agreement are transferred to the new Escrow Bank.

Section 11. 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 12. 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 13. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 14. Definitions. Any capitalized term used but not otherwise defined in this Agreement shall have the meaning assigned to such term in the Prior Indenture.

Section 15. Assignment. This Agreement shall not be assigned by the Escrow Bank or any successor thereto without the prior written consent of the Agency provided, however, that an assignment made pursuant to Section 6 hereof shall not require prior written consent.

Section 16. Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Agreement, shall be a legal holiday or a day on which banking institutions in which the principal office of the Escrow Bank is located are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Agreement; and no interest shall accrue for the period from and after such nominal date.

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IN WITNESS WHEREOF, the Successor Agency to the City of Imperial Redevelopment Agency and Wells Fargo Bank, National Association, have caused this Agreement to be executed each on its behalf as of the day and year first above written.

WELLS FARGO BANK,
NATIONAL ASSOCIATION,
as Escrow Bank

By: _____
Authorized Officer

SUCCESSOR AGENCY TO THE CITY OF
IMPERIAL REDEVELOPMENT AGENCY

By: _____
Executive Director

SCHEDULE A
REFUNDED BONDS

<i>Maturity Date (December 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Redemption Date</i>	<i>Redemption Price</i>	<i>CUSIP</i>
2016	\$ 380,000	3.625%	12/01/2017	100%	452673BK1
2017	400,000	3.750	12/01/2017	100%	452673BL9
2018	415,000	4.000	12/01/2017	100%	452673BM7
2019	430,000	4.000	12/01/2017	100%	452673BN5
2020	450,000	4.125	12/01/2017	100%	452673BP0
2021	465,000	4.250	12/01/2017	100%	452673BQ8
2022	485,000	4.375	12/01/2017	100%	452673BR6
2023	510,000	4.400	12/01/2017	100%	452673BS4
2024	530,000	4.500	12/01/2017	100%	452673BT2
2025	555,000	4.500	12/01/2017	100%	452673BU9
2026	580,000	4.500	12/01/2017	100%	452673BV7
2027	605,000	4.625	12/01/2017	100%	452673BW5
2032	3,500,000	5.000	12/01/2017	100%	452673BX3
2037	5,010,000	5.000	12/01/2017	100%	452673BY1

SCHEDULE B

INVESTMENT SECURITIES

United States Treasury Time Deposit Securities, State and Local Government Series

<i>Type</i>	<i>Coupon</i>	<i>Maturity Date</i>	<i>Par Amount</i>
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SCHEDULE C
ESCROW FUND CASH FLOW

SCHEDULE D

**NOTICE OF DEFEASANCE OF BONDS OF
REDEVELOPMENT AGENCY OF THE CITY OF IMPERIAL
CITY OF IMPERIAL REDEVELOPMENT PROJECT
2007 TAX ALLOCATION REFUNDING BONDS**

<i>Maturity Date (December 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Redemption Date</i>	<i>Redemption Price</i>	<i>CUSIP</i>
2016	\$ 380,000	3.625%	12/01/2017	100%	452673BK1
2017	400,000	3.750	12/01/2017	100%	452673BL9
2018	415,000	4.000	12/01/2017	100%	452673BM7
2019	430,000	4.000	12/01/2017	100%	452673BN5
2020	450,000	4.125	12/01/2017	100%	452673BP0
2021	465,000	4.250	12/01/2017	100%	452673BQ8
2022	485,000	4.375	12/01/2017	100%	452673BR6
2023	510,000	4.400	12/01/2017	100%	452673BS4
2024	530,000	4.500	12/01/2017	100%	452673BT2
2025	555,000	4.500	12/01/2017	100%	452673BU9
2026	580,000	4.500	12/01/2017	100%	452673BV7
2027	605,000	4.625	12/01/2017	100%	452673BW5
2032	3,500,000	5.000	12/01/2017	100%	452673BX3
2037	5,010,000	5.000	12/01/2017	100%	452673BY1

Notice is hereby given to the owners of the above-captioned and listed bonds (collectively, the “Refunded Bonds”) that:

(i) There has been deposited in an Escrow Fund with Wells Fargo Bank, National Association, as Escrow Bank, certain monies and investment securities as permitted by that Indenture of Trust dated as of December 1, 2007 (the “Indenture”) by and between Wells Fargo Bank, National Association, as trustee (the “Trustee”) and the Redevelopment Agency of the City of Imperial, pursuant to which the Refunded Bonds were issued, for the purpose of defeasing and redeeming the Refunded Bonds. The investment securities will mature at the proper times and in the proper amounts to produce funds which, along with the moneys deposited with the Escrow Bank, will be sufficient (a) to pay the principal of and interest on the Refunded Bonds through and including December 1, 2017, and (b) to redeem the Refunded Bonds on December 1, 2017 at redemption price equal to the principal amount thereof, without premium (the “Redemption Price”).

(ii) The Trustee has been irrevocably instructed by the Successor Agency to the City of Imperial Redevelopment Agency (the “Agency”) to mail a notice of redemption in accordance with the Indenture and to redeem the Refunded Bonds on December 1, 2017.

(iii) The Refunded Bonds are deemed to be paid in accordance with Section 1101 of the Indenture and all liability of the Agency under the Indenture has ceased and been discharged except for the obligation of the Trustee to pay the owners of the Refunded Bonds the interest on and Redemption Price of the Refunded Bonds when due from amounts on deposit in the Escrow Fund in accordance with Section 1101 of the Indenture.

Dated: _____, 2016

WELLS FARGO BANK,
NATIONAL ASSOCIATION,
as Escrow Bank

§ _____
Successor Agency to the
City of Imperial Redevelopment Agency
City of Imperial Redevelopment Project
Taxable Tax Allocation Refunding Bonds
Issue of 2016, Series B

BOND PURCHASE CONTRACT

_____, 2016

Successor Agency to the City of Imperial
Redevelopment Agency
420 S. Imperial Avenue
Imperial, California 92251

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), acting not as fiduciary or agent for you, but on behalf of itself, hereby offers to enter into this Bond Purchase Contract (the “Purchase Contract”) with the Successor Agency to the City of Imperial Redevelopment Agency (the “Issuer”) for the purchase from the Issuer, of the Issuer’s City of Imperial Redevelopment Project Taxable Tax Allocation Refunding Bonds, Issue of 2016, Series B (the “Bonds”). This offer is made subject to acceptance thereof by the Issuer prior to 6:00 p.m., California time, on _____, 2016, and upon such acceptance, as evidenced by the signature of the Executive Director of the Issuer in the space provided herein. This Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter.

