

LEASE SCHEDULE

Dated as of: June 15, 2021

Lease No.: 1000147653

This Lease Schedule, together with its Payment Schedule, is attached and made a part of the Master Lease-Purchase Agreement described below ("Master Lease") between the Lessee and Lessor named below. All terms and conditions of the Master Lease are incorporated herein by reference. Unless otherwise defined herein, capitalized terms defined in the Master Lease will have the same meaning when used herein.

Master Lease-Purchase Agreement dated February 5, 2016

- A. EQUIPMENT DESCRIBED:** The Equipment includes all of the property described on Schedule A-1 attached hereto and made a part hereof.
- B. EQUIPMENT LOCATION:** See Attached Schedule A-1
- C. [RESERVED].**
- D. ESSENTIAL USE; CURRENT INTENT OF LESSEE:** Lessee represents and agrees that the use of the Equipment is essential to Lessee's proper, efficient and economic functioning or to the services that Lessee provides to its citizens and the Equipment will be used by Lessee only for the purpose of performing its governmental or proprietary functions consistent with the permissible scope of its authority. Lessee currently intends for the full Lease Term: to use the Equipment; to continue this Lease; and to make Rental Payments if funds are appropriated in each fiscal year by its governing body.
- E. RENTAL PAYMENTS; LEASE TERM:** The Rental Payments to be paid by Lessee to Lessor, the interest rate at which the interest portion of the Rental Payments is calculated, the Taxable Rate, the commencement date and the Lease Term of this Lease Schedule are each set forth on the Payment Schedule attached to this Lease Schedule.
- F. RE-AFFIRMATION OF THE MASTER LEASE:** Lessee hereby re-affirms all of its representations, warranties and obligations under the Master Lease (including, without limitation, its obligation to pay all Rental Payments, its disclaimers in Section 7 thereof and its representations in Sections 6.1 and 16 thereof).
- G. GOVERNMENT REGULATION. ANTI-CORRUPTION.**

(a) Representations and Warranties Regarding Anti-Corruption Laws and Sanctions. Lessee has implemented and maintains in effect policies and procedures designed to ensure compliance by Lessee and its officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and Lessee and its officers and employees and to the knowledge of Lessee its agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) Lessee or to the knowledge of Lessee any of its respective officers or employees, or (b) to the knowledge of Lessee, any agent of Lessee that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No advance, letter of credit, use of proceeds or other transaction contemplated by this Lease will violate Anti-Corruption Laws or applicable Sanctions.

(b) Compliance with Anti-Corruption Laws and Sanctions. Lessee shall maintain in effect and enforce policies and procedures designed to ensure compliance by Lessee and its officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(c) Use of Proceeds. Lessee shall not use, or permit any proceeds of the Lease to be used, directly or indirectly, by Lessee or its officers, employees and agents: (1) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws; (2) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country; or (3) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

(d) Definitions. For the purposes of this Section G, the following terms shall have the following meanings: "Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the Lessee or its subsidiaries from time to time concerning or relating to bribery or corruption. "Person" means any individual, corporation, partnership, limited liability company, joint venture, joint stock association, association, bank, business trust, trust, unincorporated organization, any

foreign governmental authority, the United States of America, any state of the United States and any political subdivision of any of the foregoing or any other form of entity. "Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State. "Sanctioned Country" means, at any time, a country, region or territory which is the subject or target of any Sanctions (as at the time of this Agreement, Crimea, Cuba, Iran, North Korea, Sudan and Syria). "Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

CITY OF HUNTINGTON BEACH
(Lessee)

JPMORGAN CHASE BANK, N.A.
(Lessor)

By: _____

By: _____

Title: _____

Title: Authorized Officer

APPROVED AS TO FORM

By: _____
MICHAEL E. GATES
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

SCHEDULE A-1
(Equipment List)

Expected Equipment Purchase Price **\$8,750,000.00**

Net Amount Financed **\$8,750,000.00**

Equipment Location: **2000 MAIN STREET, HUNTINGTON BEACH, CA 92648**

Equipment Description: **3 HELICOPTERS, 1 RESCUE BOAT and 1 FIRE ENGINE AND RELATED EQUIPMENT INSTALLATION COSTS**

TOGETHER WITH ALL ATTACHMENTS, ADDITIONS, ACCESSIONS, PARTS, REPAIRS, IMPROVEMENTS, REPLACEMENTS AND SUBSTITUTIONS THERETO.

This Schedule A-1 is attached to the Lease Schedule **1000147653** or a Receipt Certificate/Payment Request relating to the Lease Schedule.

CITY OF HUNTINGTON BEACH
(Lessee)

JPMORGAN CHASE BANK, N.A
(Lessor)

By: _____

By: _____

Title: _____

Title: Authorized Officer

APPROVED AS TO FORM

By: _____
MICHAEL E. GATES *mw*
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

Payment Schedule

This Payment Schedule is attached and made a part of the Lease Schedule identified below which is part of the Master Lease-Purchase Agreement identified therein, all of which are between the Lessee and Lessor named below.

Lease Schedule No. **1000147653**

Lease Schedule Dated: **June 15, 2021**

Accrual Date **June 15, 2021**

Amount Financed **\$8,750,000.00**

Interest Rate **2.25% per annum**

Taxable Rate **2.763% per annum**

Rent Number	Rent Date	Rent Payment	Interest Portion	Principal Portion	Termination Value
1	6/15/2022	\$986,892.23	\$196,875.00	\$790,017.23	
2	6/15/2023	\$986,892.23	\$179,099.61	\$807,792.61	
3	6/15/2024	\$986,892.23	\$160,924.28	\$825,967.95	\$6,326,222.21
4	6/15/2025	\$986,892.23	\$142,340.00	\$844,552.23	\$5,481,669.98
5	6/15/2026	\$986,892.23	\$123,337.57	\$863,554.65	\$4,618,115.33
6	6/15/2027	\$986,892.23	\$103,907.59	\$882,984.63	\$3,735,130.70
7	6/15/2028	\$986,892.23	\$84,040.44	\$902,851.79	\$2,832,278.91
8	6/15/2029	\$986,892.23	\$63,726.28	\$923,165.95	\$1,909,112.96
9	6/15/2030	\$986,892.23	\$42,955.04	\$943,937.19	\$965,175.77
10	6/15/2031	\$986,892.23	\$21,716.45	\$965,175.77	\$0.00
		\$9,868,922.27	\$1,118,922.27	\$8,750,000.00	

CITY OF HUNTINGTON BEACH

(Lessee)

JPMORGAN CHASE BANK, N.A.

(Lessor)

By: _____

By: _____

Title: _____

Title: Authorized Officer

APPROVED AS TO FORM

By: _____
MICHAEL E. GATES
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

PREPAYMENT SCHEDULE ADDENDUM
(Lockout Period)

Dated as of: **JUNE 15, 2021**

Lease Schedule No.: **1000147653**

Lessee: **CITY OF HUNTINGTON BEACH**

Reference is made to the above Lease Schedule ("Schedule") and to the Master Lease-Purchase Agreement ("Master Lease") identified in the Schedule, which are by and between **JPMORGAN CHASE BANK, N.A.** ("Lessor") and the above lessee ("Lessee"). As used herein: "Lease" shall mean the Schedule and the Master Lease, but only to the extent that the Master Lease relates to the Schedule. This Schedule Addendum amends and supplements the terms and conditions of the Lease. Unless otherwise defined herein, capitalized terms defined in the Lease shall have the same meaning when used herein. **Solely for purposes of the Schedule, Lessor and Lessee agree as follows:**

1. Notwithstanding anything to the contrary herein or the Lease, Lessee and Lessor agree that Lessee shall not exercise its prepayment or early purchase rights under the Lease (including, without limitation, Section 15 of the Master Lease as it relates to the Schedule) or this Addendum prior to the end of the Lock-Out Period specified below.

