

## **SEVENTH SUPPLEMENTAL TRUST AGREEMENT**

This SEVENTH SUPPLEMENTAL TRUST AGREEMENT, dated as of July 1, 2013, (the “Seventh Supplemental Trust Agreement”) by and between U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as trustee (together with any successor thereto, the “Trustee”), and the SAN MATEO COUNTY JOINT POWERS FINANCING AUTHORITY (the “Authority”), a joint exercise of powers authority, duly organized and validly existing pursuant to an Agreement entitled “Joint Exercise of Powers Agreement by and between the County of San Mateo and the Community Development Commission for the County of San Mateo”; being supplemental to the trust agreement, dated as of April 15, 1994, by and between Bank of America National Trust and Savings Association, as predecessor trustee and the Authority;

### **W I T N E S S E T H:**

WHEREAS, the County of San Mateo (the “County”) has leased certain real property and improvements thereon to the Authority pursuant to a Master Site Lease, dated as of April 15, 1994 (herein, together with amendments from time to time thereto, called the “Site Lease”);

WHEREAS, the Authority has acquired and constructed certain facilities, buildings and equipment and leased said facilities, buildings and equipment to the County pursuant to a Master Facility Lease (San Mateo County Health Center), dated as of April 15, 1994 (herein, together with amendments from time to time thereto, called the “Facility Lease”);

WHEREAS, the Trustee and the Authority have heretofore executed the Trust Agreement, dated as of April 15, 1994, as supplemented, including as supplemented by this Seventh Supplemental Trust Agreement dated as of July 1, 2013 (herein, together with other supplements thereto, collectively called the “Trust Agreement”);

WHEREAS, heretofore the Authority has issued pursuant to the Trust Agreement \$124,355,000 San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (San Mateo County Health Center), 1994 Series A (the “1994 Series A Bonds”); \$19,225,000 San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects), 1995 Series A (the “1995 Series A Bonds”); \$63,205,000 San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects), 1997 Series A (the “1997 Series A Bonds”); \$113,140,000 San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects), 1999 Refunding Series A (the “1999 Series A Bonds”); \$24,370,000 San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects) 2001 Series A (the “2001 Series A Bonds”); \$8,520,000 San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects) 2001 Series B (the “2001 Series B Bonds” and collectively with the 2001 Series A Bonds, the “Series 2001 Bonds”); and \$115,505,000 San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects), 2009 Refunding Series A (the “2009 Series A Bonds” and together with the other bonds issued pursuant to the Trust Agreement, the “Bonds”);

WHEREAS, under the Facility Lease, the County is obligated to make base rental payments to the Authority for the lease of the Project;

WHEREAS, all rights to receive such base rental payments have been pledged without recourse by the Authority to the Trustee pursuant to the Trust Agreement;

WHEREAS, the Authority may at any time, with the consent of the Bond Insurer, issue Additional Bonds payable from, and secured by a pledge of and lien upon, the Revenues, as provided in Section 3.03 (as amended by Section 17.01) of the Trust Agreement, provided that the proceeds of such Additional Bonds be applied to, among other things, the construction or acquisition of Subsequent Phases of the Project or the refunding of any Bonds then Outstanding or for any other purpose acceptable to the Bond Insurer;

WHEREAS, in order to provide for the refinancing of County facilities, the County has requested that the Authority refund all or a portion of the Outstanding 1997 Series A Bonds, 1999 Series A Bonds, 2001 Series A Bonds, and 2001 Series B Bonds (as hereinafter defined, the “2013 Refunded Bonds”);

WHEREAS, the County also desires to acquire, construct and improve certain fire stations located in the County (as more fully defined herein, “Project Phase XI”) and for the purpose of financing such acquisition, construction and improvements has requested the Authority to issue additional Bonds pursuant to the Trust Agreement.

WHEREAS, for the purpose of refunding the 2013 Refunded Bonds and financing Project Phase XI, the Authority has agreed to issue bonds entitled “San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects), 2013 Series A” (the “2013 Series A Bonds” or the “Series 2013 Bonds”), in the aggregate principal amount of \$[ ] pursuant to this Seventh Supplemental Trust Agreement;

WHEREAS, the 2013 Series A Bonds are payable from Revenues on a parity basis with the now outstanding [1994 Series A Bonds, the 1995 Series A Bonds], the 1997 Series A Bonds, the 1999 Series A Bonds, the Series 2001 Bonds, the Series 2009 Bonds and any Additional Bonds hereafter issued by the Authority under the Trust Agreement; and

WHEREAS, all acts and proceedings required by law necessary to make the Series 2013 Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal obligations of the Authority payable in accordance with their terms, and to constitute the Trust Agreement a valid and binding agreement of the parties hereto for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Seventh Supplemental Trust Agreement have been in all respects duly authorized;

NOW, THEREFORE, THIS SEVENTH SUPPLEMENTAL TRUST AGREEMENT WITNESSETH, that in order to secure the full and timely payment of the principal of, premium, if any, and the interest on all Bonds at any time issued and outstanding under the Trust Agreement, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the

terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the holders thereof, and for other valuable considerations, the receipt whereof is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective holders from time to time of the Bonds, as follows:

## ARTICLE XLV

### ADDITIONAL DEFINITIONS

SECTION 45.01 Additional Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes of the Trust Agreement and of any amendment hereof or supplement hereto and of any certificate, opinion, request or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein and to the extent the definitions in this Section differ from the definitions of such terms contained in Section 1.01 or Section 12.01 or Section 19.01, Section 26.01 or Section 34.01 of the Trust Agreement, the definitions in this Section shall control and the definitions in Section 1.01, Section 12.01, Section 19.01, Section 26.01 or Section 34.01 shall be amended accordingly. Capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Facility Lease.

#### Project

The term “Project” means Project Phases I through XI and all Subsequent Phases of the Project or any County facility or facilities substituted for the Project or any portion thereof in accordance with the Facility Lease and the Trust Agreement.

#### Continuing Disclosure Agreement

The term “Continuing Disclosure Agreement” means that certain Continuing Disclosure Agreement among the Authority, the County and the Trustee dated as of December 1, 1997, as originally executed and as it may be amended from time to time in accordance with the terms thereof, including the amendment thereof in relation to the Series 2013 Bonds.

#### Project Phase XI

The term “Project Phase XI” means the acquisitions, constructions and improvements of certain fire stations located in the county including but not limited to the Skylonda [or Pescadero] fire stations.

