

2006B BONDS ESCROW AGREEMENT

THIS 2006B BONDS ESCROW AGREEMENT dated as of _____, 2016 (the "Agreement"), by and between the Successor Agency to the Redevelopment Agency of the City of Chula Vista (the "Agency") and U.S. Bank National Association, as escrow bank (the "Escrow Bank"), is entered into in accordance with a Resolution of the Agency, adopted on April 5, 2016 and that certain Indenture of Trust dated as of July 1, 2006 (the "Indenture"), by and between the dissolved Redevelopment Agency of the City of Chula Vista (the "Former Agency") and U.S. Bank National Association (the "Prior Trustee"), to refund all of the outstanding Redevelopment Agency of the City of Chula Vista Bayfront/Town Centre Redevelopment Project 2006 Subordinate Tax Allocation Refunding Bonds, Series B (the "Refunded Bonds").

WITNESSETH:

WHEREAS, the Former Agency previously issued the Refunded Bonds pursuant to the Indenture;

WHEREAS, the Agency has determined that a portion of the proceeds of the \$_____ aggregate principal amount of the Successor Agency to the Redevelopment Agency of the City of Chula Vista Tax Allocation Refunding Bonds, Series 2016A (the "2016 Bonds") issued pursuant to the Indenture of Trust, dated as of _____, 2016, by and between the Agency and U.S. Bank National Association, as trustee, will be used to provide the funds to redeem on _____, 2016 the principal of the Refunded Bonds maturing after September 1, 2015 without premium, along with interest accrued to such date (the "Redemption Price"); and

WHEREAS, the moneys deposited with the Escrow Bank will be sufficient, along with certain other moneys deposited with the Escrow Bank at the same time pursuant to this Agreement, to redeem and discharge the Refunded Bonds;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Agency and the Escrow Bank agree as follows:

SECTION 1. Deposit of Moneys. The Agency hereby instructs the Escrow Bank to deposit \$_____ received from the Trustee from the net proceeds of the sale of the 2016 Bonds in the Escrow Fund established hereunder. The Escrow Bank shall hold all such amounts in cash in an irrevocable escrow separate and apart from other funds of the Agency and the Escrow Bank in a fund hereby created and established to be known as the "Escrow Fund" and to be applied solely as provided in this Agreement.

SECTION 2. Sufficiency of Moneys. The Escrow Bank acknowledges receipt of the moneys described in Section 1 and agrees immediately to deposit such moneys in the Escrow Fund. The Escrow Bank shall be entitled to rely upon the conclusion of [Grant Thornton, LLP] (the "Verification Agent"), that the cash on deposit in the Escrow Fund will be sufficient to pay the Redemption Price of the Refunded Bonds maturing after September 1, 2015 on _____, 2016.

SECTION 3. Payment of Refunded Bonds.

(a) **Payment.** From the moneys on deposit in the Escrow Fund, the Escrow Bank shall, on _____, 2016, apply the amounts on deposit in the Escrow Fund to pay the Redemption

Price of the Refunded Bonds maturing after September 1, 2015. Upon the complete redemption of the Refunded Bonds, the Escrow Bank shall close the Escrow Fund and transfer any remaining proceeds therein to the Agency.

(b) Irrevocable Instructions to Provide Notice. The forms of the notice required to be mailed pursuant to Sections 2.04(c) (redemption) and 9.03 (defeasance) of the Indenture are attached hereto as Exhibits A and B. The Agency hereby irrevocably instructs the Escrow Bank to mail a notice of redemption and a notice of defeasance of the Refunded Bonds in accordance with Sections 2.04(c) and 9.03, respectively, of the Indenture, as required to provide for the redemption of the Refunded Bonds in accordance with this Section 3. The Trustee shall give to the Bond Insurer (as defined in the Indenture) all notices given to Owners of Refunded Bonds hereunder. The Agency hereby irrevocably instructs the Escrow Bank to file on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system ("EMMA") the notices attached hereto as Exhibits A and B no later than 10 days after the deposit of the moneys as set forth in Section 1 hereof.

(c) Unclaimed Moneys. Any moneys which remain unclaimed for sixty (60) days after _____, 2016 shall be repaid by the Escrow Bank to the Agency.

(d) Priority of Payments. The owners of the Refunded Bonds shall have a first and exclusive lien on all moneys in the Escrow Fund until such moneys are used and applied as provided in this Agreement.