Lock-Out Period: the first 24 months of the Lease Term of the Schedule

2. Notwithstanding anything to the contrary in the Lease (including, without limitation, Section 15 of the Master Lease as it relates to the Schedule), Lessee and Lessor agree that so long as no Event of Default has occurred and continues under the Lease **and** so long as Lessee gives Lessor at least 30 days prior written notice (the "Notice Period") **and** so long as the above Lock-Out Period has expired, Lessee may elect to prepay its obligations under the Schedule by paying to Lessor on the Rent Payment due date (a "Prepayment Date") following the Notice Period the total of the following (the "Prepayment Amount"): (a) all accrued Rent Payments, interest, taxes, late charges and other amounts then due and payable under the Lease; plus (b) the remaining principal balance payable by Lessee under the Schedule as of said Prepayment Date.
3. The parties acknowledge that the Termination Value column of the Payment Schedule to the Schedule is included solely for purposes of the calculations required by Section 13.3 of the Master Lease (casualty loss of Equipment), Section 14.1 of the Master Lease (required amount of casualty loss insurance) and Subsection 20(c) of the Master Lease (post-default remedies of Lessor) and said Termination Value column does not negate the restrictions on purchase options or voluntary prepayment in paragraphs 1 and 2 of this Addendum.
4. The prepayment or early purchase option rights granted herein shall control in the event of any conflict between the provisions of this Addendum and the Master Lease as it relates to the Schedule. Except as expressly amended or supplemented by this Addendum and other instruments signed by Lessor and Lessee, the Lease remains unchanged and in full force and effect.

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

CITY OF HUNTINGTON BEACH
(Lessee)

JPMORGAN CHASE BANK, N.A.
(Lessor)


By: _____

By: _____

Title: _____

Title: Authorized Officer

APPROVED AS TO FORM

By: _____
 **MICHAEL E. GATES**
CITY ATTORNEY
CITY OF HUNTINGTON BEACH



CITY OF HUNTINGTON BEACH
OFFICE
of the
CITY ATTORNEY

Michael E. Gates
City Attorney

P.O. Box 190
2000 Main Street
Huntington Beach, California 92648
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Facsimile: (714) 374-1590

Mike Vigliotta
Chief Assistant City Attorney

Gemia L. Taylor
Community Prosecutor

Jemma Dunn
Sr. Deputy City Attorney

Daniel S. Cha
Sr. Deputy City Attorney

Pancy Lin
Sr. Deputy City Attorney

Scott Field
Deputy City Attorney

June 15, 2021

Lessee: CITY OF HUNTINGTON BEACH

Lessor: JPMORGAN CHASE BANK, N.A.

Re: *Lease Schedule No. 1000147653 dated June 15, 2021 together with its Master Lease-Purchase Agreement dated as of February 5, 2016 by and between the above-named Lessee and the above-named Lessor.*

Sir/Madam:

I have acted as counsel to Lessee with respect to the Lease Schedule and its Addenda, the Master Lease-Purchase Agreement and its Addenda, and all other agreements described above or related thereto (collectively, the "Agreements") and various related matters, and in this capacity have reviewed a duplicate original or certified copy of the Agreements and such other documents as I have deemed necessary for the purposes of this opinion.

Based upon the examination of such documents, it is my opinion that:

1. Lessee is a political subdivision of the State of CA (the "State") duly organized, existing and operating under the Constitution and laws of the State.
2. Lessee is authorized and has power under State law to enter into all of the Agreements, and to carry out its obligations thereunder and the transactions contemplated thereby.
3. The Agreements and all other documents related thereto have been duly authorized, approved and executed by and on behalf of Lessee, and each of the Agreements is a valid and binding contract of Lessee enforceable in accordance with its terms, except to the extent limited by State and Federal laws affecting creditor's remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.

4. The authorization, approval and execution of the Agreements and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable Local, State and Federal laws (including open meeting laws and public bidding and property acquisition laws).
5. To the best of my knowledge, there is no litigation or proceeding pending before any court, administrative agency or governmental body, that challenges: the organization or existence of Lessee; the authority of its officers; the proper authorization, approval and execution of any of the Agreements or any documents relating thereto; the appropriation of monies to make payments under the Agreements for the current fiscal year; or the ability of Lessee otherwise to perform its obligations under the Agreements and the transactions contemplated thereby.
6. Lessee is a political subdivision of the State as referred to in Section 103 of the Internal Revenue Code of 1986, as amended, and the related regulations and rulings thereunder.

Lessor, its Assignee and any of their assigns may rely upon this opinion.

Very truly yours,



 Michael E. Gates
City Attorney

MG:mh

c:

DECLARATION OF OFFICIAL INTENT

Lessee: CITY OF HUNTINGTON BEACH

Principal Amount Expected To Be Financed: \$8,750,000.00

WHEREAS, the above Lessee is a political subdivision of the State in which Lessee is located (the "State") and is duly organized and existing pursuant to the constitution and laws of the State.

WHEREAS, pursuant to applicable law, the governing body of the Lessee ("Governing Body") is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interests in property, leases and easements necessary to the functions or operations of the Lessee.

WHEREAS, the Governing Body hereby finds and determines that the execution of one or more lease-purchase agreements ("Equipment Leases") in the principal amount not exceeding the amount stated above ("Principal Amount") for the purpose of acquiring the property generally described below ("Property") and to be described more specifically in the Equipment Leases is appropriate and necessary to the functions and operations of the Lessee.

Brief Description Of Property: See Attached Schedule A-1

WHEREAS, JPMorgan Chase Bank, N.A. ("Lessor") is expected to act as the lessor under the Equipment Leases.

WHEREAS, the Lessee may pay certain capital expenditures in connection with the Property prior to its receipt of proceeds of the Equipment Leases ("Lease Purchase Proceeds") for such expenditures and such expenditures are not expected to exceed the Principal Amount.

WHEREAS, the U.S. Treasury Department regulations do not allow the proceeds of a tax-exempt borrowing to be spent on working capital and the Lessee shall hereby declare its official intent to be reimbursed for any capital expenditures for Property from the Lease Purchase Proceeds.

NOW, THEREFORE, Be It Resolved by the Governing Body of the Lessee:

SECTION 1. Either one of the (insert title) _____ **OR** the (insert title) _____
(each an "Authorized Representative") acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver one or more Equipment Leases in substantially the form set forth in the document presently before the Governing Body, which document is available for public inspection at the office of the Lessee. Each Authorized Representative acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Equipment Lease (including, but not limited to, escrow agreements) as the Authorized Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Equipment Leases are hereby authorized.

SECTION 2. By a written instrument signed by any Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of the Lessee to execute and deliver agreements and documents relating to the Equipment Leases on behalf of the Lessee.

SECTION 3. The aggregate original principal amount of the Equipment Leases shall not exceed the Principal Amount and shall bear interest as set forth in the Equipment Leases and the Equipment Leases shall contain such options to purchase by the Lessee as set forth therein.

SECTION 4. The Lessee's obligations under the Equipment Leases shall be subject to annual appropriation or renewal by the Governing Body as set forth in each Equipment Lease and the Lessee's obligations under the Equipment Leases shall not constitute a general obligations of the Lessee or indebtedness under the Constitution or laws of the State.

SECTION 5. The Governing Body of Lessee anticipates that the Lessee may pay certain capital expenditures in connection with the Property prior to the receipt of the Lease Purchase Proceeds for the Property. The Governing Body of Lessee hereby declares the Lessee's official intent to use the Lease Purchase Proceeds to reimburse itself for Property expenditures. This section is adopted by the Governing Body of Lessee for the purpose of establishing compliance with the requirements of Section 1.150-2 of Treasury Regulations. This does not bind the Lessee to make any expenditure, incur any indebtedness, or proceed with the purchase of the Property.


APPROVED on this _____, 20__.

Print Name: _____

Official Title: _____

Date: _____

APPROVED AS TO FORM

By: _____
 MICHAEL E. GATES
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

VEHICLE SCHEDULE ADDENDUM

Dated As of: _____

Lease Schedule No: 1000147653

Lessee: CITY OF HUNTINGTON BEACH

Reference is made to the above Lease Schedule ("Schedule") to the Master Lease-Purchase Agreement identified in the Schedule ("Master Lease") by and between JPMORGAN CHASE BANK, N.A. ("Lessor") and the above lessee ("Lessee"). This Addendum amends and modifies the terms and conditions of the Schedule and is hereby made a part of the Schedule. Unless otherwise defined herein, capitalized terms defined in the Master Lease shall have the same meaning when used herein.

NOW, THEREFORE, as part of the valuable consideration to induce the execution of the Schedule, Lessor and Lessee hereby agree to amend the Schedule as follows:

1. In the event that any unit of Equipment covered by the Schedule is a vehicle or trailer under applicable State law, then the following provisions shall also apply to the Schedule:
 - (a) each manufacturer's statement of origin and certificate of title shall state that Lessor has the first and sole lien on or security interest in such unit of Equipment;
 - (b) the public liability insurance required by the terms of clauses (b) of Section 14.1 of the Master Lease shall be in an amount not less than \$1,000,000.00 combined single limit per unit per occurrence. Physical damage should not be less than the replacement cost coverage for the equipment identified on the Schedule A-1;
 - (c) Lessee shall furnish and permit only duly licensed, trained, safe and qualified drivers to operate any such unit of Equipment, and such drivers shall be agents of Lessee and shall not be agents of Lessor; and
 - (d) Lessee shall cause each such unit of Equipment to be duly registered and licensed as required by applicable State law with Lessor noted as lienholder, listed at address below and Lessee as owner.