#### Series 2013 Bonds

The term “Series 2013 Bonds” means the San Mateo County Joint Powers Financing Authority Lease Revenue Refunding Bonds (Capital Projects), 2013 Series A.

### Seventh Supplemental Trust Agreement

The term “Seventh Supplemental Trust Agreement” means this Seventh Supplemental Trust Agreement, dated as of July 1, 2013, by and between the Trustee and the Authority, executed and delivered in accordance with the Trust Agreement and which is supplemental to the Trust Agreement.

### 2013 Costs of Issuance Fund

The term “2013 Costs of Issuance Fund” means the fund by that name established pursuant to Section 47.01 of this Seventh Supplemental Trust Agreement.

### 2013 Refunded Bonds

The term “2013 Refunded Bonds” means the San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects), 1997 Series A Bonds, San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects) 1999 Series A Bonds, San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects) 2001 Series A Bonds, and San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects) 2001 Series B Bonds, [and the Sinking Account Payments designated to the redemption of the 2013 Refunded Bonds, as set forth in Exhibit B hereto].

### 2013 Series A Bonds

The term “2013 Series A Bonds” means the bonds of the series designated “2013 Refunding Series A” issued by the Authority under and pursuant to the Trust Agreement and this Seventh Supplemental Trust Agreement, the proceeds of which will be applied to the refunding and defeasance of the 2013 Refunded Bonds and to the financing of Project Phase XI and to the payment of costs related thereto.

## ARTICLE XLVI

### TERMS AND CONDITIONS OF THE SERIES 2013 BONDS

SECTION 46.01 Authorization of Series 2013 Bonds. A Series of Bonds is hereby created and, notwithstanding Section 2.01(a), designated “San Mateo County Joint Powers Financing Authority Lease Revenue Bonds (Capital Projects), 2013 Refunding Series A.” The aggregate principal amount of 2013 Series A Bonds which may be issued and Outstanding under the Trust Agreement shall not exceed [ ] dollars (\$[ ]). The 2013 Series A Bonds shall be payable from the Revenues and secured by a pledge of and charge and lien upon the Revenues equal to the pledge, charge and lien securing the Outstanding Bonds. The 2013 Series A Bonds are issued in accordance with Section 3.03 and 3.04, as amended, including delivery of a Certificate of the County as required by Section 3.04(h).

The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Series 2013 Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have

happened and to have been performed precedent to and in the issuance of the Series 2013 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the Authority is now duly authorized, pursuant to each and every requirement of the Act, to issue the Series 2013 Bonds in the form and manner provided herein for the purpose of providing funds to refund and defease the 2013 Refunded Bonds and to finance Project Phase XI, and that the Series 2013 Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

SECTION 46.02      Terms of the 2013 Series A Bonds. The 2013 Series A Bonds shall be in the aggregate principal amount of \$[\_\_\_\_\_], consisting of all Current Interest Bonds. The 2013 Series A Bonds shall be Fixed Rate Bonds, and shall be dated the date of issuance thereof, shall be issued only in fully registered form in denominations of five thousand dollars (\$5,000) or any integral multiple of five thousand dollars (\$5,000) (not exceeding the principal amount of 2013 Series A Bonds maturing at any one time), and shall mature on the dates and in the principal amounts and bear interest at the rates as set forth in the following schedule:

Maturity Date (July 15)	Principal Amount	Interest Rate
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SECTION 46.03      Payment of the 2013 Series A Bonds. The principal of the Series 2013 Bonds shall be payable by check in lawful money of the United States of America upon surrender thereof by the Bondholder at the Principal Corporate Trust Office of the Trustee.

The Series 2013 Bonds shall bear interest at the rates set forth above, payable on January 15, 2014, and semi-annually thereafter on January 15 and July 15 in each year until maturity or prior redemption thereof.

The Series 2013 Bonds shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless such date of authentication is an Interest Payment Date or during the period from the first (1st) day of the month containing an Interest Payment Date to such Interest Payment Date, in which event they shall bear interest from such Interest Payment Date, or unless such date of authentication is on or before January 1, 2014, being the first Record Date for the Series 2013 Bonds, in which event they shall bear interest from their date; provided, however, that if at the time of authentication of any 2013 Series A Bond interest is then in default on the Outstanding Series 2013 Bonds, such Series 2013 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding Series 2013 Bonds.

Payment of interest on the Series 2013 Bonds due on or before the maturity or prior redemption thereof shall be made to the person whose name appears in the Series 2013 Bonds registration books kept by the Trustee pursuant to Section 46.07 as the registered owner thereof as of the close of business on the Record Date for an Interest Payment Date, whether or not such day is a Business Day, such interest to be paid by check mailed by first-class mail on each Interest Payment Date to such registered owner at the address as it appears in such books; provided that upon the written request of a Bondholder of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds received by the Trustee prior to the applicable Record Date, interest shall be paid by wire transfer in immediately available funds to an account at a financial institution in the United States of America.

Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Bondholder on such Record Date and shall be paid to the Bondholder in whose name the Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof being given to the Bondholders not less than ten (10) days prior to such Special Record Date.

SECTION 46.04      Form of Series 2013 Bonds. The Series 2013 Bonds and the authentication and registration endorsement and assignment to appear thereon shall be substantially in the forms set forth in Exhibit A hereto attached and by this reference herein incorporated.

SECTION 46.05      Execution of Series 2013 Bonds. The President of the Authority is hereby authorized and directed to execute each of the Series 2013 Bonds on behalf of the Authority and the Secretary of the Authority is hereby authorized and directed to countersign each of the Series 2013 Bonds on behalf of the Authority. The signatures of such President and Secretary may be printed, lithographed or engraved by facsimile reproduction. In case any officer whose signature appears on the Series 2013 Bonds shall cease to be such officer before

the delivery of the Series 2013 Bonds to the purchasers thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Series 2013 Bonds.

Only those Series 2013 Bonds bearing thereon a certificate of authentication in the form set forth in Exhibit A hereto, executed manually and dated by the Trustee, shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Series 2013 Bonds so authenticated have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

**SECTION 46.06      Transfer and Payment of Series 2013 Bonds.** Any Series 2013 Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of Section 46.07 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Series 2013 Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. Whenever any Series 2013 Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of the same Series and maturity for a like aggregate principal amount of authorized denominations. The Trustee shall require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege. The Authority and the Trustee may, except as otherwise provided herein, deem and treat the registered owner of any Series 2013 Bonds as the absolute owner of such Series 2013 Bonds for the purpose of receiving payment thereof and for all other purposes, whether such Series 2013 Bonds shall be overdue or not, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of and redemption premium, if any, on such Series 2013 Bonds shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on such Series 2013 Bonds to the extent of the sum or sums so paid.