(e) Termination of Obligation. As provided in the Indenture, upon deposit of moneys with the Escrow Bank in the Escrow Fund as set forth in Section 1 hereof all obligations of the Agency under the Indenture with respect to the Refunded Bonds shall cease, terminate and become void except as set forth in the Indenture.

SECTION 4. Application of Certain Terms of the Indenture. All of the terms of the Indenture relating to the making of payments of principal of and interest on the Refunded Bonds and relating to the exchange or transfer of the Refunded Bonds are incorporated in this Agreement as if set forth in full herein. The procedures set forth in Article VIII of the Indenture relating to the resignation and removal and merger of the Trustee under the Indenture are also incorporated in this Agreement as if set forth in full herein and shall be the procedures to be followed with respect to any resignation or removal of the Escrow Bank hereunder.

SECTION 5. Performance of Duties. The Escrow Bank agrees to perform only the duties set forth herein and shall have no responsibility to take any action or omit to take any action not set forth herein.

SECTION 6. Escrow Bank's Authority to Make Investments. The Escrow Bank shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of the moneys held hereunder.

SECTION 7. Indemnity. 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, 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 deposited therein, the retention of the funds and any payment, transfer or other application of moneys 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 negligence or willful misconduct of the Escrow Bank's respective employees or the willful 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 Escrow Bank. The Escrow Bank and its 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 deposited therein, 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 proceeds to accomplish the refunding 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 in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Agreement. 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 in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the Agency.

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

The Escrow Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Bank, or another method or system specified by the Escrow Bank as available for use in connection with its services hereunder); provided, however, that the Agency shall provide to the Escrow Bank an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Agency whenever a person is to be added or deleted from the listing. If the Agency elects to give the Escrow Bank Instructions using Electronic Means 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 Agency understands and agrees that the Escrow Bank cannot determine the identity of the actual sender of such Instructions and that the Escrow Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Bank have been sent by such Authorized Officer. The Agency shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Bank and that the Agency and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Agency. 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 directions conflict or are inconsistent with a subsequent written instruction. The Agency agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions 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; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Agency; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

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 shall be the successor to the Escrow Bank without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

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 the Agency and the Escrow Bank 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 adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement or the Indenture, 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; and (iii) to include under this Agreement additional funds. The Escrow Bank shall be entitled to rely conclusively upon an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the various Refunded Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 10. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either: (i) the date upon which the Refunded Bonds have been paid in accordance with this Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Bank pursuant to Section 3(c) of this Agreement.

SECTION 11. Compensation. The Escrow Bank shall receive its reasonable fees and expenses as previously agreed to by the Escrow Bank and the Agency and any other reasonable fees and expenses of the Escrow Bank approved by the Agency; provided, however, that under no circumstances shall the Escrow Bank be entitled to any lien or assert any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Bank under this Agreement.

SECTION 12. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Agency or the Escrow Bank to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 13. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

SECTION 14. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 15. Insufficient Funds. If at any time the Escrow Bank has actual knowledge that the moneys in the Escrow Fund, including the anticipated proceeds of and earnings thereon, will not be sufficient to make all payments required by this Agreement, the Escrow Bank shall notify the Agency in writing, of the amount thereof and the reason therefor to the extent known to it. The Escrow Bank shall have no responsibility regarding any such deficiency.

SECTION 16. Notice to Agency and Escrow Bank. Any notice to or demand upon the Escrow Bank may be served or presented, and such demand may be made, at the office of the Escrow Bank at U.S. Bank National Association, 633 West Fifth Street, 24th Floor, Los Angeles, CA 90071, Attention: Global Corporate Trust Services. Any notice to or demand upon the Agency shall be deemed to have been sufficiently given or served for all purposes by being mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the Agency at 276 Fourth Avenue, Chula Vista, CA 91910, Attention: Executive Director (or such other address as may have been filed in writing by the Agency with the Escrow Bank).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and attested as of the date first above written.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
OF CHULA VISTA

By: _____
Executive Director

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

By: _____
Authorized Officer

EXHIBIT A

NOTICE OF REDEMPTION

**REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA
BAYFRONT/TOWN CENTRE REDEVELOPMENT PROJECT
2006 SUBORDINATE TAX ALLOCATION REFUNDING BONDS, SERIES B**

BASE CUSIP[†] NO. _____

NOTICE IS HEREBY GIVEN to the owners of the above-captioned \$_____ outstanding aggregate principal amount of the Redevelopment Agency of the City of Chula Vista Bayfront/Town Centre Redevelopment Project 2006 Subordinate Tax Allocation Refunding Bonds, Series B (the “Refunded Bonds”) pursuant to the Indenture of Trust, dated as of July 1, 2006 (the “Indenture”), by and between the dissolved Redevelopment Agency of the City of Chula Vista (the “Former Agency”) and U.S. Bank National Association (the “Prior Trustee”), that all of the Refunded Bonds have been called for redemption on _____, 2016 (the “Redemption Date”).