Lessor's Address:

JPMORGAN CHASE BANK, N.A.
1111 Polaris Parkway, Suite N4 (OH1-1085)
Columbus, Ohio 43240

2. Except as expressly amended by this Addendum and other modifications signed by Lessor, the Schedule remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date first referenced above.

CITY OF HUNTINGTON BEACH
(Lessee)

JPMORGAN CHASE BANK, N.A.
(Lessor)


By: _____

By: _____

Title: _____

Title: Authorized Officer

APPROVED AS TO FORM

By: _____
 MICHAEL E. GATES
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

PROCEEDS DISBURSEMENT AUTHORIZATION

JPMORGAN CHASE BANK, N.A.
1111 Polaris Parkway, Suite N4 (OH1-1085)
Columbus, Ohio 43240

Date: June 15, 2021

Re: Disbursements Of Proceeds Under The LEASE PURCHASE AGREEMENT Referred To Below

Reference is made to that certain Master Lease Purchase Agreement dated February 02, 2016 between **CITY OF HUNTINGTON BEACH**, ("Lessee") and **JPMORGAN CHASE BANK, N.A.** (the "Lessor")

I hereby instruct you and authorize you to disburse \$8,750,000.00 to the account number(s) as specified below:

Wire:

Payee #1

Name of Bank: _____
ABA No.: _____
Account Number: _____
Account Name: _____
Amount: _____
Re: _____

Wire:

Payee #2

Name of Bank: _____
ABA No.: _____
Account Number: _____
Account Name: _____
Amount: _____
Re: _____

Wire:

Payee #3

Name of Bank: _____
ABA No.: _____
Account Number: _____
Account Name: _____
Amount: _____
Re: _____

By signing below, Lessee authorizes Lessor to issue checks or direct fund transfers to the payees, in the amounts, and per the instructions (if applicable) set forth above. Lessee also acknowledges that it may be responsible for paying other fees directly to third parties, such as Lessor's counsel, and making other disbursements in connection with the lease transaction per the terms of the lease documents. Lessor may rely and act on the instructions set forth herein and shall not be responsible for the use or application of the funds, and Lessee shall indemnify, defend and hold harmless Lessor from and against any and all losses, costs, expenses, fees, claims, damages, liabilities, and causes of action in any way relating to or arising from acting in accordance therewith. In the event of any conflict with any other instruction set forth herein, the ABA # and Account # shall control.


IN WITNESS WHEREOF, the Lessee has caused this Proceeds Disbursement Authorization to be executed as of the day and year first above written.

CITY OF HUNTINGTON BEACH
(Lessee)

By: _____

Title: _____

APPROVED AS TO FORM

By: _____
MICHAEL E. GATES
CITY ATTORNEY 
CITY OF HUNTINGTON BEACH

FIRST PREFERRED SHIP MORTGAGE

Loan Number: 1000147653

This First Preferred Ship Mortgage ("Ship Mortgage") is dated as of _____, 20____ and is executed by and between **JPMORGAN CHASE BANK, N.A.** ("Mortgagee"), with Mortgagee's principal office located at 1111 Polaris Parkway, Suite 4N (OH1-1085), Columbus, Ohio 43240 and the mortgagor identified below ("Mortgagor"):

Mortgagor: _____

Mortgagor's Address: _____

"Borrower" shall mean: _____

RECITALS

A. Under the terms of a certain Lease Agreement Master Lease Purchase Agreement (Loan Number: 1000147653) between Mortgagee, as lessor ("**Lender**") and Borrower, dated as of February 5, 2016, together with all schedules, certificates and riders executed in connection therewith (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "**Lease Agreement**").

B. Mortgagor is the sole owner of the whole (100%) of each of the vessels listed on Schedule A-1 attached hereto and as more fully described in the Granting Clause hereof (individually, a "**Vessel**" and collectively, the "**Vessels**").

C. The obligations of Lender to make the Loan under the Lease Agreement are conditioned upon, among other things, the execution and delivery by Mortgagor of this Ship Mortgage in the form hereof, to secure (a) the due and punctual payment by Borrower of (i) the principal of and premium, if any, and interest on the Loan, when and as due, whether at maturity, by acceleration or otherwise, and (ii) all other monetary obligations, including reasonable fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise of Mortgagor to the Lender under the Lease Agreement or this Ship Mortgage, (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of Mortgagor under or pursuant to the Lease Agreement and this Ship Mortgage, and (c) all of the other obligations (as described in the Lease Agreement) (all the obligations referred to in the preceding clauses (a) through (c) being referred to collectively, as the "**Obligations**").

D. As security for the Obligations, Mortgagor has duly authorized the execution and delivery of this Ship Mortgage under and pursuant to Chapter 313 of Title 46 of the United States Code, as amended from time to time ("**Chapter 313**").

E. It is a condition to the effectiveness of the Lease Agreement that this Ship Mortgage be executed and delivered by Mortgagor.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt of which is hereby acknowledged, and to secure the due and punctual payment and performance of the Obligations (as defined below), Mortgagor, for itself, its successors and assigns does by these presents:

1. GRANT OF SECURITY INTEREST. Mortgagor grants, pledges and assigns to Mortgagee its successors and assigns, the whole of each of the Vessels, each of which is duly documented in the name of Mortgagor under the laws and flag of the United States of America, or for which an application for documentation for such vessels has been duly filed with the U.S. Coast Guard National Vessel Documentation Center ("**NVDC**") including, without being limited to, all of the boilers, engines, machinery, masts, spars, rigging, boats, pumps, anchors, cables, chains, tackle, apparel, furniture, fittings, equipment and other appurtenances appertaining or belonging thereto, whether now owned or hereafter acquired, and all additions, improvements, and replacements hereafter made in or to any vessel, or any part thereof whether on board or not, including all items and appurtenances aforesaid and all cargoes and proceeds of the foregoing (each such vessel and all items thereof above enumerated being included in the term "**Vessel**" as used in this Ship Mortgage), together with together with all of Mortgagor's right, title and interest in and to any and all present and future: (i) charter, operating or management agreements entered into by Mortgagor

covering the charter (whether on a bareboat, demise, voyage or time charter basis), lease, use or operation of the Vessel, together with the benefits, rights and remedies thereunder, including without limitation all charter hire payments, rents and other monies now or hereafter due or to become due pursuant to said agreements; and (ii) any and all accounts, accounts receivable, salvage or requisition awards or recoveries, recoveries in general average, equipment, machinery, inventory, chattel paper, documents, letters of credit and letter of credit rights, instruments, general intangibles (including payment intangibles), and any supporting obligations, including guaranties, whether now owned or hereafter acquired, arising out of the use or operation of, or otherwise related to, the Vessel or any charter, operating or management agreement concerning the Vessel; (iii) all amounts due to Mortgagor from underwriters under any insurance on the Vessel as payment of losses, or as return premiums, or otherwise; as well as (iv) all products and proceeds of any of the foregoing. (collectively the "**Collateral**"). This Ship Mortgage secures the prompt payment and complete performance in full when due, whether at the stated maturity, by acceleration or otherwise, of all payment and other obligations of Mortgagor and/or Borrower under or in connection with this Ship Mortgage, the Lease Agreement and any and all renewals, extensions or substitutions for any such instrument, and also any and all obligations which Borrower and Mortgagor or either of them now have or may hereafter have to Mortgagee, or any affiliate of either Mortgagee or JPMorgan Chase & Co., direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and without limitation, all indebtedness, leases, debts and liabilities arising under or from any note, open account, overdraft, credit card, lease, Rate Management Transaction, letter of credit application, endorsement, surety agreement, guaranty, acceptance, foreign exchange contract or any monetary obligations, including principal, interest, late charges, collection costs, attorney fees and the like (collectively, the "**Obligations**"). It is Mortgagor's express intention that this Ship Mortgage and the continuing security interest granted hereby, in addition to covering all present Obligations of Borrower and/or Mortgagor to Mortgagee, shall extend to all future Obligations of Borrower and Mortgagor or either of them to Mortgagee, whether or not such Obligations are reduced or entirely extinguished and thereafter increased or are reincurred, and whether or not such Obligations are specifically contemplated by Mortgagor and Mortgagee as of the date hereof. The absence of any reference to this Ship Mortgage in any documents, instruments or agreements evidencing or relating to any Obligations secured hereby shall not limit or be construed to limit the scope of this Ship Mortgage.