1. Purchase and Sale of the Bonds. Upon the terms and conditions and upon the basis of the representations and agreements herein set forth, the Issuer hereby agrees to sell and the Underwriter hereby agrees to purchase from the Issuer for offering to the public all (but not less than all) of the Bonds in the aggregate principal amount of \$_____ at a purchase price equal to \$_____ (representing an aggregate principal amount of \$_____, plus/less original issue premium/discount of \$_____, and less an underwriter’s discount of \$_____).

The Bonds will mature and bear interest at the interest rates as shown in Appendix A hereto and will be subject to redemption according to the terms set forth in the Indenture of Trust, dated as of _____ 1, 2016 (the “Indenture”), by and between the Issuer and Wells Fargo Bank, National Association (the “Trustee”). The Bonds will be authorized and issued pursuant to the Indenture approved by Resolution No. SA2015-___ adopted by the Issuer on November 4, 2015 (the “Resolution”), and by Resolution No. OB2015-___ adopted by the Oversight Board for the Issuer on December 8, 2015 (the “Oversight Board Resolution”), and in accordance with Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Bond Law”), Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State, as amended from time to time, enacted as Chapter 26, Statutes of 2012 (the

“Dissolution Act”), and the Constitution and other applicable laws of the State of California (the “State”).

The Underwriter agrees to make a bona fide public offering of the Bonds at the initial offering yields set forth in the Official Statement; however, the Underwriter reserves the right to make concessions to dealers and to change such initial offering yields as the Underwriter shall deem necessary in connection with the marketing of the Bonds. The Underwriter agrees that, in connection with the public offering and initial delivery of the Bonds to the purchasers thereof from the Underwriter, the Underwriter will deliver or cause to be delivered to each purchaser a copy of the final Official Statement prepared in connection with the Bonds (the “Official Statement”). Terms defined in the Official Statement are used herein as so defined.

The Issuer acknowledges and agrees that: (i) the purchase and sale of the Bonds (as hereinafter defined) pursuant to this Purchase Agreement is an arm’s-length commercial transaction between the Issuer and the Underwriter; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), and has not assumed a fiduciary responsibility in favor of the Issuer with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the Issuer on other matters); (iii) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby are expressly set forth in this Purchase Agreement; (iv) the Issuer has consulted its own legal, financial and other advisors to the extent it has deemed appropriate; (v) the Underwriter has financial interests that may differ from and be adverse to those of the Issuer; and (vi) the Underwriter has provided the Issuer with, and the Issuer has received, certain disclosures required under the rules of the Municipal Securities Rulemaking Board.

The Issuer acknowledges that it has engaged Urban Futures, Inc. as its Municipal Advisor (as defined in Securities and Exchange Commission Rule 15Ba1), and for financial advice purposes the Issuer will rely on the advice of Urban Futures, Inc.

The Bonds are being issued to refund all of the outstanding City of Imperial Redevelopment Agency (“Prior Agency”) City of Imperial Redevelopment Project 2007 Tax Allocation Refunding Bonds (the “2007 Bonds”). In connection with the refunding of the 2007 Bonds, the Issuer, as successor to the Prior Agency, will enter into an Escrow Agreement, dated as of _____ 1, 2016 (the “Escrow Agreement”), with Wells Fargo Bank, National Association, as escrow bank (the “Escrow Bank”).

The Bonds are being issued by the Issuer on a parity basis with the Issuer’s City of Imperial Redevelopment Project Tax Allocation Refunding Bonds, Issue of 2016, Series A (the “Existing Parity Bonds”).

2. Official Statement. The Issuer shall deliver, or cause to be delivered, to the Underwriter two (2) executed copies of the Official Statement prepared in connection with the Bonds, in such form as shall be approved by the Issuer and the Underwriter and such additional

conformed copies thereof as the Underwriter may reasonably request. The Issuer deems the Preliminary Official Statement, dated _____, 2016 (the “Preliminary Official Statement”) to be “final” as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”). By acceptance of this Purchase Contract, the Issuer hereby authorizes the use of copies of the Official Statement in connection with the public offering and sale of the Bonds, and ratifies and approves the distribution by the Underwriter of the Preliminary Official Statement.

3. Delivery of the Bonds. At approximately 9:00 a.m., California time, on _____, 2016, or at such earlier or later time or date, as shall be agreed upon by the Issuer, and the Underwriter (such time and date herein referred to as the “Closing Date”), the Issuer shall deliver to the Underwriter, acting on its own behalf at a location to be designated by the Underwriter, in Newport Beach, California, or such other place as designated by the Underwriter, the Bonds in definitive form and authenticated by the Trustee. The Underwriter, acting on its own behalf, shall accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by same day funds (such delivery and payment being herein referred to as the “Closing”). The Bonds shall be made available to the Underwriter not later than the second business day before the Closing Date for purposes of inspection and packaging. The Bonds shall be delivered as registered bonds in the name of Cede & Co., Inc.

4. Representations and Agreements of the Issuer. The Issuer represents and agrees that:

(a) The Issuer is a public entity, duly organized and existing, and authorized to transact business and exercise powers, under and pursuant to the Constitution and laws of the State, including the Dissolution Act, and has, and at the date of the Closing will have, full legal right, power and authority (i) to enter into this Purchase Contract, (ii) to issue, sell and deliver the Bonds to the Underwriter, acting on its own behalf, as provided herein, (iii) to adopt the Resolution, and (iv) to carry out and to consummate the transactions contemplated by this Purchase Contract, the Indenture, the Escrow Agreement, the Continuing Disclosure Agreement, dated as of _____ 1, 2016 (the “Disclosure Agreement”), between the Issuer and Urban Futures, Inc., as Dissemination Agent (the “Dissemination Agent”) with respect to the Bonds, and the Official Statement;