Refunded Bonds

| <i>CUSIP</i> | <i>Bond Payment Date (September 1)</i> | <i>Rate</i> | <i>Amount</i> | <i>Price</i> |
|--------------|--|-------------|---------------|--------------|
|--------------|--|-------------|---------------|--------------|

The Refunded Bonds will be payable on the Redemption Date at a redemption price of 100% of the principal amount plus accrued interest to such date (the “Redemption Price”). Subject to prior rescission as referenced below, the Redemption Price of the Refunded Bonds will become due and payable on the Redemption Date. Interest with respect to the Refunded Bonds to be redeemed will cease to accrue on and after the Redemption Date, and such Refunded Bonds will be surrendered to the Prior Trustee.

Redemption of the Refunded Bonds is conditional upon the receipt by the Trustee on or prior to the Redemption Date of moneys sufficient to pay the principal of and interest on the Refunded Bonds and, if such moneys have not been so received, this notice shall be of no force and effect and the Trustee shall not be required to redeem such Refunded Bonds. In such event, the Trustee has the right to rescind this notice.

[†] Copyright 2016, American Bankers Association. CUSIP data herein is provided by Standard & Poor’s, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Agency, the City of Chula Vista nor the Trustee guarantees the accuracy of the CUSIP data.

All Refunded Bonds are required to be surrendered to the corporate office of the Refunded Bonds Trustee, on the Redemption Date at the following location. If the Refunded Bonds are mailed, the use of registered, insured mail is recommended:

| <i>By Hand:</i> | <i>By Registered or Certified Mail:</i> | <i>By Air Courier:</i> |
|---|---|---|
| U.S. Bank National Association Corporate Trust Services _____ _____ _____ | U.S. Bank National Association Corporate Trust Services _____ _____ _____ | U.S. Bank National Association Corporate Trust Services _____ _____ _____ |

If the Owner of any Refunded Bond subject to optional redemption fails to deliver such Refunded Bond to the Prior Trustee on the Redemption Date, such Refunded Bond shall nevertheless be deemed redeemed on the Redemption Date and the Owner of such Refunded Bond shall have no rights in respect thereof except to receive payment of the Redemption Price from funds held by the Prior Trustee for such payment.

A form W-9 must be submitted with the Refunded Bonds. Failure to provide a completed form W-9, or certify the proper tax identification number will result in backup withholding under Section 3406 of the Internal Revenue Code of 1986, as amended.

U.S. Bank National Association, as Trustee

DATED this ___ day of _____, 2016.

EXHIBIT B

NOTICE OF DEFEASANCE

REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA
BAYFRONT/TOWN CENTRE REDEVELOPMENT PROJECT
2006 SUBORDINATE TAX ALLOCATION REFUNDING BONDS, SERIES B

BASE CUSIP[†] NO. _____

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds (as further defined below, the “Refunded Bonds”), of the Redevelopment Agency of the City of Chula Vista that the Successor Agency to the Redevelopment Agency of the City of Chula Vista (the “Agency”) has deposited with U.S. Bank National Association, as trustee (the “Trustee”) under that certain Indenture of Trust dated as of July 1, 2006 (the “Indenture”), cash which will provide moneys sufficient to redeem on _____, 2016, the principal of the Refunded Bonds maturing on and after September 1, 2015, along with interest accrued to such date.

The Refunded Bonds to be defeased are as follows:

| <i>CUSIP[†]</i> | <i>Maturity (September 1)</i> | <i>Rate</i> | <i>Amount</i> |
|--------------------------|-----------------------------------|-------------|---------------|
| | | % | \$ |

In accordance with the Indenture, the Refunded Bonds are deemed to have been paid in accordance with Section 9.03 thereof and the obligations of the Agency under the Indenture shall thereupon cease, terminate and become void and be discharged and satisfied.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

Dated this ____ day of _____, 2016.

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