2. **TITLE, LIENS; LIBEL.** (a) Mortgagor warrants that it is and will continue to be the true, lawful and sole owner of the whole of each of the Vessels, and that its ownership of each Vessel is free and clear of all liens, encumbrances and security interests and that Mortgagor will forever warrant and defend its title and possession of each Vessel for the benefit of Mortgagee against any and all claims and demands. Mortgagor warrants that with respect to after acquired property, it will be when acquired the legal and beneficial owner of the Collateral free and clear of any Lien except for the security interest created by this Ship Mortgage. Without the prior written consent of Mortgagee, Mortgagor will not in any manner change the flag of any of the Vessels, sell, transfer or mortgage any of the Vessels, or enter into any bareboat or demise charter party, *provided*, that no such charter permitted by this Section 2(a) will relieve Mortgagor of its obligations under this Ship Mortgage, or allow for the of flag of any Vessel. Any such transaction with respect to any Vessel shall be subject and subordinate to the provisions of this Ship Mortgage and the lien it creates. (b) Mortgagor represents and agrees that it has not granted and will not grant any charterer, the master of any of the Vessels or any other person, and none thereof has or shall have, any right, power or authority to create, incur or permit to be placed or imposed upon the Vessels, or any of them, any liens, other than the lien of this Ship Mortgage, liens for crew's wages, wages for stevedores when employed directly by Mortgagor or the master of the applicable Vessel and general average and salvage (including contract salvage) and liens created in the ordinary course of the Vessels' current operations which are for "necessaries" within the meaning of Section 31301(4) of Title 46 of the Code, provided that such liens (other than such liens which are senior by operation of law) are subordinate to the lien of this Ship Mortgage. Mortgagor further agrees that it will not permit to be continued any lien upon the Vessels, or any of them (other than this Ship Mortgage), for a period in excess of thirty (30) days after the same becomes due and payable except for any lien that is being contested by Mortgagor in good faith by appropriate proceedings diligently conducted. No effective Uniform Commercial Code ("**UCC**") financing statement or other instrument providing notice of a security interest in all or any part of the Collateral is on file in any recording office, except those in favor of Mortgagee. At its sole expense, Mortgagor shall protect and defend Mortgagee's first priority security interest in the Collateral against all claims and demands whatsoever. (c) If a libel or complaint shall be filed against the Vessels, or any of them, or if the Vessels, or any of them, shall be levied upon or taken into custody, or detained by any proceeding in any court or tribunal or by any government or other authority, Mortgagor, within ten (10) days thereafter, will cause such Vessel or Vessels to be released and any lien thereon, other than the lien of this Ship Mortgage, to be discharged. In the event the Vessels, or any of them, are levied upon or taken into custody or detained by any authority whatsoever, Mortgagor agrees forthwith to notify Mortgagee thereof by telex, confirmed by letter. Mortgagor shall reimburse Mortgagee for any amount paid by Mortgagee, whether in settlement of a claim or in satisfaction of a judgment, and such amounts shall be Mortgagee's Costs, as defined in and in accordance with Section 7 hereof

3. MAINTENANCE AND USE. The Vessel shall be in the full possession and at the absolute disposal for all purposes of Mortgagor and under its complete control, operation, command and management in every respect, always at Mortgagor's risk and expense. Mortgagor hereby covenants and agrees it shall, at its sole expense, Mortgagor shall: (a) repair, maintain and preserve the Vessel in good condition and cause the Vessels to be tight, staunch, strong and well and sufficiently tackled, appareled, victualled, fitted, manned, furnished and equipped and to be maintained and preserved, in good running order and repair so that the Vessels in all material respects shall be well equipped and seaworthy, in good working order, repair and operating condition, ordinary wear and tear and depreciation excepted and will maintain and supply and install all replacement parts or other devices when required to so maintain the Vessel or when required by applicable law or regulation, which parts or devices shall automatically become part of the Vessel; (b) use and operate the Vessel in a careful manner in the normal course of its business and only for the purposes for which it was designed in accordance with the manufacturer's warranty requirements, and comply with all laws and regulations relating to the Vessel, and obtain all permits or licenses necessary to install, use or operate the Vessel; (c) not use any Vessel in any manner or for any purpose excepted from any insurance policy or policies taken out in compliance with Section 4 hereof or for the purpose of carriage of goods of any description excepted from the said insurance policy or policies and shall not do or permit to be done anything that could reasonably be expected to invalidate any of said insurance policy or policies; (d) make no alterations, additions, subtractions, upgrades or improvements to the Vessel without Mortgagee's prior written consent, but any such alterations, additions, upgrades or improvements shall automatically become part of the Vessel; (e) if required by Mortgagee, maintain the Vessel within the highest classification available for a vessel of its type with a classification society that is a member of the International Association of Classification Societies (IACS), the United States Coast Guard or any other regulatory agencies having authority over the Vessel and, subject to the preceding clause (d), shall make any improvement or structural changes or acquire any new equipment necessary to comply with the requirements of such classification or regulations; (e) cause each Vessel to be periodically inspected, drydocked and recoated (hull paint), and its machinery overhauled in accordance with normal marine practices or as may be required by the United States Coast Guard; (f) at the request of Mortgagee, shall cause a marine surveyor satisfactory to Mortgagee to perform a survey, inspection or other action to prove or establish that the Vessels in all material respects have been maintained and preserved in accordance with the provisions of this Section 3; (f) except with Mortgagee's prior written consent, not use or locate the Vessel outside of the United States of America; (g) not undertake any voyage or participate in any venture or transport any cargo which is not permitted by the insurance then in effect or which would limit such insurance or render it unavailable in whole or in part; and (h) make the Vessel available for inspection by Mortgagee upon reasonable notice.

4. INSURANCE. (a) At its sole expense, Mortgagor at all times provide and maintain (i) hull and machinery insurance covering all risk of loss or damage from every cause whatsoever (including, without limitation, standard war risk insurance coverage) for an amount not less than the greater of the full replacement value of the Vessel or 100% of the outstanding principal balance due under the Lease Agreement; (ii) protection and indemnity insurance with respect to each of the Vessels in such amounts, subject to such deductible or retention amounts, against such risks and under such forms as are then common or customary with respect to vessels similar to the Vessels and engaged in trades similar to the trades in which the Vessels are engaged by other prudent owners and operators of such vessels; (iii) if any Vessel or Vessels are operated outside of the United States, war risks insurance on each of the Vessels; and (iv) such other insurances that become customarily obtained by prudent operators of vessels similar to the Vessels and engaged in trades similar to the trades in which the Vessels are engaged or as may be reasonably required by Mortgagee from time to time. (b) Nothing in this Section 4 shall prohibit Mortgagee from placing additional insurance on or with respect to the Vessels at its expense, or any of them, or the operation thereof, unless such insurance would conflict with insurance that is carried by Mortgagor. In the event that Mortgagor shall fail to maintain any insurance which it is required to maintain pursuant to this Section 4, Mortgagee may, but shall not be obligated to, arrange for such insurance and, in such event, Mortgagor shall, upon demand reimburse Mortgagee for the costs thereof as Mortgagee's Costs, as defined in and in accordance with Section 7 hereof, without waiver of any other additional rights Mortgagee may have. (c) All insurance policies required by this Section 4, shall (i) name Mortgagee as additional insured and as loss payee; (ii) be issued by insurers shall be reasonably satisfactory to Mortgagee; (iii) provide that proceeds of any insurance covering damage or loss of the Vessel shall be payable to Mortgagee as loss payee and shall be applied as set forth in Section 5 below; (iv) provide that insurer give Mortgagee at least 30 days prior written notice of any cancellation of such policy; (v) provide that that Mortgagee's interests remain insured regardless of any act, error, omission, neglect or misrepresentation of Mortgagor or any other person (other than Mortgagee) and shall insure Mortgagee regardless of any breach or violation of any warranty, declaration or condition contained in such policies by Mortgagor or any other person (other than Mortgagee); and (vi) be primary without any right of contribution from insurance which may be maintained by Mortgagee. If an Event of Default occurs and is continuing, then Mortgagor automatically appoints Mortgagee as Mortgagor's attorney-in-fact with full power and authority in the place of Mortgagor and in the name of Mortgagor or Mortgagee to make claim for, receive payment of, and sign and endorse

all documents, checks or drafts for loss or damage under any such policy. Mortgagor shall deliver to Mortgagee satisfactory evidence of the insurance coverage required by this Section 4.