(b) The Preliminary Official Statement, as of its date, was true, correct and complete in all material respects and did not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(c) The Official Statement is, and will be, as of the Closing Date, true, correct and complete in all material respects and does not, and will not, as of the Closing Date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(d) The Issuer to the best of its knowledge has complied, and will at the Closing Date be in compliance, in all respects with the Bond Law, the Dissolution Act, and any other applicable laws of the State;

(e) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved the Preliminary Official Statement and the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the Indenture, the Escrow Agreement, the Bonds, the Disclosure Agreement and this Purchase Contract, and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded;

(f) As of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Official Statement, the Issuer to the best of its knowledge is not and will not be in any material respect in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State, of the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, indenture, resolution, ordinance, agreement or other instrument to which the Issuer is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the adoption of the Resolution and the execution and delivery of the Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement and this Purchase Contract, and compliance with the provisions of each thereof, will not conflict in any material way with or constitute a material breach of or material default under any law, administrative regulation, judgment, decree, loan agreement, note, indenture, resolution, agreement or other instrument to which the Issuer is a party or is otherwise subject; and, except as described in the Official Statement, the Issuer has not entered into any contract or arrangement of any kind which might give rise to any lien or encumbrance on the revenues and amounts pledged pursuant to, or subject to the lien of, the Indenture;

(g) To the best of its knowledge all approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to adoption of the Resolution approving the Indenture, execution and delivery by the Issuer of the Indenture, the Escrow Agreement, the Disclosure Agreement, and this Purchase Contract, and the issuance, sale and delivery of the Bonds have been obtained or will be obtained prior to the Closing;

(h) The Bonds when issued, authenticated and delivered in accordance with the Indenture will be validly issued, and will be valid and binding, obligations of the Issuer;

(i) To the best of its knowledge the terms and provisions of the Indenture comply in all respects with the requirements of the Bond Law, the Dissolution Act, and the Indenture, the Escrow Agreement, the Disclosure Agreement and this Purchase Contract, when properly executed and delivered by the respective parties thereto and

hereto, will constitute the valid, legal and binding obligations of the Issuer enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and general rules of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity);

(j) Except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending against the Issuer and notice of which has been served upon the Issuer, or to the best knowledge of the officer of the Issuer executing this Purchase Contract threatened against the Issuer, affecting the existence of the Issuer or the titles of its members or officers, or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the payment or collection of any amounts pledged or to be pledged to pay the principal of, redemption premium, if any, and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement or this Purchase Contract or the consummation of the transactions contemplated thereby and hereby, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the power or authority of the Issuer to issue the Bonds, to adopt the Resolution approving the Indenture or to execute and deliver the Indenture, the Escrow Agreement, the Disclosure Agreement, or this Purchase Contract, nor is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the Issuer's performance under the Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement, or this Purchase Contract, or the validity or enforceability of the Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement, or this Purchase Contract;

(k) Any certificate signed by an authorized officer or official of the Issuer and delivered to the Underwriter shall be deemed a representation of the Issuer to the Underwriter as to the statements made therein;

(l) Each of the Bonds shall be secured in the manner and to the extent set forth in the Indenture under which each such Bond is to be issued;

(m) The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Bonds for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; provided, however, that the Issuer shall not be required to consent to service of process outside of California;

(n) The Issuer will apply the proceeds of the Bonds in accordance with the Indenture and all other applicable documents and as described in the Official Statement;

(o) Except for the Existing Parity Bonds, there are no outstanding bonds, notes or other obligations of the Prior Agency, as succeeded by the Issuer, which are

payable out of the funds and revenues pledged to the payment of the Bonds on a parity with or senior to the Bonds;

(p) The Issuer has received a “finding of completion” issued by the State Department of Finance pursuant to Health and Safety Code Section 34179.7.

(q) The Issuer shall provide to the Underwriter, not later than seven (7) business days after the date of this Purchase Contract, but in any event in sufficient time to accompany any confirmation sent by the Underwriter to a purchaser of the Bonds, not more than 200 copies of the Official Statement to satisfy the Underwriter’s obligation under Rule 15c2-12 with respect to the distribution of the Official Statement; and

(r) Except as disclosed in the Official Statement and based on a review of its previous undertakings, during the past five years neither the Issuer nor the Prior Agency have defaulted under any prior continuing disclosure undertaking.

5. Representations of the Underwriter. The Underwriter represents that it has full right, power, and authority to enter into this Purchase Contract.

6. Covenants re Official Statement. The Issuer covenants with the Underwriter that so long as the Underwriter, or dealers, if any, are participating in the distribution of the Bonds which constitute the whole or a part of their unsold participations, if an event known to the Issuer occurs affecting the Issuer, or the transactions contemplated by the Indenture and the issuance of the Bonds, which could cause the Official Statement to contain an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall notify the Underwriter and if in the opinion of the Issuer, the Underwriter or Bond Counsel, such event requires an amendment or supplement to the Official Statement, the Issuer will amend or supplement the Official Statement in a form and in a manner jointly approved by the Issuer and the Underwriter, and the Issuer will bear the cost of making and printing such amendment or supplement to the Official Statement and distributing such amendment or supplement to Owners of the Bonds. The obligations of the Issuer under this Section 6 shall terminate on the earlier of (a) ninety (90) days from the “end of the underwriting period,” as defined in Rule 15c2-12, or (b) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than twenty-five (25) days following the end of the underwriting period. Unless otherwise notified by the Underwriter pursuant to Section 1 hereof not later than thirty (30) days after the Closing Date, the Issuer may assume that the end of the underwriting period is the Closing Date.