The Trustee shall not be required to register the transfer of or exchange any Series 2013 Bonds which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Series 2013 Bond selected for redemption in whole or in part as provided in Section 48.01(c) or during the period established by the Trustee for selection of Series 2013 Bonds for redemption.

**SECTION 46.07      Exchange of Series 2013 Bonds.** Series 2013 Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for a like aggregate principal amount of Series 2013 Bonds of the same Series and maturity of other authorized denominations. The Trustee shall require the payment by the Bondholder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege. The Trustee shall not be required to exchange any Series 2013 Bond which has been selected for redemption in whole or in part from and after the day of mailing of a notice of redemption of such Series 2013 Bond selected for redemption in whole or in part as provided in Section 48.01(c) or during the period established by the Trustee for selection of Series 2013 Bonds for redemption.

SECTION 46.08      Series 2013 Bonds Registration Books. The Trustee will keep at its office sufficient books for the registration and transfer of the Series 2013 Bonds which shall during normal business hours be open to inspection by the Authority, and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Series 2013 Bonds in such books as hereinabove provided.

SECTION 46.09      Mutilated, Destroyed, Stolen or Lost Series 2013 Bonds. If any Series 2013 Bond shall become mutilated, the Trustee, at the expense of the Bondholder, shall thereupon authenticate and deliver a new Series 2013 Bond of like tenor and amount in exchange and substitution for the Series 2013 Bond so mutilated, but only upon surrender to the Trustee of the Series 2013 Bond so mutilated. Every mutilated Series 2013 Bond so surrendered to the Trustee shall be cancelled.

If any Series 2013 Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Bondholder, shall thereupon authenticate and deliver a new Series 2013 Bond of like series and tenor in lieu of and in substitution for the Series 2013 Bond so lost, destroyed or stolen.

The Trustee may require payment of a reasonable sum for each new Series 2013 Bond issued under this Section 46.09 and of the expenses which may be incurred by the Authority and the Trustee in the premises. Any Series 2013 Bond issued under the provisions of this Section in lieu of any Series 2013 Bond alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of the Trust Agreement with all other Bonds of the same Series secured by the Trust Agreement. Neither the Authority nor the Trustee shall be required to treat both the original Series 2013 Bond and any replacement Series 2013 Bond as being Outstanding for the purpose of determining the principal amount of Series 2013 Bonds which may be issued hereunder or for the purpose of determining any percentage of Series 2013 Bonds Outstanding hereunder, but both the original and replacement Series 2013 Bond shall be treated as one and the same.

SECTION 46.10      Temporary Series 2013 Bonds. The Series 2013 Bonds issued under the Trust Agreement may be initially issued in temporary form exchangeable for definitive Series 2013 Bonds when ready for delivery. The temporary Series 2013 Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Authority, shall be in fully registered form and may contain such reference to any of the provisions of the Trust Agreement as may be appropriate. Every temporary Series 2013 Bond shall be executed and authenticated as authorized by the Authority, in accordance with the terms of the Act. If the Authority issues temporary Series 2013 Bonds it will execute and furnish definitive Series 2013 Bonds without delay and thereupon the temporary Series 2013 Bonds may be surrendered, for cancellation, in exchange therefor at the Principal Corporate Trust Office of the Trustee and the Trustee shall deliver in exchange for such temporary Series 2013 Bonds an equal aggregate principal amount of definitive Series 2013 Bonds of authorized denominations. Until so exchanged, the temporary Series 2013 Bonds shall be entitled to the same benefits under the Trust Agreement as definitive Series 2013 Bonds delivered hereunder.



SECTION 46.11      Validity of Series 2013 Bonds. The recital contained in the Series 2013 Bonds that the same are issued pursuant to the Act and pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Series 2013 Bonds shall be incontestable from and after their issuance. The Series 2013 Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive Series 2013 Bonds (or any temporary Series 2013 Bonds exchangeable therefor) shall have been delivered to the purchasers thereof and the proceeds of sale thereof received.

SECTION 46.12      Special Covenants as to Book-Entry Only System for Series 2013 Bonds.

(a) Except as otherwise provided in subsections (b) and (c) of this Section 46.12, all of the Series 2013 Bonds initially issued shall be issued as Book-Entry Bonds registered in the name of Cede & Co., as nominee for DTC, or such other nominee as DTC shall request pursuant to DTC procedures. Payment of the interest on any Series 2013 Bond registered in the name of Cede & Co. shall be made on each Interest Payment Date for such Series 2013 Bonds to the account, in the manner and at the address indicated by DTC procedures.

(b) The Series 2013 Bonds initially shall be issued in the form of a single authenticated fully registered bond for each stated maturity of such Series 2013 Bonds, representing the aggregate principal amount of the Series 2013 Bonds of such maturity. Upon initial issuance, the ownership of all such Series 2013 Bonds shall be registered in the registration records maintained by the Trustee pursuant to Section 46.08 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC shall request pursuant to DTC procedures. Except as otherwise expressly provided herein, the Trustee, the Authority and any paying agent may treat DTC (or its nominee) as the sole and exclusive owner of the Series 2013 Bonds registered in its name for the purposes of payment of the principal or redemption price of and interest on such Series 2013 Bonds, selecting the Series 2013 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders hereunder, registering the transfer of Series 2013 Bonds, obtaining any consent or other action to be taken by Bondholders of the Series 2013 Bonds and for all other purposes whatsoever; and neither the Trustee nor the Authority or any paying agent shall be affected by any notice to the contrary. Neither the Trustee nor the Authority or any paying agent shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section 46.12, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Series 2013 Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being a Bondholder, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or redemption price of or interest on the Series 2013 Bonds, (iii) any notice which is permitted or required to be given to Bondholders of Series 2013 Bonds hereunder, (iv) the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Series 2013 Bonds, or (v) any consent given or other action taken by DTC as Bondholder of the Series 2013 Bonds. The Trustee shall pay all principal of and premium, if any, and interest on the Series 2013 Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with DTC procedures, and all such payments shall be valid and effective to satisfy fully and discharge the Authority's obligations

with respect to the payment of the principal of and premium, if any, and interest on the Series 2013 Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Series 2013 Bonds will be transferable to such new nominee in accordance with subsection (f) of this Section 46.12.