5. LOSS OR DAMAGE. Mortgagor bears the entire risk of loss, theft, damage or destruction of Vessel in whole or in part from any reason whatsoever ("**Casualty Loss**"). No Casualty Loss to Vessel shall relieve Mortgagor from any obligation under this Ship Mortgage. In the event of Casualty Loss to any item of Vessel, Mortgagor shall immediately notify Mortgagee of the same and Mortgagor shall, if so directed by Mortgagee, immediately repair the same. If Mortgagee determines that any Vessel has suffered a Casualty Loss beyond repair or a Casualty Loss which substantially and permanently reduces the fair market value of the Vessel ("**Lost Vessel**"), then Mortgagor, at the option of Mortgagee, shall (a) immediately grant in favor of the Mortgagee a mortgage over a substitute vessel, similar to such Lost Vessel prior to the Casualty Loss, and in good repair, condition and working order, free and clear of any Liens which mortgage shall be in form and substance satisfactory to Mortgagee; or (b) on the installment payment due date which is at least 30 but no more than 60 days after the date of the Casualty Loss ("**Loss Payment Due Date**"), pay to Mortgagee all accrued and unpaid principal, interest, late charges and other amounts then due and payable by Mortgagor and/or Borrower under this Ship Mortgage, the Loan Agreement and the Note plus the remaining principal balance of the Note associated with the Lost Vessel as of the Loss Payment Due Date as determined by Mortgagee's records, plus a Breakfunding Charge. Upon payment by Mortgagor of all amounts due under this Section 5(b), the security interest of the Mortgagee in the Lost Vessel will terminate and Mortgagee shall provide Mortgagor with a document evidencing the release of the Ship Mortgage for filing with the NVDC.

6. TAXES. Mortgagor will pay promptly when due all taxes, assessments, governmental charges, fines and penalties lawfully imposed on the Vessels, or any of them, or against Mortgagor, or the property or operations of Mortgagor, in each case before same becomes delinquent and before penalties accrue thereon, unless and to the extent that same are being contested in good faith by appropriate proceedings and if Mortgagor shall have set aside on its books reserves deemed by it adequate with respect to such tax, assessment or charge. Notwithstanding the foregoing, Mortgagor will pay or cause to be paid all such taxes, assessments or charges forthwith upon the commencement of proceedings to foreclose any lien which is attached as security therefor.

7. GENERAL INDEMNITY; MORTGAGEE'S COSTS. (a) Mortgagor assumes all risk and liability for, and shall defend, indemnify and keep Mortgagee harmless on an after-tax basis from, any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs and expenses, including reasonable attorney fees and expenses, of whatsoever kind and nature imposed on, incurred by or asserted against Mortgagee, in any way relating to or arising out of the manufacture, purchase, acceptance, rejection, ownership, possession, use, selection, delivery, operation, condition, sale, return or other disposition of the Vessel or any part thereof (including, without limitation, any claim for latent or other defects, whether or not discoverable by Mortgagor or any other person, any claim for negligence, tort or strict liability, any claim under any environmental protection or hazardous waste law and any claim for patent, trademark or copyright infringement). Mortgagor will not indemnify Mortgagee under this section for loss or liability caused directly and solely by the gross negligence or willful misconduct of Mortgagee. In this section, "Mortgagee" also includes any director, officer, employee, agent, successor or assign of Mortgagee. Mortgagor's obligations under this section shall survive the expiration, cancellation or termination of this Ship Mortgage. (b) Mortgagor shall promptly pay or reimburse to Mortgagee all amounts Mortgagee determines constitute claims, liabilities, losses, taxes, duties, charges, costs, fees and expenses ("**Mortgagee's Costs**") incurred or made by Mortgagee in exercising, protecting or pursuing rights or remedies under this Ship Mortgage or the Lease Agreement (including but not limited to (i) amounts paid by Mortgagee pursuant to Section 2(c) hereof, (ii) costs incurred by Mortgagee pursuant to the second sentence of Section 4(b) and (iii) expenses of any sale or taking of the Vessels, or any of them, attorneys' fees and court costs.

8. PERSONAL PROPERTY. Mortgagor represents and agrees that the Vessel is, and shall at all times remain, separately identifiable personal property. Mortgagor shall at all times keep a properly certified copy of this Ship Mortgage and any amendments and supplements hereto and any assignments hereof at its address set forth above and with the ship's papers on board each self-propelled Vessel and such papers shall be exhibited, on demand, to any person having business with such Vessel which might give rise to a maritime lien on such Vessel, or to any representative of Mortgagee; and a notice, reading as follows, printed in plain type of such size that the paragraph of reading matter shall cover a space not less than six inches wide by nine inches high, framed under glass, shall be placed and kept prominently displayed in the chart room and in the master's cabin of each of the self-propelled Vessels:

"NOTICE OF SHIP MORTGAGE

This Vessel is owned by _____ ("Mortgagor") and is subject to a First Preferred Ship Mortgage, dated as of _____, 20__, as the same may be amended or supplemented, in favor of JPMORGAN CHASE BANK, N.A., as Lender under that certain Lease Agreement (Loan Number 1000147653), dated as of June 15, 2021 and under the terms of said Ship Mortgage, Mortgagor hereby gives notice that it has not granted any charterer, the master of this Vessel or any other person, and none thereof has, the right, power or authority to create, incur or permit to exist upon this Vessel any liens or encumbrances whatsoever, other than the lien of said Mortgage, liens for crew's wages, wages of stevedores when employed directly by Mortgagor or the master of this Vessel and general average or salvage (including contract salvage). Any such right, power or authority is also prohibited under the terms of said Ship Mortgage."

9. [RESERVED].

10. [RESERVED].

11. REPRESENTATIONS. Mortgagor represents and warrants that: (a) Mortgagor is a municipality, corporation, limited liability company, partnership or proprietorship as stated below Mortgagor's signature duly organized, validly existing and in good standing under the laws of the state of its organization as stated below Mortgagor's signature and Mortgagor is qualified to do business and is in good standing under the laws of each other state in which the Vessel is or will be located; (b) Mortgagor's name as set forth at the outset of this Ship Mortgage is its complete and correct legal name as indicated in the public records of Mortgagor's state of organization; (c) Mortgagor has full power, authority and legal right to sign, deliver and perform this Ship Mortgage and all related documents and such actions have been duly authorized by all necessary corporate, company, partnership or proprietorship action; (d) this Ship Mortgage and each related document has been duly signed and delivered by Mortgagor and each such document constitutes a legal, valid and binding obligation of Mortgagor enforceable in accordance with its terms; (e) there is no litigation or other proceeding pending, or to the best of the Mortgagor's knowledge, threatened against or affecting Mortgagor which, if decided adversely to Mortgagor, would adversely affect, impair or encumber the interest of Mortgagee in the Vessel or would materially adversely affect the business operations or financial condition of Mortgagor; (f) all balance sheets, income statements and other financial data that have been delivered to Mortgagee with respect to Mortgagor are complete and correct in all material respects, fairly present the financial condition of Mortgagor on the dates for which, and the results of its operations for the periods for which, the same have been furnished and have been prepared in accordance with generally accepted accounting principles consistently applied, (g) there has been no material adverse change in the condition of Mortgagor, financial or otherwise, since the date of the most recent financial statements delivered to Mortgagee, and (h) Mortgagor's organizational number assigned to Mortgagor by the state of its organization is correctly stated below Mortgagor's signature.

12. CITIZENSHIP. Mortgagor warrants that it meets, and shall continue to meet, until all of the Obligations are paid and performed in full, all citizenship requirements necessary for each of the Vessels to be documented under the flag of the United States eligible to participate in the coastwise trade, pursuant to and Mortgagor shall remain a "citizen of the United States" within the meaning of Title 46 of the United States Code (the "Code") Section 50501.

13. PERFECTION. Mortgagor shall comply with and satisfy all applicable formalities and provisions of the laws and regulations of the United States of America, including but not limited to the provisions of Chapter 313, in order to perfect, establish, record and maintain this Ship Mortgage, and any supplement or amendment thereto, upon each of the Vessels and upon all renewals, as a first preferred mortgage thereunder and on all additions, improvements and replacements made in or to each of the Vessels and shall do such other acts and execute all such other instruments, deeds, conveyances, mortgages and assurances as Mortgagee may reasonably require in order to subject each of the Vessels to the lien of this Ship Mortgage as aforesaid.