7. Conditions to Obligations of Underwriter. The Underwriter has entered into this Purchase Contract in reliance upon the representations and agreements of the Issuer contained herein and upon the accuracy of the statements to be contained in the documents, opinions, and instruments to be delivered at the Closing. Accordingly, the Underwriter’s obligation under this Purchase Contract to purchase, accept delivery of, and pay for the Bonds on the Closing Date is subject to the performance by the Issuer of its’ obligations hereunder at or prior to the Closing. The following additional conditions precedent relate to the Closing, in connection with the

Underwriter's obligation to purchase the Bonds:

(a) At the time of the Closing, (i) the representations of the Issuer contained herein to the best of its' knowledge shall be true, complete and correct in all material respects; and (ii) the Indenture shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter;

(b) The Underwriter shall have the right to cancel its obligation to purchase the Bonds if between the date hereof and the Closing, (i) there shall exist any event that, in the Underwriter's reasonable judgment, either (A) makes untrue or incorrect in any material respect any statement or information in the Official Statement or (B) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect, or (ii) there shall have occurred any outbreak of hostilities or other local, national or international calamity or crisis, or a default with respect to the debt obligations of, or the institution of proceedings under the federal bankruptcy laws, the effect of which on the financial markets of the United States will be such as in the Underwriter's reasonable judgment, makes it impracticable for the Underwriter to market the Bonds or enforce contracts for the sale of the Bonds, or (iii) there shall be in force a general suspension of trading on the New York Stock Exchange, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices of securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of determination by that Exchange or by order of the Securities and Exchange Commission of the United States or any other governmental authority having jurisdiction that, in the Underwriter's reasonable judgment, makes it impracticable for the Underwriter to market the Bonds or enforce contracts for the sale of the Bonds, or (v) a general banking moratorium shall have been declared by federal, New York or State authorities having jurisdiction and be in force that, in the Underwriter's reasonable judgment, makes it impracticable for the Underwriter to market the Bonds or enforce contracts for the sale of the Bonds, or (v) legislation shall be enacted or be proposed or actively considered for enactment, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission of the United States or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that the Bonds or any obligations of the general character of the Bonds are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, or of the Trust Indenture Act of 1939, as amended and as then in effect, or otherwise are or would be in violation of any provision of the federal securities laws, or (vi) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or materially increase any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, underwriters, or (vii) there shall have been any materially adverse change in the affairs of the Issuer which in the Underwriter's reasonable judgment materially adversely affects the market for the Bonds, or (viii)

general political, economic or market conditions which, in the reasonable judgment of the Underwriter, shall make it impracticable for the Underwriter to market the Bonds or enforce contracts for the sale of the Bonds; and

(c) At or prior to the Closing, the Underwriter and the Issuer shall receive the following:

(1) The unqualified approving opinion of Stradling, Yocca, Carlson & Rauth, a Professional Corporation, Newport Beach, California, bond counsel (the “Bond Counsel”), in form and substance acceptable to the Underwriter, addressed to the Issuer, dated the date of the Closing, together with a letter from such counsel, dated the date of the Closing and addressed to the Underwriter, to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it;

(2) A supplemental opinion of Bond Counsel, addressed to the Underwriter, the Issuer, and Richards, Watson & Gershon, a Professional Corporation, disclosure counsel (“Disclosure Counsel”), in form and substance acceptable to each of them, dated the date of Closing, to the following effect:

(i) The Issuer has duly authorized, executed and delivered the Indenture, the Escrow Agreement, the Disclosure Agreement and the Purchase Contract. The Indenture, the Escrow Agreement, the Disclosure Agreement and the Purchase Contract constitute the legal, valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights, to the application of equitable principles when equitable remedies are sought and to the exercise of judicial discretion in appropriate cases;

(ii) The Official Statement has been duly authorized, executed and delivered by the Issuer;

(iii) The statements and information contained or summarized in the Preliminary Official Statement and Official Statement on the cover page and under the headings “INTRODUCTION,” “THE BONDS,” “SECURITY FOR THE BONDS,” “CONCLUDING INFORMATION – Legal Opinions,” “CONCLUDING INFORMATION – _____,” “APPENDIX B – SUMMARY OF THE INDENTURE” and “APPENDIX C – FORM OF BOND COUNSEL OPINION” (but not including any statistical or financial information set forth under such headings, or any information concerning DTC or its book-entry only system or _____ or its insurance policy and debt service reserve policy, as to which no opinion need be expressed) insofar as such statements purport to summarize certain provisions of the Bond Law, the Dissolution Act, the Redevelopment Law, the Bonds, the Indenture and the Escrow Agreement, and the opinion of such Bond Counsel concerning certain federal and state tax matters relating to the Bonds, are accurate in all material respects;

(iv) The Bonds are exempt from registration under the Securities Act of 1933, as amended;

(v) The Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and

(vi) The Issuer has obtained all authorizations, approvals, consents or other orders of the State or any other governmental authority or agency within the State having jurisdiction over the Issuer for the valid authorization, issuance and delivery by the Issuer of the Bonds.

(3) The opinion of counsel to the Issuer, addressed to the Underwriter and the Issuer, in form and substance acceptable to each of them, dated the date of the Closing, to the following effect:

(i) The Issuer is a public entity, duly organized and validly existing under and by virtue of the Constitution and the laws of the State;

(ii) The Indenture, the Disclosure Agreement, the Escrow Agreement, and the Purchase Contract have been duly approved by the Resolution of the Issuer adopted at a regular meeting duly called and held in accordance pursuant to law and with all public notice required by law and at which a quorum of the members of the Issuer was continuously present, and the Resolution is in full force and effect and has not been modified, amended or rescinded;

(iii) The Indenture, the Disclosure Agreement, the Escrow Agreement, and the Purchase Contract have been duly approved by the Oversight Board Resolution adopted at a special meeting duly called and held in accordance pursuant to law and with all public notice required by law and at which a quorum of the members of the Oversight Board was continuously present, and the Oversight Board Resolution is in full force and effect and has not been modified, amended or rescinded;

(iv) Except as described in the Official Statement, there is no litigation pending against the Issuer and notice of which has been served on the Issuer, or to the best of such counsel's knowledge after due inquiry, threatened against the Issuer, which: (a) challenges the right or title of any member or officer of the Issuer to hold his or her respective office or exercise or perform the powers and duties pertaining thereto; (b) challenges the validity or enforceability of the Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement, or the Purchase Contract; (c) seeks to restrain or enjoin the issuance and sale of the Bonds, the adoption or effectiveness of the Resolution and Indenture, or the execution and delivery by the Issuer of, or the performance by the Issuer of its obligations under the Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement, or the Purchase Contract; or (d) if determined adversely to the Issuer or its interests, would have a material and adverse affect upon the financial condition, assets, properties or operations of the Issuer; and

(v) The execution and delivery by the Issuer of, and the performance by the Issuer of its obligations under, the Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement, and the Purchase Contract, do not in any material respect conflict with, violate or constitute a default under any provision of any law, court order or decree or any contract, instrument or agreement to which the Issuer is a party or by which it is bound.