(c) In the event that the Authority determines that the Series 2013 Bonds should not be maintained in book-entry form, the Trustee shall, upon the written instruction of the Authority, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of bond certificates. In such event, the Series 2013 Bonds will be transferable in accordance with subsection (f) of this Section 46.12. DTC may determine to discontinue providing its services with respect to the Series 2013 Bonds or a portion thereof at any time by giving written notice of such discontinuance to the Authority or the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Series 2013 Bonds will be transferable in accordance with subsection (f) of this Section 46.12. If at any time DTC shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor securities depository is not appointed by the Authority within 90 days after the Authority receives notice or becomes aware of such condition, as the case may be, then this Section 46.12 shall no longer be applicable and the Authority shall execute and the Trustee shall authenticate and deliver certificates representing the Series 2013 Bonds as provided below. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Series 2013 Bonds then Outstanding. In such event, the Series 2013 Bonds will be transferable to such securities depository in accordance with subsection (f) of this Section 46.12, and thereafter, all references in the Trust Agreement to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of the Trust Agreement to the contrary, so long as all Series 2013 Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on each such Series 2013 Bond and all notices with respect to each such Series 2013 Bond shall be made and given, respectively, to DTC as provided in accordance with DTC procedures.

(e) The Trustee is hereby authorized and requested to execute and deliver the DTC Blanket Letter of Representations and, in connection with any successor nominee for DTC or any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under the Trust Agreement.

(f) In the event that any transfer or exchange of Series 2013 Bonds is authorized under subsection (b) or (c) of this Section 46.12, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Series 2013 Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Sections 46.05 and 46.06. In the event Series 2013 Bond certificates are issued to Bondholders other than Cede & Co., its successor as nominee for DTC as holder of all the Series 2013 Bonds, another securities

depository as holder of all the Series 2013 Bonds, or the nominee of such successor securities depository, the provisions of Sections 46.05 and 46.06 shall also apply to, among other things, the registration, exchange and transfer of the Series 2013 Bonds and the method of payment of principal of, premium, if any, and interest on the Series 2013 Bonds.

SECTION 46.13      Continuing Disclosure. Pursuant to Section 14.09 of the Facility Lease, the County has undertaken all responsibility for compliance with continuing disclosure requirements, and the Authority shall have no liability to the Holders of the Bonds or any other person with respect to such disclosure matters. The Trustee hereby covenants and agrees that they will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Trust Agreement, failure of the County or the Trustee to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee may (and, at the request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the Holders of at least 25% aggregate principal amount of Outstanding Bonds and provided satisfactory indemnification is provided to the Trustee, shall) or any Bondholder or Beneficial Owner may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under the Continuing Disclosure Agreement or to cause the Trustee to comply with its obligations under this Section 46.13. For purposes of this Section, "Beneficial Owner" means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

## ARTICLE XLVII

### PROCEEDS OF SERIES 2013 BONDS

SECTION 47.01      Procedure for the Issuance of Series 2013 Bonds. At any time after the sale of the Series 2013 Bonds in accordance with the Act, the Authority shall execute the Series 2013 Bonds for issuance hereunder and shall deliver them to the Trustee, and thereupon the Series 2013 Bonds shall be authenticated and delivered by the Trustee to the purchaser thereof upon the Written Request of the Authority and upon receipt of payment therefor from the purchaser thereof. Upon receipt of payment for the Series 2013 Bonds from the purchaser thereof, the Trustee shall set aside and deposit the remaining proceeds received from such sale, [together with a deposit by the County in the amount equal to the accrued interest on the 2013 Refunded Bonds to the Redemption Date], in the following respective accounts or funds or with the following respective entities, in the following order of priority:

- (i)            The Trustee shall deposit [ ] of the proceeds of the 2013 Series A Bonds in the 2013 Project Fund, which is hereby created. All moneys in the 2013 Project Fund shall be held by the Trustee in trust on behalf of the County and the Bondowners and applied by the Trustee to the payment of costs of Project Phase XI and of expenses incident thereto (or for making reimbursements to the Authority or County or any other person, firm or corporation for such costs therefore or thereafter paid by him or it), or, if prior to completion of the Project Phase XI, there are excess moneys in the 2013 Project Fund, to the payment of interest on the 2013 Series A Bonds. Before any payments is made from the 2013 Project Fund by the Trustee, the County shall cause a

Written Request of the County to be filed with the Trustee in the form specified in Section 3.02 for payments from the 2013 Project Fund. Upon the occurrence of an event of default under the Trust Agreement, the Trustee may, apply moneys on deposit in the 2013 Project Fund to payment of the principal of and interest on the Bonds.

(ii) The Trustee shall deposit \$[ ] of the proceeds of the 2013 Series A Bonds in the 2013 Costs of Issuance Fund, which fund is hereby created and which fund the Authority hereby agrees to maintain with the Trustee until January 1, 2014. All money in the 2013 Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance of the Series 2013 Bonds upon receipt of a Written Request of the County filed with the Trustee, each of which shall be sequentially numbered and shall state the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On January 1, 2014, or upon the earlier Written Request of the County, any remaining balance in the 2013 Costs of Issuance Fund shall be transferred to the Revenue Fund.

(iii) The Trustee shall deposit the remaining proceeds of the 2013 Series A Bonds [and the deposit of the County] in the amount of \$ [ ] into a separate fund designated the "2013 Redemption Fund," which is hereby created for the refunding of the 2013 Refunded Bonds and apply such funds to the redemption of the 2013 Refunded Bonds.

(iv) The Reserve Fund Requirement for the Bonds following the issuance of the Series 2013 Bonds and the redemption of the 2013 Refunded Bonds will be \$[ ], and the Trustee is hereby directed to maintain such amount in the Reserve Fund created pursuant to Section 5.03 consisting of the existing surety bond therein and cash and investments in the amount of \$ [ ]. All cash amounts held in the Reserve Fund in excess of the Reserve Fund Requirement shall be transferred, pursuant to Section 5.03 of the Trust Agreement, to the Revenue Fund on the next Interest Payment Date [only when the rating of the issuer of the surety bond constituting part of the Reserve Fund Requirement equal or exceeds the rating in the Bonds].