14. AMOUNT OF SHIP MORTGAGE. For purposes of Section 31321(b)(3) of Title 46 of the Code, the amount of the direct or contingent obligations that are or may be secured by this Ship Mortgage (excluding interest, expenses and fees) is _____ (\$ _____) plus interest, expenses, fees, indemnities and costs of performance of the covenants contained in this Ship Mortgage and the Lease Agreement.

15. OTHER DOCUMENTS; EXPENSES; APPOINTMENT OF ATTORNEY-IN-FACT. (a) Mortgagor will keep each Vessel duly documented under the laws and flag of the United States, eligible to operate in the coastwise trade, and will not cause or permit any Vessel to be operated in any manner prohibited by any law, regulation or contract applicable to such Vessel, and shall have on board as and when required thereby valid certificates showing compliance therewith. Mortgagor will not cause or permit the Vessels, or any of them, to engage in any unlawful trade or carry any cargo that will expose the Vessels, or any of

them, to penalty, forfeiture or capture, and will not do, or suffer or permit to be done, anything which can or may injuriously affect the registration, endorsement or flag of the Vessels, or any of them, under the laws and regulations of the United States. (b) If required, Mortgagor will (and will cause any charterer of the Vessels, or any of them, to) comply with and satisfy all of the provisions of any applicable law, regulation, proclamation or order concerning financial responsibility for liabilities imposed on Mortgagor or the Vessels, or any of them, with respect to pollution by any state or nation or political subdivision thereof, including but not limited to the United States Federal Water Pollution Control Act and the United States Oil Pollution Act of 1990, as any of the foregoing may at any time be amended, and will (and will cause any charterer of the Vessels, or any of them, to) maintain all certificates or other evidence of financial responsibility as may be required by any such law, regulation, proclamation or order with respect to the trade in which the Vessels, or any of them, is from time to time engaged and the cargo carried thereby. (c) Mortgagor agrees to sign and deliver to Mortgagee any additional documents deemed desirable by Mortgagee to effect the terms of the this Ship Mortgage including, without limitation, Uniform Commercial Code financing statements which Mortgagee is authorized to file with the appropriate filing officers. Mortgagor hereby irrevocably appoints Mortgagee as Mortgagor's attorney-in-fact with full power and authority in the place of Mortgagor and in the name of Mortgagor to (i) prepare, sign, amend, file or record any Uniform Commercial Code financing statements or other documents deemed desirable by Mortgagee to perfect, establish or give notice of Mortgagee's interests in the Vessel or in any collateral as to which Mortgagor has granted Mortgagee a security interest, and (ii) to appear in the name of Mortgagor, its successors or assigns, in any court where a suit is pending against the Vessels, or any of them, because of or on account of any alleged lien against such Vessel or Vessels from which such Vessel or Vessels have not been released and to take such proceedings as Mortgagee reasonably may deem proper towards the defense of such suit and the purchase or discharge of such lien, and all expenditures made or incurred by Mortgagee for the purpose of such defense or discharge shall constitute Mortgagor's Costs.

16. EVENTS OF DEFAULT. Each of the following events shall constitute an Event of Default under this Ship Mortgage: (a) Borrower fails to pay any installment payment or other amount due under the Lease Agreement within 10 days of its due date; or (b) an Event of Default occurs under the Lease Agreement; or (c) Mortgagor fails to perform or observe any of its obligations in Sections 3, 4, 6, 11, 12, or 13 hereof; or (d) Mortgagor fails to perform or observe any other term, covenant, agreement or condition contained in this Ship Mortgage within 30 days after Mortgagee notifies Mortgagor of such failure; or (e) Mortgagor fails to pay or perform or observe any term, covenant (including, but not limited to, any financial covenant), agreement or condition contained in, or there shall occur any payment or other default under or as defined in, any loan, credit agreement, extension of credit or lease in which Mortgagee or any subsidiary (direct or indirect) of JPMorgan Chase & Co. (or its successors or assigns) is the lender, creditor or lessor (each a "**Mortgagor Credit Agreement**") which shall not be remedied within the period of time (if any) within which such Mortgagor Credit Agreement permits such default to be remedied; or (f) any statement, representation or warranty made by Mortgagor in this Ship Mortgage or in any document, certificate or financial statement in connection with this Ship Mortgage proves at any time to have been untrue or misleading in any material respect as of the time when made; or (g) Mortgagor becomes insolvent or bankrupt, or Mortgagor admits its inability to pay its debts as they mature, or Mortgagor makes an assignment for the benefit of creditors, or Mortgagor applies for, institutes or consents to the appointment of a receiver, trustee or similar official for Mortgagor or any substantial part of its property or any such official is appointed without Mortgagor's consent, or Mortgagor applies for, institutes or consents to any bankruptcy, insolvency, reorganization, debt moratorium, liquidation or similar proceeding relating to Mortgagor or any substantial part of its property under the laws of any jurisdiction or any such proceeding is instituted against Mortgagor without stay or dismissal for more than 30 days, or Mortgagor commences any act amounting to a business failure or a winding up of its affairs, or Mortgagor ceases to do business as a going concern; or (h) there shall occur in Mortgagee's reasonable opinion any material adverse change in the financial condition, business or operations of Mortgagor.

17. RIGHTS UPON DEFAULT.

17.1 Upon the occurrence of an Event of Default, Mortgagee may exercise in any order one or more of the remedies described in the lettered subparagraphs of this section, and Mortgagor shall perform its obligations imposed thereby:

(a) Mortgagee may require Mortgagor to turnover any and all Collateral to Mortgagee.

(b) Mortgagee may exercise all of the rights and remedies in foreclosure and otherwise given to mortgagees by the provisions of Chapter 313 or by any other applicable laws and exercise all of its rights and remedies as attorney-in-fact or otherwise under this Ship Mortgage.

(c) Mortgagee may bring suit at law, in equity or in admiralty in any court to foreclose, including foreclosure by seizure, arrest and sale of the Vessels, or any of them, or to recover judgment for the Obligations, and collect the same out of any and all property of Mortgagor whether covered by this Ship Mortgage or otherwise.

(d) Mortgagee may take the Vessels, or any of them, wherever the same may be, without legal process and without being responsible for loss or damage; and Mortgagor or other person in possession thereof shall forthwith upon demand of Mortgagee surrender to Mortgagee possession of the Vessels, or any of them, and Mortgagee may hold, lay-up, lease, charter, operate or otherwise use the Vessels, or any of them, for such time and upon such terms as it may deem to be for its best advantage, accounting only for the net profits, if any, arising from the use of such Vessel or Vessels or from the sale thereof or by court proceedings, net of all costs, expenses, charges, damages or losses by reason of such use.

(e) Mortgagee may sell the Vessels, or any of them, free from any claim of or by Mortgagor in admiralty, in equity, at law or by statute and upon such terms and conditions as Mortgagee determines, at public or private sale.

(f) Mortgagee may demand and receive all freights, hires, charter hires, earnings, issues, revenues, income or profits of the Vessels, or any of them, due or to become due from any person whomsoever.

(g) Mortgagor shall pay all costs, expenses and damages incurred by Mortgagee because of the Event of Default or its actions under this section, including, without limitation any collection agency and/or attorney fees and expenses, and any costs related to the repossession, safekeeping, storage, repair, reconditioning or disposition of the Collateral.

(h) Mortgagee may sue to enforce Mortgagor's performance of its obligations under this Ship Mortgage and/or may exercise any other right or remedy then available to Mortgagee at law or in equity.

(i) Mortgagor covenants and agrees that in addition to any and all other rights, powers and remedies elsewhere in this Ship Mortgage granted to and conferred upon Mortgagee, Mortgagee in any suit to enforce any of its rights, powers or remedies shall be entitled as a matter of right and not as a matter of discretion (i) to the appointment of a receiver or receivers of Mortgagor's interest in the Vessels, or any of them, and Mortgagor's interest in the hire, earnings, issues, revenues, freights, incomes and profits due or to become due and arising from the operation thereof, and (ii) to a decree ordering and directing the sale and disposal of the Vessels, or any of them.