(4) A certificate dated the date of the Closing, signed by the Executive Director or appropriate officer of the Issuer, to the effect that to the best of such officer's knowledge: (i) the representations and covenants of the Issuer contained herein are true and correct in all material respects on and as of the date of the Closing with the same effect as if made on the Closing Date; (ii) the Issuer has complied with all the agreements and satisfied all of the conditions on its part to be performed or satisfied at or prior to the Closing; (iii) no event affecting the Issuer has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date any statement or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect; and (iv) the Indenture remains in full force and effect and has not been amended in any respect, except

as approved in writing by the Underwriter, since the date of the Indenture;

(5) A certificate of the Trustee dated the date of the Closing, to the effect that: (i) the Trustee is organized and existing as a national banking association under and by virtue of the laws of the United States of America, having full power and being qualified and duly authorized to perform the duties and obligations of the Trustee and Escrow Agent under and pursuant to the Indenture and the Escrow Agreement (together, the “Trustee Documents”); (ii) the Trustee has agreed to perform the duties and obligations of the Trustee as set forth in the Indenture; (iii) to the best of its knowledge, compliance with the provisions on the Trustee’s part contained in the Trustee Documents will not conflict with or constitute a breach of or default under the Articles of Incorporation or Bylaws of the Trustee or any material law, administrative regulation, judgment, decree, loan agreement, indenture, resolution, bond, note, agreement or other instrument to which the Trustee is a party or is otherwise subject, as a result of which the Trustee’s ability to perform its obligations under the Trustee Documents would be impaired, nor will any such compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, agreement or other instrument, except as provided by the Trustee Documents; and (iv) to the best of the knowledge of the Trustee, the Trustee has not been served in any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending nor is any such action, suit, proceeding, inquiry or investigation threatened against the Trustee, affecting the existence of the Trustee, or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the delivery of the Bonds issued under the Indenture or the collection of revenues pledged or to be pledged to pay the principal of, premium, if any, and interest on the Bonds issued under the Indenture, or the pledge thereof, or in any way contesting the powers of the Trustee or its authority to enter into or perform its obligations under the Trustee Documents, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Indenture or the Disclosure Agreement;

(6) An opinion of counsel to the Trustee dated the Closing Date and addressed to the Issuer and the Underwriter, in form and substance satisfactory to the Underwriter, to the effect that: (i) the Trustee has been duly organized and is validly existing and in good standing as a national banking association under the laws of the United States of America with full corporate power to undertake the trust of the Indenture; (ii) the Trustee has duly authorized, executed and delivered the Trustee Documents, and by all proper corporate action has authorized the acceptance of the duties and obligations of the Trustee under the Trustee Documents and to authorize in its capacity as trustee thereunder the authentication and delivery of the Bonds; (iii) assuming due authorization, execution and delivery by the City, the Trustee Documents are valid, legal and binding

agreements of the Trustee, enforceable in accordance with their terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law); (iv) exclusive of federal or state securities laws and regulations, to the best of such counsel's knowledge after reasonable inquiry and investigation, other than routine filings required to be made with governmental agencies in order to preserve the Trustee's authority to perform a trust business (all of which routine filings such counsel believes, after reasonable inquiry and investigation, to have been made), no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee is or will be required for the execution and delivery by the Trustee of the Trustee Documents or the authentication and delivery of the Bonds; (v) to the best of such counsel's knowledge, the execution and delivery by the Trustee of the Trustee Documents and the Bonds, and compliance with the terms thereof will not, in any material respect, conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties, or (except with respect to the lien of the Indenture) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee; and (vi) to the best of such counsel's knowledge, there is no litigation pending or threatened against or affecting the Trustee to restrain or enjoin the Trustee's participation in, or in any way contesting the powers of the Trustee with respect to the transactions contemplated by the Bonds and the Trustee Documents;

(7) Two (2) copies of this Purchase Contract duly executed and delivered by the parties thereto;

(8) Two (2) copies of the Official Statement, executed on behalf of the Issuer by the Executive Director of the Issuer;

(9) One (1) certified copy of the Indenture, the Escrow Agreement, the Disclosure Agreement, and all resolutions of the Issuer and the Oversight Board relating to the issuance of the Bonds (including without limitation the Resolution and the Oversight Board Resolution);

(10) A letter, dated the date of the Closing and addressed to the Issuer, of Disclosure Counsel, to the effect that based upon its participation in the preparation of the Official Statement and without having undertaken to determine independently the accuracy or completeness of the statements in the Official Statement, the Official Statement as of its date or as of the date of Closing (excluding therefrom financial statements and other financial, engineering and statistical data; forecasts, projections, estimates, assumptions and expressions of

opinions; information about the Depository Trust Company and book-entry only system; statements relating to the treatment of the Bonds or the interest, discount or premium related thereto for tax purposes under the law of any jurisdiction; and, without limiting the foregoing, the statements contained in the Official Statement under the captions “THE BONDS – Book-Entry System,” “BOND INSURANCE,” “CONCLUDING INFORMATION – _____” and Appendices A, B, C, D, F and G; as to all of which we express no view herein) does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(11) A defeasance opinion of Bond Counsel, dated the Closing Date, to the effect that the lien of the 2007 Bonds with respect to the Pledged Tax Revenues has been discharged;

(12) A Certificate of Urban Futures, Inc. (“Urban Futures”), to the following effect:

(i) Urban Futures is duly authorized to execute and deliver the Continuing Disclosure Agreement and to perform as Dissemination Agent thereunder, and Urban Futures had duly executed and delivered the Continuing Disclosure Agreement;

(ii) Urban Futures’ execution and delivery of the Continuing Disclosure Agreement and performance as Dissemination Agent thereunder do not and will not conflict in any way with any law, judgment, agreement or other instrument to which Urban Futures is a party or is subject;

(iii) in connection with the issuance of the Bonds, Urban Futures, as financial advisor (the “Financial Advisor”), has provided the Issuer certain projections and estimates (the “Projections”) and a Fiscal Consultant Report (the “Financial Advisor’s Report”) with respect to the taxable valuation and Pledged Tax Revenues with respect to the Project Area. The Financial Advisor has obtained such information from the County of Tulare and other sources as the Financial Advisor deemed necessary and relevant to generate the Financial Advisor’ Report and to express an informed opinion with respect to the matters discussed in such Financial Advisor’s Report;