#### SECTION 47.02      Tax Covenants; 2013 Rebate Fund.

(a) The Trustee shall establish and maintain a fund separate from any other fund or account established and maintained hereunder designated as the 2013 Rebate Fund. There shall be deposited in the 2013 Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Certificate. All money at any time deposited in the 2013 Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement (as defined in the Tax Certificate), for payment to the United States of America. Notwithstanding the provisions of Sections 5.01, 5.02, 5.05, 9.01 and 10.01 relating to the pledge of Revenues, the allocation of money in the Revenue Fund, the investments of money in any fund or account, the application of funds upon acceleration and the defeasance of Outstanding Bonds, all amounts required to be deposited into or on deposit in the 2013 Rebate Fund shall be governed exclusively by this Section 47.02(a) and by the Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with such

provisions if it follows the written directions of the Authority, and shall have no liability or responsibility to enforce compliance by the Authority with the terms of the Tax Certificate.

(b) Any funds remaining in the 2013 Rebate Fund after redemption and payment with respect to all of the Series 2013 Bonds and all other amounts due hereunder or under the Facility Lease, or provision made therefor satisfactory to the Trustee, including accrued interest and payment of any applicable fees and expenses to the Trustee and satisfaction of the Rebate Requirement (as defined in the Tax Certificate), shall be withdrawn by the Trustee and remitted to or upon the direction of the Authority.

(c) The Authority shall not use or permit the use of any proceeds of the Series 2013 Bonds or any funds of the Authority, directly or indirectly, to acquire any securities or obligations, and shall not take or permit to be taken any other action or actions, which would cause any of the Series 2013 Bonds to be an “arbitrage bond” within the meaning of Section 148 of the Code, “private activity bond” within the meaning of Section 141(a) of the Code, or “federally guaranteed” within the meaning of Section 149(b) of the Code and any such applicable requirements promulgated from time to time thereunder and under Section 103(c) of the Internal Revenue Code of 1986, as amended. The Authority shall observe and not violate the requirements of Section 148 of the Code and any such applicable regulations. The Authority shall comply with all requirements of Sections 148 and 149(b) of the Code to the extent applicable to the Series 2013 Bonds. In the event that at any time the Authority is of the opinion that for purposes of this Section 47.02(c) it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee under the Trust Agreement, the Authority shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

(d) The Authority and the Trustee (as directed by the Authority) specifically covenant to comply with the provisions and procedures of the Tax Certificate; provided that the Trustee shall not be bound by this covenant if an Event of Default has occurred and is continuing.

(e) The Authority shall not use or permit the use of any proceeds of the Series 2013 Bonds or any funds of the Authority, directly or indirectly, in any manner, and shall not take or omit to take any action that would cause any of the Series 2013 Bonds to be treated as an obligation not described in Section 103(a) of the Code.

(f) Notwithstanding any provisions of this Section 47.02, if the Authority shall provide to the Trustee an Opinion of Counsel that any specified action required under this Section 47.02 or the Tax Certificate is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Series 2013 Bonds, the Trustee and the Authority may conclusively rely on such opinion in complying with the requirements of this Section, and, notwithstanding Article IX hereof, the covenants hereunder shall be deemed to be modified to that extent.

## ARTICLE XLVIII

### REDEMPTION OF SERIES 2013 BONDS

#### SECTION 48.01      Terms of Redemption of Series 2013 Bonds.

(a)      Extraordinary Redemption. The Series 2013 Bonds are subject to redemption by the Authority on any date prior to their respective stated maturities, upon notice as hereinafter provided, as a whole or in part by lot within each stated maturity in integral multiples of Authorized Denominations, from prepayments made by the County pursuant to Section 7.02(a) of the Facility Lease, at a redemption price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the Redemption Date. Whenever less than all of the Outstanding Bonds are to be redeemed on any one date, the Trustee shall select the Bonds to be redeemed in part from the Outstanding Bonds so that the aggregate annual principal amount of and interest on Bonds which shall be payable after such Redemption Date shall be as nearly proportional as practicable to the aggregate annual principal amount of and interest on Bonds Outstanding prior to such Redemption Date.

(b)      Optional Redemption. The Series 2013 Bonds maturing on or prior to July 15, 2023 are not subject to optional redemption. The Series 2013 Bonds maturing on or after July 15, 2024 are subject to redemption prior to their respective stated maturities at the written direction of the Authority, from any moneys deposited by the Authority or the County, as a whole or in part on any date (in such maturities as are designated in writing by the Authority to the Trustee) on or after July 15, 2023, at a redemption price equal to the sum of the principal amount thereof plus accrued interest thereon, without premium.

(c)      Selection of Bonds for Redemption. If less than all Outstanding Series 2013 Bonds maturing by their terms on any one date are to be redeemed at any one time, the Trustee shall select the Series 2013 Bonds of such maturity date to be redeemed in any manner that it deems appropriate and fair and shall promptly notify the Authority in writing of the numbers of the Series 2013 Bonds so selected for redemption. For purposes of such selection, Series 2013 Bonds shall be deemed to be composed of \$5,000 multiples and any such multiple may be separately redeemed.

(d)      Notice of Redemption; Cancellation. Notice of redemption shall be mailed by first-class mail by the Trustee, not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective Bondholders of the Series 2013 Bonds designated for redemption at their addresses appearing on the registration books of the Trustee. Each notice of redemption shall state the date of such notice, the redemption price, if any (including the name and appropriate address of the Trustee), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity is to be redeemed, the distinctive certificate numbers of the Series 2013 Bonds of such maturity, to be redeemed and, in the case of Series 2013 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said Series 2013 Bonds the redemption price thereof, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Series 2013 Bonds be then surrendered at the address of the

Trustee specified in the redemption notice. Failure to receive such notice shall not invalidate any of the proceedings taken in connection with such redemption.

In the event of redemption of Series 2013 Bonds, the Trustee shall mail a notice of optional or extraordinary redemption, other than any notice that refers to Series 2013 Bonds that are to be redeemed from proceeds of a refunding bond issue, only if sufficient funds have been deposited with the Trustee to pay the applicable redemption price of the Series 2013 Bonds to be redeemed.

The Authority may, at its option, on or prior to the date fixed for redemption in any notice of redemption rescind and cancel such notice of redemption by Written Request to the Trustee and the Trustee shall mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

The Authority may provide for a conditional notice of redemption.

(e) Effect of Redemption. If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price of the Series 2013 Bonds called for redemption is held by the Trustee, then on the redemption date designated in such notice Series 2013 Bonds so called for redemption shall become due and payable, and from and after the date so designated interest on such Series 2013 Bonds shall cease to accrue, and the Bondholders of such Series 2013 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

All Series 2013 Bonds redeemed pursuant to the provisions of this Article shall be cancelled by the Trustee and shall be destroyed with a certificate of destruction furnished to the Authority upon its request and shall not be reissued.