17.2 Except as otherwise expressly required by Section 16 hereof or by applicable law, Mortgagee is not required to take any legal process or give Mortgagor any notice before exercising any of the above remedies. None of the above remedies is exclusive, but each is cumulative and in addition to any other remedy available to Mortgagee. Mortgagee's exercise of one or more remedies shall not preclude its exercise of any other remedy. No action taken by Mortgagee shall release Mortgagor or Borrower from any of the Obligations. No delay or failure on the part of Mortgagee to exercise any right hereunder shall operate as a waiver thereof nor as an acquiescence in any Event of Default, nor shall any single or partial exercise of any right preclude any other exercise thereof or the exercise of any other right. After any Event of Default, Mortgagee's acceptance of any payment by Mortgagor under the Lease Agreement, or this Ship Mortgage shall not constitute a waiver by Mortgagee of such Event of Default, regardless of Mortgagee's knowledge or lack of knowledge at the time of such payment, and shall not constitute a reinstatement of the Lease Agreement, or this Ship Mortgage if this Ship Mortgage has been declared in default by Mortgagee, unless Mortgagee has agreed in writing to reinstate this Ship Mortgage and to waive the Event of Default. With respect to any Collateral or any Obligation, Mortgagor assents to all extensions or postponements to the time of payment thereof or any other indulgence in connection therewith, to each substitution, exchange or release of Collateral, to the release of any party primarily or secondarily liable, to the acceptance of partial payment thereof or to the settlement or compromise thereof, all in such matter and such time or times as Mortgagee may deem advisable.

17.3 If Mortgagee actually repossesses any Collateral, then it will use commercially reasonable efforts under the then current circumstances to attempt to mitigate its damages; provided, that Mortgagee shall not be required to sell, lease or otherwise dispose of any Collateral prior to Mortgagee enforcing any of the remedies described above. Mortgagee may sell or lease the Collateral in any manner it chooses, free and clear of any claims or rights of Mortgagor and without any duty to account to Mortgagor with respect thereto except as provided below. If Mortgagee actually sells or leases the Collateral, it will credit the net proceeds of any sale of the Collateral, or the net present value (discounted at the then current Prime Rate) of the rents payable under any new lease of the Collateral, against the Obligations. The term "net" as used above shall mean such amount after

deducting the costs and expenses described in subsection 17.1(d) above and after deducting the costs and expenses described in Subsection 11.1(d) of the Lease Agreement.

18. LATE CHARGES. If any amount payable under this Ship Mortgage is not paid within 5 days of its due date, then as compensation for the administration and enforcement of Mortgagor's obligation to make timely payments, Mortgagor shall pay with respect to each overdue payment on demand an amount equal to the greater of fifteen dollars (\$15.00) or five percent (5%) of the each overdue payment (but not to exceed the highest late charge permitted by applicable law) plus any collection agency fees and expenses. The failure of Mortgagee to collect any late charge will not constitute a waiver of Mortgagee's right with respect thereto.

19. MORTGAGEE'S RIGHT TO PERFORM. If Mortgagor fails to make any payment under this Ship Mortgage or fails to perform any of its other obligations in this Ship Mortgage (including, without limitation, its agreement to provide insurance coverage), Mortgagee may itself make such payment or perform such obligation, and the amount of such payment and the amount of the expenses of Mortgagee incurred in connection with such payment or performance shall be payable by Mortgagor on demand.

20. NOTICES; POWER OF ATTORNEY. (a) Any notices and demands under or related to this document shall be in writing and delivered to the intended party at its address stated herein (if to Bank to 1111 Polaris Parkway, Suite 4N – OH1-1085, Columbus, Ohio 43240-2050, to the attention of the Operations Manager). Notice shall be deemed sufficiently given or made (i) upon receipt if delivered by hand, (ii) on the Delivery Day after the day of deposit with a nationally recognized courier service, (iii) on the third Delivery Day after the day of deposit in the United States mail, sent certified, postage prepaid with return receipt requested, and (iv) only if to Mortgagor, on the third Delivery Day after the notice is deposited in the United States mail, postage prepaid. "**Delivery Day**" means a day other than a Saturday, a Sunday, or any other day on which national banking associations are authorized to be closed. Any party may change its address for the purposes of the receipt of notices and demands by giving notice of such change in the manner provided in this provision. (b) With respect to any power of attorney covered by this Agreement, the powers conferred on Lender thereby: are powers coupled with an interest; are irrevocable; are solely to protect Lender's interests under this Agreement; and do not impose any duty on Lender to exercise such powers. Lender shall be accountable solely for amounts it actually receives as a result of its exercise of such powers.

21. ASSIGNMENT BY MORTGAGEE. Mortgagee and any assignee of Mortgagee, with or without notice to or consent of Mortgagor, may sell, assign, transfer or grant a security interest in all or any part of Mortgagee's rights, obligations, title or interest in the Collateral, the Lease Agreement, this Ship Mortgage, or the amounts payable under the Lease Agreement, or this Ship Mortgage to any entity ("transferee"). The transferee shall succeed to all of Mortgagee's rights in respect to this Ship Mortgage (including, without limitation, all rights to insurance and indemnity protection described in this Ship Mortgage). Mortgagor agrees to sign any acknowledgment and other documents reasonably requested by Mortgagee or the transferee in connection with any such transfer transaction. Mortgagor, upon receiving notice of any such transfer transaction, shall comply with the terms and conditions thereof. Mortgagor agrees that it shall not assert against any transferee any claim, defense, setoff, deduction or counterclaim which Mortgagor may now or hereafter be entitled to assert against Mortgagee. Mortgagor agrees that Mortgagee may provide loan information and financial information about Mortgagor on a confidential basis to any prospective transferee.

22. NO ASSIGNMENT OR LEASING BY MORTGAGOR. MORTGAGOR SHALL NOT, DIRECTLY OR INDIRECTLY, WITHOUT THE PRIOR WRITTEN CONSENT OF MORTGAGEE: (a) MORTGAGE, ASSIGN, SELL, TRANSFER, OR OTHERWISE DISPOSE OF ANY INTEREST IN THIS SHIP MORTGAGE OR THE COLLATERAL OR ANY PART THEREOF; OR (b) LEASE, RENT, LEND OR TRANSFER POSSESSION OR USE OF THE VESSEL OR ANY PART THEREOF TO ANY PARTY; OR (c) CREATE, INCUR, GRANT, ASSUME OR ALLOW TO EXIST ANY LIEN ON ITS INTEREST IN THIS SHIP MORTGAGE, THE COLLATERAL OR ANY PART THEREOF.

23. RIGHT OF SETOFF. Mortgagor grants to the Mortgagee a security interest in the Deposits, and the Mortgagee is authorized to setoff and apply, all Deposits, Securities and Other Property, and Mortgagee Debt against any and all Obligations. This right of setoff may be exercised at any time and from time to time, without prior notice to or demand on the Mortgagor and regardless of whether any Obligations are contingent, unmatured or unliquidated. In this section: (a) the term "Deposits" means any and all accounts and deposits of the Mortgagor (whether general, special, time, demand, provisional or final) at any time held by the Mortgagee (including all Deposits held jointly with another, but excluding any IRA or Keogh Deposits, or any trust Deposits in which a security interest would be prohibited by law); (b) the term "Securities and Other Property" means any and all

securities and other personal property of the Mortgagor in the custody, possession or control of the Mortgagee, JPMorgan Chase & Co. or their respective subsidiaries and affiliates (other than property held by the Mortgagee in a fiduciary capacity); and (c) the term "Mortgagee Debt" means all indebtedness at any time owing by the Mortgagee, to or for the credit or account of the Mortgagor and any claim of the Mortgagor (whether individual, joint and several or otherwise) against the Mortgagee now or hereafter existing.

24. CERTAIN DEFINITIONS. "Breakfunding Charge" means the sum of the differences between (a) each scheduled interest payment which would have been made on the prepaid amount if such prepayment had not occurred and (b) the corresponding fixed-rate interest payment which would be received under an interest rate swap which the Mortgagee shall be deemed to have entered into as of the Prepayment Date (the "Replacement Swap") covering its payment obligations under an interest rate swap which the Mortgagee shall be deemed to have entered into when the prepaid amount was originally funded, with each such difference discounted to a present value as of the date of prepayment using the fixed interest rate of the Replacement Swap as the applicable discount rate; the Mortgagor acknowledges that the Mortgagee might not fund or hedge its fixed-rate loan portfolio or any prepayment thereof on a loan-by-loan basis at all times, and agrees that the foregoing is a reasonable and appropriate method of calculating liquidated damages for any prepayment irrespective of whether any of the foregoing hedging transactions have in fact occurred or occurred precisely as stated with respect to the loan evidenced by the Lease Agreement; all calculations and determinations by the Mortgagee of the amounts payable pursuant to the preceding provisions or of any element thereof, if made in accordance with its then standard procedures for so calculating or determining such amounts, shall be conclusive absent manifest arithmetic error. "Lien" means any security interest, lien, mortgage, pledge, encumbrance, judgment, execution, attachment, warrant, writ, levy, other judicial process or claim of any nature whatsoever by or of any person. "Prepayment Date" means, in the case of a payment resulting from a Casualty Loss, the Loss Payment Due Date, "Prime Rate" means the prime rate of interest announced from time to time as the prime rate by JPMorgan Chase Bank, N.A. (or its successors or assigns); provided, that the parties acknowledge that the Prime Rate is not intended to be the lowest rate of interest charged by said bank in connection with extensions of credit. "Rate Management Transaction" means any transaction (including an agreement with respect thereto) that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option, derivative transaction or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures. All terms defined herein are equally applicable to both the singular and plural form of such terms.