(iv) the Financial Advisor has reviewed the Official Statement and, in particular, information presented in the tables set forth in the Official Statement under the captions “THE PROJECT AREA” and “PLEDGED TAX REVENUES,” and as of the date of the Official Statement and as of the Closing Date, such information and the Financial Advisor’s Report fairly and accurately reflect the Projections and, to the best knowledge of

the Financial Advisor, do not contain any untrue or misleading statement of a material fact and do not fail to state a material fact necessary in order to make the information contained therein, not misleading;

(v) Nothing has come to the attention of the Financial Advisor which would cause the Financial Advisor to believe that the statements and information contained in the Official Statement that are attributable to the Financial Advisor, including but not limited information under the captions “THE PROJECT AREA,” “PLEDGED TAX REVENUES” and “APPENDIX G – FINANCIAL ADVISOR’S REPORT” as of the date of the Official Statement, are inaccurate in any material respect; and no event or act known to the Financial Advisor has occurred since the date of the Official Statement which would make such statements and information inaccurate or misleading; and

(vi) the Financial Advisor affirms its consent to the inclusion of such Projections in the Official Statement and the reproduction of the Financial Advisor’s Report in the appendices of the Official Statement;

(13) A rating letter from Standard & Poor’s Ratings Group;

(14) The municipal bond insurance policy insuring the payment of principal and interest with respect to the Bonds maturing between September 1, 20__ and September 1, 20__ (the “Policy”), issued by _____ (the “Bond Insurer”);

(15) The municipal bond debt service reserve insurance policy (the “Reserve Policy”) issued by the Bond Insurer for credit to the Reserve Account with respect to the Bonds;

(16) An opinion of counsel to the Bond Insurer, dated the Closing Date, addressed to the Issuer, the Trustee and the Underwriter, regarding the Bond Insurer’s valid existence, power and authority, the Bond Insurer’s due authorization and issuance of the Policy and the Reserve Policy and the enforceability of the Policy and the Reserve Policy against the Bond Insurer;

(17) A certificate of the Bond Insurer or an opinion of counsel to the Bond Insurer, dated the Closing Date, regarding the accuracy of the information in the Official Statement describing the Bond Insurer and the Policy and the Reserve Policy;

(18) Verification report from _____; and

(19) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, Bond Counsel or Disclosure Counsel may reasonably request to evidence compliance by the Issuer with this Purchase Contract, legal requirements, and the performance or satisfaction by the

Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

The Issuer will furnish the Underwriter with such conformed copies of such opinions, certificates, letters and documents as the Underwriter may reasonably request. If the Issuer is unable to satisfy the conditions to the obligations of the Underwriter contained in this Purchase Contract, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and none of the Underwriter, the Issuer shall have any further obligations hereunder, except as provided in Section hereof. However, the Underwriter may in its discretion waive one or more of the conditions imposed by this Purchase Contract for the protection of the Underwriter and proceed with the related Closing.

If this Purchase Agreement shall be terminated pursuant to this Section , including but not limited to paragraphs (b) and (c), or if the purchase provided for herein is not consummated because any condition to the Underwriter's obligation hereunder is not satisfied or because of any refusal, inability or failure on the part of the Issuer to comply with any of the terms or to fulfill any of the conditions of this Purchase Agreement, or if for any reason the Issuer shall be unable to perform all of their respective obligations under this Purchase Agreement, the Issuer shall not be liable to the Underwriter for damages on account of loss of anticipated profits arising out of the transactions covered by this Purchase Agreement.

8. Expenses.

The Underwriter shall be under no obligation to pay, and the Issuer shall pay from its available funds or from the proceeds of the Bonds, certain expenses set forth in this Section, including but not limited to: (i) all expenses in connection with the preparation, distribution and delivery of the Preliminary Official Statement, the Official Statement and any amendment or supplement thereto, (ii) all expenses in connection with the printing, issuance and delivery of the Bonds, (iii) the fees and disbursements of Bond Counsel and Disclosure Counsel in connection with the Bonds, (iv) the fees and disbursements of counsel to the Issuer in connection with the Bonds, (v) the disbursements of the Issuer in connection with the issuance of the Bonds, (vi) the fees and disbursements of the Trustee, (vii) rating agency fees, and (viii) fees of the Financial Advisor.

The Underwriter shall pay (i) fees, if any, payable to the California Debt and Investment Advisory Commission in connection with the issuance of the Bonds; (ii) the cost of preparation of the Blue Sky and Legal Investment Memoranda and all Blue Sky filing fees in connection with the public offering of the Bonds; (iii) all advertising expenses in connection with the public offering of the Bonds; and (iv) all other expenses incurred by it in connection with its public offering and distribution of the Bonds.

9. Notice. Any notice or other communication to be given to the Issuer under this Purchase Contract may be given by delivering the same in writing at the address set forth above. Any such notice or communication to be given to the Underwriter may be given by delivering the same in writing to:

Stifel, Nicolaus & Company, Incorporated
One Montgomery Street, 35th Floor
San Francisco, CA 94104
Attention: Ralph Holmes

10. Governing Law. This Purchase Contract shall be governed by the laws of the State of California. This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

11. Parties in Interest. This Purchase Contract is made solely for the benefit of the signatories hereto (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof except as provided in Section 11 hereof. All representations in this Purchase Contract shall remain operative and in full force and effect, regardless of (a) delivery of and payment for any of the Bonds and (b) any termination of this Purchase Contract.