## ARTICLE XLIX

### SPRINGING AMENDMENTS TO TRUST AGREEMENT

SECTION 49.01 Terms of Amendments. The amendments in this Article XLIX as well as the amendments in Section 15.05 of the Fifth Amendment to Master Facility Lease shall become effective when the aggregate principal amount of Outstanding Bonds issued under this Trust Agreement as amended by the Seventh Supplemental Trust Agreement exceeds the aggregate principal amount of Outstanding Bonds issued under the Trust Agreement prior to the effective date of this Seventh Supplemental Trust Agreement. The purchase of Bonds issued pursuant to the Trust Agreement after the effective date of this Seventh Supplemental Trust Agreement shall constitute the consent of such purchasers, as Bondholders, to the amendments in this Article as required by Article IX hereof.

SECTION 49.02 Reserve Fund Sureties. Section 5.03(c) of the Trust Agreement is hereby amended and restated in its entirety as follows:

“(c) Reserve Fund. All money in the Reserve Fund shall be used and withdrawn by the Trustee for the purpose of replenishing the Interest Account or

the Principal Account, in that order, in the event of any deficiency at any time in either of such accounts, except that so long as the Authority is not in default hereunder, any cash amounts in the Reserve Fund in excess of the Reserve Fund Requirement shall be withdrawn from the Reserve Fund and deposited in the Acquisition and Construction Fund, prior to completion of the Project, and thereafter to the Revenue Fund on or before each Interest Payment Date.

The Authority may, with the prior written consent of the Bond Insurer, satisfy all or a portion of the Reserve Fund Requirement at any time with the deposit with the Trustee for the credit of the Reserve Fund of a surety bond, an insurance policy or letter of credit as described below, or any combination thereof.

If the Reserve Fund Requirement is satisfied by a surety bond, insurance policy or letter of credit as provided below (a "Reserve Facility"), the Trustee shall draw on such Reserve Facility in accordance with its terms and as hereafter provided, in a timely manner, to the extent necessary to fund any deficiency in the Interest Account or the Principal Account. The Authority shall repay solely from Revenues any draws under a Reserve Facility and pay all related reasonable expenses incurred by a Reserve Facility provider. Interest shall accrue and be payable on such draws and expenses from the date of payment by a Reserve Facility provider at the Late Payment Rate computed on the basis of the actual number of days elapsed over a year of 360 days. Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate ("collectively, Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount equal to the available Revenues after payment of principal and interest then due and the pro rata deposit to the Reserve Fund.

The Trustee shall draw on the Reserve Facilities and all cash and investments in the Reserve Fund on a pro rata basis calculated by the amount of the Reserve Fund Requirement satisfied by such Reserve Facility or Reserve Facilities and such cash, in order to replenish the Principal Account and the Interest Account. If any obligations are due and payable under the Reserve Facility, any new funds deposited into the Reserve Fund shall be used and withdrawn by the Trustee on a pro rata basis to pay such obligations in the order set forth below and to fund the Reserve Fund Requirement. The Authority hereby pledges the Revenues to secure the payment of the Policy Costs, on a basis that is subordinate to the pledge of Revenues to the Trustee for the Bonds.

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



Draws on all Reserve Facilities on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the amount of the Reserve Fund Requirement satisfied thereby). Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Facilities shall be made on a pro-rata basis with the replenishment of any cash drawn from the Reserve Fund.

If the Authority shall fail to pay any Policy Costs in accordance with the above requirements, a Reserve Facility provider shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Trust Agreement other than (i) acceleration of the maturity of the Bonds or (ii) remedies which would adversely affect Owners of the Bonds.

This Trust Agreement shall not be discharged until all Policy Costs owing to a Reserve Facility provider shall have been paid in full. The Authority's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

The Trustee shall ascertain the necessity for a claim upon a Reserve Facility and provide notice to the Reserve Facility provider in accordance with the terms of such Reserve Facility at least five business days prior to each date on which interest or principal is due on the Bonds.

(i) Surety Bond or Insurance Policy. A surety bond or insurance policy issued to the Trustee, on behalf of the Bondholders, by a company licensed to issue an insurance policy guaranteeing the timely payment of the principal of and interest on the Bonds (a "municipal bond insurer") may be deposited in the Reserve Fund to meet the Reserve Fund Requirement if such municipal bond insurer shall be rated at the time of such deposit at least equal to the rating on the Bonds given by any rating agency which has a then currently effective rating on the Bonds.

If at any time after the deposit of such a surety bond or insurance policy, the rating of the municipal bond insurer providing such bond or policy falls below the rating on the Bonds given by any agency which has a then currently effective rating on the Bonds, the Authority shall be under no obligation to replace such bond or insurance policy or to deposit additional cash to the Reserve Fund.

(ii) Letter of Credit. A letter of credit may be deposited in the Reserve Fund to meet the Reserve Fund Requirement, provided that any such letter of credit must be issued or confirmed by a state or national bank, or a foreign bank with an agency or branch located in the continental United States, which has outstanding an issue of unsecured long term debt securities rated at the time of such deposit at least equal to the rating on the Bonds given by any rating agency which has a then currently effective rating on the Bonds. .

In the event that the rating on the unsecured long-term debt securities of the bank which has issued or confirmed any letter of credit is withdrawn or reduced by Moody's Investors Service or Standard & Poor's Corporation to a rate below the requirements set forth above, the Authority shall be under no obligation to replace such letter of credit or to deposit additional cash to the Reserve Fund.

Unless the Bonds have been fully paid and retired, the Trustee shall draw the full amount of any letter of credit credited to the Reserve Fund for such Bonds on the third Business Day preceding the date such letter of credit (taking into account any extension, renewal or replacement thereof) would otherwise expire, and shall deposit moneys realized pursuant to such draw in the Reserve Fund.

(iii) Release of Moneys in Reserve Fund. If the Authority, with the consent of the Bond Insurer, replaces a cash-funded Reserve Fund with a Reserve Facility meeting the requirements of either (i) or (ii) above, amounts on deposit in the Reserve Fund shall, upon Written Request of the Authority to the Trustee, be transferred, subject to the receipt by the Authority and Trustee of an Opinion of Counsel that such transfer will not cause the interest on the Bonds to be included in gross income for purposes of federal income taxation, to the Authority and applied for the acquisition, construction, installation or equipment of public capital improvements or to the purchase or redemption of Bonds."

SECTION 49.03      Consent Rights of Bond Insurers. All consent rights granted to any Bond Insurer under this Trust Agreement as amended shall extinguish on the date no Bonds insured by the Bond Insurer remain Outstanding.