Respectfully submitted,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

Authorized Representative

Accepted as of the date first stated above:

SUCCESSOR AGENCY TO THE
CITY OF IMPERIAL REDEVELOPMENT AGENCY

By: Marlene D. Best, City Manager of the City of Imperial

Time of Execution: _____

APPENDIX A

\$ _____
SUCCESSOR AGENCY TO THE
CITY OF IMPERIAL REDEVELOPMENT AGENCY
City of Imperial Redevelopment Project
Taxable Tax Allocation Refunding Bonds
Issue of 2016, Series B

<u>Maturity Date</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
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\$ _____ - _____% Term Bond due December 1, 20____ - Yield - _____%, Price
_____%

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”), dated as of April __, 2016 is executed and delivered by the Successor Agency to the Imperial Redevelopment Agency (the “Successor Agency”), Wells Fargo Bank, National Association, as trustee (the “Trustee”), and Urban Futures, Inc., as dissemination agent (the “Dissemination Agent”), in connection with the issuance by the Successor Agency of its \$_____ initial aggregate principal amount City of Imperial Redevelopment Project, Taxable Tax Allocation Refunding Bonds, Issue of 2016, Series B (the “Bonds”). The Bonds are being issued pursuant to an Indenture of Trust, dated as of April 1, 2016 (the “Indenture”), by and between the Successor Agency and the Trustee. The Successor Agency, the Trustee, and the Dissemination Agent covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Successor Agency, the Trustee, and the Dissemination Agent for the benefit of the Owners of the Bonds and in order to assist the Participating Underwriter (as defined below) in complying with the Rule (as defined below).

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Successor Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Dissemination Agent” shall mean Urban Futures, Inc., or any successor Dissemination Agent designated in writing by the Successor Agency and which has filed with the Successor Agency and the Trustee a written acceptance of such designation.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Obligated Person” shall mean any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

“Official Statement” shall mean the final Official Statement, dated March __, 2016, relating to the Bonds.

“Participating Underwriter” shall mean the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provisions of Annual Reports.

(a) The Successor Agency shall, or shall cause the Dissemination Agent to, not later than nine (9) months after the end of the Successor Agency’s Fiscal Year (which date currently would be

March 31, based upon the June 30 end of the Successor Agency's Fiscal Year), commencing March 31, 2017 with the report for the 2015-16 fiscal year, provide to the MSRB, in an electronic format accompanied by identifying information as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the postaudit of the financial transactions and records of the Successor Agency for the Fiscal Year may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if not available by that date. If the Successor Agency's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b), and subsequent Annual Report filings shall be made no later than nine (9) months after the end of each such new fiscal year.

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) above for providing the Annual Report to the MSRB, the Successor Agency shall provide the Annual Report to the Dissemination Agent (if other than the Successor Agency). If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Successor Agency to determine if the Successor Agency is in compliance with the first sentence of this subsection (b). The Successor Agency shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder.

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent in a timely manner shall send a notice to the MSRB in substantially the form attached as Exhibit A, or in such other form as prescribed by, or acceptable to, the MSRB.

(d) The Dissemination Agent (if other than the Successor Agency) shall, if and to the extent the Successor Agency has provided an Annual Report in final form to the Dissemination Agent for dissemination, file a report with the Successor Agency and the Trustee (if the Dissemination Agent is not the Trustee) certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Agreement, and stating the date it was provided.

Section 4. Content of Annual Reports. The Successor Agency's Annual Report shall contain or incorporate by reference the following:

(a) A postaudit of the financial transactions and records of the Successor Agency for the Fiscal Year to be made by an Independent Certified Public Accountant appointed by the Successor Agency prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Successor Agency's postaudit is not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain an unaudited statement of financial transactions and records of the Successor Agency in a format required by Section 34177(n) of Dissolution Act, and the postaudit shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent not contained in the postaudit filed pursuant to the preceding subsection (a) by the date required by Section 3 hereof, other financial information and operating data relating to the City of Imperial Redevelopment Project (the "Project Area"), as follows:

- 1) A summary of Agency indebtedness payable from property taxes previously known as "tax increment" (prior to February 1, 2012

dissolution of California redevelopment agencies) generated in the Project Area, including the amount outstanding as of June 30 of the most recent fiscal year;

- 2) Information about pending and successful appeals of assessed values in the Project Area for the top ten secured taxpayers therein;
- 3) Updates of the top ten taxpayers for the Project Area substantially in the form of Table 2 in the Official Statement under the caption “THE PROJECT AREA – Largest Taxpayers”;
- 4) Updates of assessed values in and tax increment revenue projections for the Project Area for the most recent fiscal year and the subsequent four years substantially in the form of Table 4 in the Official Statement under the caption “PLEDGED TAX REVENUES – Projected Taxable Valuation and Pledged Tax Revenues”; and
- 5) An update of debt service coverage for the most recent fiscal year in substantially the form of Table 6 in the Official Statement under the caption “PLEDGED TAX REVENUES – Debt Service Coverage.”

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Successor Agency or related public entities, which have been available to the public on the MSRB’s internet web site or filed with the Securities and Exchange Commission. The Successor Agency shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Successor Agency shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds, which notice shall be given in a timely manner, not in excess of ten (10) business days after the occurrence of such Listed Event:

- 1) Principal and interest payment delinquencies;
- 2) Non-payment related defaults, if material;
- 3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- 4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- 5) Substitution of credit or liquidity providers, or their failure to perform;
- 6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

- 7) Modifications to rights of security holders, if material;
- 8) Bond calls, if material, and tender offers;
- 9) Defeasances;
- 10) Release, substitution, or sale of property securing repayment of the securities, if material;
- 11) Rating changes;
- 12) Bankruptcy, insolvency, receivership or similar event of the Obligated Person;
- 13) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- 14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Dissemination Agent shall, within one (1) business day after obtaining knowledge of the occurrence of any of the events listed in Section 5(a) (1), (3), (4), (5), (6, in part), (8, in part), (9), (11), (12), or (13, in part) inform the Successor Agency of the occurrence of such event. As soon as reasonably practicable after obtaining knowledge of the occurrence of such event (regardless of whether the source of the information is the Dissemination Agent pursuant to the foregoing sentence or another source), the Successor Agency shall, or shall cause the Dissemination Agent to, file in a timely manner, not in excess of ten (10) business days after the occurrence of any such event, a notice of such occurrence with the MSRB, in an electronic format accompanied by identifying information as prescribed by the MSRB. With respect to the events listed in subparagraphs (6), (8), and (13) of Section 5(a), this paragraph (b) shall apply to only those events listed in such subparagraphs without a materiality qualifier.

(c) The Dissemination Agent shall, within one (1) business day after obtaining knowledge of the occurrence of any of the events listed in Section 5(a) (2), (6, in part), (7), (8, in part), (10), (13, in part) or (14), inform the Successor Agency of the occurrence of such event and request that the Successor Agency promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (d). With respect to the events listed in subparagraphs (6), (8), and (13) of Section 5(a), this paragraph (c) shall apply to only those events listed in such subparagraphs with a materiality qualifier.

(d) Whenever the Successor Agency obtains knowledge of the occurrence of any event specified in Section 5(a) (2), (6, in part), (7), (8), (10), (13) or (14), the Successor Agency shall as soon as possible, in order to meet the ten (10) business day deadline to file notices required under the Rule and pursuant to the following sentence, determine if such event would be material under applicable Federal securities law. If the Successor Agency determines that knowledge of the occurrence of such event would be material under applicable Federal securities law, the Successor Agency shall, or shall cause the Dissemination Agent to, file in a timely manner, not in excess of ten (10) business days after the

occurrence of any such event, a notice of such occurrence with the MSRB, in an electronic format accompanied by identifying information as prescribed by the MSRB.

(e) The Trustee shall, within three (3) business days after obtaining knowledge of the occurrence of any of the Listed Events, or as soon as reasonably practicable thereafter, and in any event in sufficient time for the Successor Agency to file a notice of such event within ten (10) business days after the occurrence of the event, inform the Successor Agency of such event and request that the Successor Agency promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsections (b) or (d).

Section 6. Termination of Reporting Obligation. The Successor Agency's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Successor Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 7. Dissemination Agent.

(a) The Successor Agency hereby appoints and engages Urban Futures, Inc. as the Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Successor Agency pursuant to this Disclosure Agreement. The Successor Agency may replace the Dissemination Agent with or without cause. If at the time there is no designated Dissemination Agent appointed by the Successor Agency, the Successor Agency shall be the Dissemination Agent and undertake or assume its obligations hereunder.

Any company succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any paper or any further act. The Dissemination Agent may resign its duties hereunder by giving 30-days written notice to the Successor Agency and the Trustee (if the Trustee is not the Dissemination Agent).

(b) The Dissemination Agent shall be paid compensation by the Successor Agency for its services provided hereunder in accordance with its schedule of fees agreed to between the Dissemination Agent and the Successor Agency from time to time and for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the Successor Agency hereunder and shall not be deemed to be acting in any fiduciary capacity for the Successor Agency, Bondowners, or any other party. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon any direction from the Successor Agency or an opinion of nationally recognized bond counsel.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Successor Agency, the Trustee, and the Dissemination Agent may amend this Disclosure Agreement (and the Trustee and the Dissemination Agent shall agree to any amendment so requested by the Successor Agency, provided neither the Trustee nor the Dissemination Agent shall be obligated to enter into any amendment increasing or affecting its duties or obligations), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal

requirements, change in law, or change in the identity, nature, or status of an Obligated Person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by Bondowners in the manner provided in the Indenture for amendments to the Indenture with the consent of Bondowners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondowners.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided. For purposes of this paragraph, "impact" has the meaning as that word is used in the letter from the staff of the Securities and Exchange Commission to the National Association of Bond Lawyers dated June 23, 1995.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing the postaudit, the annual financial information for the year in which the change is made shall present a comparison between the postaudit or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the Successor Agency to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be sent to the MSRB in the same manner as for a Listed Event under Section 5(b).

No amendment to this Agreement which modifies the duties or rights of the Dissemination Agent shall be made without the prior written consent of the Dissemination Agent.

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Successor Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Successor Agency chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Successor Agency shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Successor Agency, the Trustee, or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Participating Underwriter or any Bondowner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Successor Agency, the Trustee, or the Dissemination Agent, as the case may be, to comply with its respective obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of

Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Successor Agency, the Trustee, or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Trustee and Dissemination Agent.

The Dissemination Agent (if other than the Trustee or the Trustee in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Successor Agency agrees to indemnify and save the Trustee and the Dissemination Agent, their respective officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Trustee's or the Dissemination Agent's negligence or willful misconduct. See Section 7 above for additional provisions concerning duties, immunities and liabilities of the Dissemination Agent. The obligations of the Successor Agency under this Section shall survive resignation or removal of the Trustee or the Dissemination Agent and payment of the Bonds. No person shall have any right to commence any action against the Dissemination Agent seeking any remedy other than to compel specific performance of this Agreement. Neither the Dissemination Agent nor the Trustee shall be liable under any circumstances for monetary damages to any person for any breach of this Agreement.

Section 12. Notices. Any notices or communications to or among any of the parties

to this Disclosure Agreement may be given as follows:

To the Successor Agency: Successor Agency to the Imperial Redevelopment Agency
420 South Imperial Avenue
Imperial, California 92251
(760) 355-4371
(760) 355-4718 Fax
Attention: Executive Director

To the Trustee: Wells Fargo Bank, National Association
707 Wilshire Blvd., 17th Floor
Los Angeles, California 90071
(213) 614-3320
(213) 614-3355 Fax
Attention: Grace Yang, Vice President

To the Dissemination Agent: Urban Futures, Inc.
3111 North Tustin Avenue, #230
Orange, California 92865
(714) 283-9334
(714) 283-9319 Fax

Section 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Successor Agency, the Dissemination Agent, the Participating Underwriter and Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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

SUCCESSOR AGENCY TO THE IMPERIAL
REDEVELOPMENT AGENCY

Executive Director

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

Authorized Officer

URBAN FUTURES, INC.,
as Dissemination Agent

Authorized Officer

EXHIBIT A

NOTICE TO MUNICIPAL SECURITIES RULEMAKING
BOARD OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Successor Agency to the Imperial Redevelopment Agency

Name of Bond Issues: \$_____ initial aggregate principal amount City of Imperial Redevelopment
Project, Taxable Tax Allocation Refunding Bonds, Issue of 2016, Series B

Date of Issuance: April __, 2016

NOTICE IS HEREBY GIVEN that the Successor Agency to the Imperial Redevelopment Agency (the "Successor Agency") has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement, dated as of April __, 2016, by and among the Successor Agency, Wells Fargo Bank, National Association, as trustee, and Urban Futures, Inc., as dissemination agent. The Successor Agency anticipates that the Annual Report will be filed by _____.

Date: _____, 20__

Urban Futures, Inc.
as Dissemination Agent

By: _____
Title: _____

cc: Executive Director, Successor Agency to the Imperial Redevelopment Agency