## ARTICLE L

### MISCELLANEOUS PROVISIONS

SECTION 50.01      Validity of Supplement. The County, the Authority and the Trustee hereby determine that this Supplemental Trust Agreement is executed and delivered in compliance with the provisions of Section 9.01 of the Trust Agreement. The Trustee is making such determination in reliance upon an Opinion of Counsel and the determination of the County and the Authority and the consent of the Bond Insurer.

SECTION 50.02      Terms of Series 2013 Bonds Subject to the Trust Agreement. Except as in this Seventh Supplemental Trust Agreement expressly provided, every term and condition contained in the Trust Agreement shall apply to this Seventh Supplemental Trust Agreement and to the Series 2013 Bonds with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Seventh Supplemental Trust Agreement.

This Seventh Supplemental Trust Agreement and all the terms and provisions herein contained shall form part of the Trust Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Trust Agreement. The Trust Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby.

SECTION 50.03      Effective Date of Seventh Supplemental Trust Agreement. This Seventh Supplemental Trust Agreement shall take effect upon its execution and delivery.

SECTION 50.04      Execution in Counterparts. This Seventh Supplemental Trust Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Seventh Supplemental Trust Agreement by their officers thereunto duly authorized as of the day and year first written above.

SAN MATEO COUNTY JOINT POWERS  
FINANCING AUTHORITY

By \_\_\_\_\_  
President

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

No. R-\_\_\_\_\_

\$\_\_\_\_\_

[FORM OF SERIES 2013 BOND]

SAN MATEO COUNTY JOINT POWERS FINANCING AUTHORITY  
LEASE REVENUE BOND  
(CAPITAL PROJECTS),  
[SERIES A]

NEITHER THE FULL FAITH AND CREDIT OF THE AUTHORITY NOR THE COUNTY OF SAN MATEO IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE BONDS AND NO TAX OR OTHER SOURCE OF FUNDS OTHER THAN THE REVENUES HEREINAFTER REFERRED TO IS PLEDGED TO PAY THE INTEREST ON OR PRINCIPAL OF THE BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF NOR INTEREST ON THE BONDS CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY OF SAN MATEO OR ANY OF THE PUBLIC AGENCIES WHO ARE PARTIES TO THE AGREEMENT CREATING THE AUTHORITY.

Interest <u>Rate</u>	Maturity <u>Date</u>	Original <u>Issue Date</u>	<u>CUSIP</u>
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REGISTERED OWNER:     CEDE & CO.

PRINCIPAL SUM:

The SAN MATEO COUNTY JOINT POWERS FINANCING AUTHORITY, a joint exercise of powers authority, duly organized and validly existing under and pursuant to the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues hereinafter referred to) to the registered owner identified above or registered assigns, on the maturity date specified above (subject to any right of prior redemption hereinafter provided for) the principal sum specified above, together with interest on such principal sum from the interest payment date next preceding the date of authentication of this Bond (unless this Bond is authenticated as of an interest payment date or during the period from the first day of the month containing an interest payment date to such interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated prior to January 1, 2014, in which event it shall bear interest from the original issue date specified above) until the principal hereof shall have been paid at the interest rate per annum specified above, payable on January 15, 2014, and semi-annually thereafter on each January 15 and July 15. Interest due on or before the maturity or prior redemption of this Bond shall be payable by check mailed on the payment date for such interest by first-class mail to the

registered owner hereof; provided that upon the written request of a Bondholder of \$1,000,000 or more in aggregate principal amount of Bonds received, prior to the applicable record date, by U.S. Bank National Association, as trustee or its successor under the hereinafter defined Trust Agreement (the "Trustee"), interest shall be paid by wire transfer in immediately available funds. The principal hereof is payable in lawful money of the United States of America upon presentation hereof at the Corporate Trust Office (as such term is defined in the Trust Agreement) of the Trustee.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its "Lease Revenue Bonds (Capital Projects), Series A" (the "2013 Series A Bonds") in aggregate principal amount of [ ] Dollars (\$ ), all of like tenor and date (except for such variations, if any, as may be required to designate varying numbers, maturities and interest rates), and is issued under and pursuant to the provisions of the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended) and all laws amendatory thereof or supplemental thereto (the "Act") and under and pursuant to the provisions of a trust agreement, dated as of April 15, 1994, as supplemented and amended, including by the Seventh Supplemental Trust Agreement, dated as of July 1, 2013 (collectively, the "Trust Agreement"), between the Authority and the Trustee (copies of which are on file at the corporate trust office of the Trustee). Pursuant to the Trust Agreement, the Authority issued \$124,355,000 aggregate principal amount of its Lease Revenue Bonds (San Mateo County Health Center), 1994 Series A (the "1994 Series A Bonds"); \$19,225,000 aggregate principal amount of its Lease Revenue Bonds (Capital Projects), 1995 Series A (the "1995 Series A Bonds"); \$63,205,000 aggregate principal amount of its Lease Revenue Bonds (Capital Projects), 1997 Series A; \$113,140,000 aggregate principal amount of its Lease Revenue Bonds (Capital Projects) 1999 Refunding Series A (the "1999 Series A Bonds"); \$24,370,000 aggregate principal amount of its Lease Revenue Bonds (Capital Projects) 2001 Series A (the "2001 Series A Bonds"); \$8,520,000 aggregate principal amount of its Lease Revenue Bonds (Capital Projects) 2001 Series B (the "2001 Series B Bonds," and, with the 2001 Series A Bonds, the "Series 2001 Bonds"); and \$115,505,000 of its Lease Revenue Bonds (Capital Projects) 2009 Refunding Series A (the "2009 Series A Bonds"). The 1994 Series A Bonds, the 1995 Series A Bonds, the 1997 Series A Bonds, the 1999 Series A Bonds, the 2001 Series A Bonds, the 2001 Series B Bonds, the 2009 Series A Bonds, the Series 2013 Bonds, and all additional bonds issued on a parity therewith (collectively, the "Bonds") are equally and ratably secured in accordance with the terms and conditions of the Trust Agreement.

The 2013 Series A Bonds are issued to provide funds to refund and defease a portion of the Authority's 1997 Series A Bonds, 1999 Series A Bonds and Series 2001 Bonds and to provide funds to finance certain capital improvement in the County. The Bonds are limited obligations of the Authority and are payable, as to interest thereon and principal thereof, solely from certain proceeds of the Bonds held in certain funds and accounts pursuant to the Trust Agreement and the Revenues (as defined in the Trust Agreement) derived from Base Rental Payments and other payments made by the County of San Mateo (the "County"), and all interest or other investment income thereon, pursuant to the Master Facility Lease, dated as of April 15, 1994, as amended (collectively, the "Facility Lease"), by and between the Authority and the County, and the Authority is not obligated to pay the interest or premium, if any, on and principal of the Bonds except from the Revenues. All Bonds are equally and ratably secured in

accordance with the terms and conditions of the Trust Agreement by a pledge of and charge and lien upon the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest or premium, if any, on and principal of the Bonds as provided in the Trust Agreement. The full faith and credit of the Authority and the County are not pledged for the payment of the interest or premium, if any, on or principal of the Bonds. No tax shall ever be levied to pay the interest on or principal of the Bonds. The Bonds are not secured by a legal or equitable pledge of or charge or lien upon any property of the Authority or any of its income or receipts except the Revenues, and neither the payment of the interest on nor principal of the Bonds is a debt, liability or general obligation of the Authority, the County or any member of the Authority for which such entity is obligated to levy or pledge any form of taxation. Additional Bonds payable from the Revenues may be issued which will rank equally as to security with the Series 2013 Bond, but only subject to the conditions and upon compliance with the procedures set forth in the Trust Agreement. Reference is hereby made to the Act and to the Trust Agreement and any and all amendments thereof and supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, the rights of the registered owners of the Bonds, security for payment of the Bonds, remedies upon default and limitations thereon, and amendment of the Trust Agreement (with or without consent of the registered owners of the Bonds); and all the terms of the Trust Agreement are hereby incorporated herein and constitute a contract between the Authority and the registered owner of this Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents.

The Bonds are subject to redemption by the Authority on any date prior to their respective stated maturities, upon notice as hereinafter provided, as a whole or in part by lot within each stated maturity in integral multiples of Authorized Denominations so that the aggregate annual principal amount of and interest on the Bonds which shall be payable after such redemption date shall be as nearly proportional as practicable to the aggregate annual principal amount of and interest on the Bonds Outstanding prior to such redemption date, from prepayments of Base Rental Payments made by the County from the proceeds received by the County due to a taking of the Project or portions thereof under the power of eminent domain and from the net proceeds of title insurance or insurance received for material damage or destruction to the Project or portions thereof received by the Authority from the County, all as provided in and under the circumstances and terms prescribed in the Facility Lease and the Trust Agreement, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium.

The Bonds maturing on or prior to July 15, 2023 are not subject to optional redemption. The Bonds maturing on or after July 15, 2024 are subject to redemption prior to their respective stated maturities at the written direction of the Authority, from any moneys deposited by the Authority or the County, as a whole or in part on any date (in such maturities as are designated in writing by the Authority to the Trustee) on or after July 15, 2023, at a redemption price equal to the sum of the principal amount thereof plus accrued interest thereon, without premium.

Notice of redemption of this Bond shall be given by first-class mail not less than thirty (30) days nor more than sixty (60) days before the redemption date to the registered owner of any Bond selected for redemption, subject to and in accordance with provisions of the Trust

Agreement with respect thereto. If notice of redemption has been duly given as aforesaid and money for the payment of the above-described redemption price is held by the Trustee, then this Bond shall, on the redemption date designated in such notice, become due and payable at the above-described redemption price; and from and after the date so designated, interest on this Bond shall cease to accrue and the registered owner of this Bond shall have no rights with respect hereto except to receive payment of the redemption price hereof.

If an Event of Default (as defined in the Trust Agreement) shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Trust Agreement. The Trust Agreement provides that in certain events such declaration and its consequences may be rescinded by the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding or by the Trustee.

This Bond is transferable only on a register to be kept for that purpose by the Trustee at the above-mentioned corporate trust office of the Trustee by the registered owner hereof in person or by his duly authorized attorney upon payment of the charges provided in the Trust Agreement and upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount in authorized denominations will be issued to the transferee in exchange therefor. The Authority and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this Bond shall be overdue, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

This Bond shall not be entitled to any benefit, protection or security under the Trust Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been executed and dated by the Trustee.

It is hereby certified and recited that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Act, and by the Constitution and laws of the State of California, that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or laws of the State of California and is not in excess of the amount of Bonds permitted to be issued under the Trust Agreement.



IN WITNESS WHEREOF, the San Mateo County Joint Powers Financing Authority has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of the President of the Authority and countersigned by the manual or facsimile signature of the Secretary of said Authority, and has caused this Bond to be dated as of the original issue date specified above.

SAN MATEO COUNTY JOINT POWERS  
FINANCING AUTHORITY

By \_\_\_\_\_  
President

Countersigned:

\_\_\_\_\_  
Secretary

[FORM OF CERTIFICATE OF AUTHENTICATION  
TO APPEAR ON SERIES 2013 BONDS]

This is one of the Bonds described in the within-mentioned Trust Agreement  
which has been registered and authenticated on:

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

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Date

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Authorized Signatory

[FORM OF ASSIGNMENT TO  
APPEAR ON SERIES 2013 BONDS]

For value received the undersigned hereby sells, assigns and transfers unto  
\_\_\_\_\_ (Taxpayer Identification Number: \_\_\_\_\_) the within  
Bond and all rights thereunder, and hereby irrevocably constitutes and appoints  
\_\_\_\_\_ attorney to transfer the within bond on the books kept for registration  
thereof, with full power of substitution in the premises.

\_\_\_\_\_

Dated:

PLEASE INSERT SOCIAL SECURITY NUMBER, TAXPAYER IDENTIFICATION  
NUMBER OR OTHER IDENTIFYING NUMBER OF ASSIGNEE \_\_\_\_\_

Note: The signature to this Assignment must correspond with the name as written on the face of  
the Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: \_\_\_\_\_

Notice: Signature must be guaranteed by an eligible guarantor institution.

**EXHIBIT B**  
**2013 Refunded Bonds**

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SEVENTH SUPPLEMENTAL TRUST AGREEMENT

by and between

U.S. BANK NATIONAL ASSOCIATION

and the

SAN MATEO COUNTY JOINT POWERS FINANCING AUTHORITY

Dated as of July 1, 2013

RELATING TO  
\$\_\_\_\_\_ SAN MATEO COUNTY  
JOINT POWERS FINANCING AUTHORITY LEASE REVENUE BONDS  
(CAPITAL PROJECTS), 2013 REFUNDING SERIES A

(Supplementing the Trust Agreement  
dated as of April 15, 1994)

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