25. CONDITIONS. Mortgagee is not obligated to make any loan in connection with this Ship Mortgage unless all of the conditions to funding that are listed in the Lease Agreement are satisfied and all other reasonable conditions established by Mortgagee have been satisfied.

26. GOVERNING LAW; CONFLICTS. This Ship Mortgage shall, for all purposes, be construed in accordance with the laws of the United States, including without limitation, Chapter 313, and to the extent such laws shall not be applicable, then THE INTERPRETATION, CONSTRUCTION AND VALIDITY OF THIS SHIP MORTGAGE SHALL BE GOVERNED BY THE LAWS OF THE STATE OF OHIO WITHOUT REFERENCE TO CONFLICT OF LAW PROVISIONS. In the event of any conflict between the terms of this Ship Mortgage and the Lease Agreement, this Ship Mortgage shall govern unless otherwise agreed in writing by the Mortgagor and Mortgagee.

27. MISCELLANEOUS. (a) Subject to the limitations herein, this Ship Mortgage shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, successors and assigns. (b) This Ship Mortgage may be executed in any number of counterparts, which together shall constitute a single instrument. (c) Section and paragraph headings in this Ship Mortgage are for convenience only and have no independent meaning. (d) The terms of this Ship Mortgage shall be severable and if any term thereof is declared unconscionable, invalid, illegal or void, in whole or in part, the decision so holding shall not be construed as impairing the other terms of this Ship Mortgage and this Ship Mortgage shall continue in full force and effect as if such invalid, illegal, void or unconscionable term were not originally included herein. (e) All indemnity obligations of Mortgagor under this Ship Mortgage and all rights, benefits and protections provided to Mortgagee by warranty disclaimers shall survive the cancellation, expiration or termination of this Ship Mortgage. (f) Mortgagee shall not be liable to Mortgagor for any indirect, consequential or special damages for any reason whatsoever. (g) This Ship Mortgage may be amended, but only by a written amendment signed by Mortgagee and Mortgagor. (h) If this Ship Mortgage is signed by more than one Mortgagor, each of such Mortgagors shall be jointly and severally liable for payment and performance of all of Mortgagor's obligations under this

Ship Mortgage. (i) This Ship Mortgage represents the final, complete and entire agreement between the parties hereto, and there are no oral or unwritten agreements or understandings affecting this Ship Mortgage or the Collateral. (j) Mortgagor agrees that Mortgagee is not the agent of any manufacturer or supplier, that no manufacturer or supplier is an agent of Mortgagee, and that any representation, warranty or agreement made by manufacturer, supplier or by their employees, sales representatives or agents shall not be binding on Mortgagee. (k) In order to secure all Obligations, Mortgagor assigns and grants to Mortgagee a security interest in: all rights, powers and privileges of Mortgagor under any lease of any Vessel hereafter authorized in writing by Mortgagee.

28. JURISDICTION FOR FORECLOSURE OF SHIP MORTGAGE. Mortgagor hereby expressly and irrevocably consents to the jurisdiction of any court in any jurisdiction whatsoever wherein any Vessel may at any time be located outside of the continental United States for the sole purposes of the foreclosure of this Ship Mortgage, the sale of Mortgagor's interest in such Vessel or the enforcement of any other remedy or right hereunder, and hereby expressly and irrevocably submits the person of Mortgagor and its interest in such Vessel to the jurisdiction of any such court in any such action or proceeding

[The next page is the signature page]

DRAFT

ALL PARTIES TO THIS SHIP MORTGAGE IRREVOCABLY CONSENT TO THE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT IN OHIO, AND WAIVE ALL RIGHTS TO TRIAL BY JURY, IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY ON ANY MATTER WHATSOEVER ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS SHIP MORTGAGE.

IN WITNESS WHEREOF, Mortgagor has executed this Ship Mortgage effective on the day and year first above written.

_____, Mortgagor

APPROVED AS TO FORM

By: _____
Name: _____
Title: _____

By: _____
MICHAEL E. GATES
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

Mortgagor Organization Information: A _____ organized under the laws of the State of _____ with State Organization # _____

STATE OF _____)
):ss.:
COUNTY OF _____)

On this ___th day of _____, 20___, before me personally appeared _____ to me known, who, being by me duly sworn, did depose and say that he is the _____ of _____, the _____ (the "Company") described in and which executed the foregoing First Preferred Ship Mortgage; that he signed his name thereto pursuant to authority granted to him by the _____ of the Company, as the duly elected and authorized _____ of the Company.

NOTARY PUBLIC

Printed Name: _____

My Commission Expires: _____

SCHEDULE A-1

DESCRIPTION OF VESSELS

VESSEL

[]

OFFICIAL NO.

[]

DRAFT

ESCROW RECEIPT CERTIFICATE/PAYMENT REQUEST

Dated: _____, 20__

Lease Schedule No: 1000147653 dated June 15, 2021

Escrow Agreement Dated: June 15, 2021

1. The undersigned Lessee of the above Lease Schedule and its Master Lease-Purchase Agreement (collectively, the "Lease") hereby acknowledges receipt in good condition of all of the Equipment described on Schedule A-1 to this Receipt Certificate/Payment Request as of the following Acceptance Date and hereby confirms that the Equipment has been installed at the following location:

Acceptance Date: _____

Equipment Location: See Attached Schedule A-1

***** **FINAL REQUEST: Yes OR No** (Please Circle Choice) *****

If this is the **FINAL REQUEST** Lessee hereby confirms that said Equipment together with all other property covered by Receipt Certificates delivered prior to this Receipt Certificate represents **all** of the Equipment to be subject to the Lease.

2. Lessee agrees that (a) the undersigned Lessor has not selected, manufactured, sold or supplied any of the Equipment, (b) Lessee has selected all of the Equipment and its suppliers, and (c) Lessee has received a copy of, and approved, the purchase orders or purchase contracts for the Equipment.
3. **AS BETWEEN LESSEE AND LESSOR, LESSEE AGREES THAT: (a) LESSEE HAS RECEIVED, INSPECTED AND APPROVED ALL OF THE EQUIPMENT; (b) ALL EQUIPMENT IS IN GOOD WORKING ORDER AND COMPLIES WITH ALL PURCHASE ORDERS OR CONTRACTS AND ALL APPLICABLE SPECIFICATIONS; (c) LESSEE IRREVOCABLY ACCEPTS ALL EQUIPMENT FOR PURPOSES OF THE LEASE "AS-IS, WHERE-IS" WITH ALL FAULTS; AND (d) LESSEE UNCONDITIONALLY WAIVES ANY RIGHT THAT IT MAY HAVE TO REVOKE ITS ACCEPTANCE OF THE EQUIPMENT.**
4. Lessee and Lessor hereby request that the Escrow Agent identified in the above Escrow Agreement pay from the Equipment Acquisition Fund established under the Escrow Agreement to each party designated below as Payee, the amount stated below in payment of all or part of the Purchase Price (as such term is used in the Escrow Agreement) as stated below. Lessee hereby confirms that said amount is due and payable under a purchase order or contract relating to the Equipment described herein and has not formed the basis of any prior request for payment.

Payee #1:

Name: _____

Address: _____

Invoice Number: _____ Date: _____

Amount: \$ _____

APPROVED AS TO FORM

By: MICHAEL E. GATES
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

WIRE INSTRUCTIONS:

Name of Bank: _____

ABA No: _____

Account Number: _____

Account Name: _____

Payee #2:

Name: _____

Address: _____

Invoice Number: _____ Date: _____

Amount: \$ _____

WIRE INSTRUCTIONS:

Name of Bank: _____

ABA No: _____

Account Number: _____

Account Name: _____

Payee #3:

Name: _____

Address: _____

Invoice Number: _____ Date: _____

Amount: \$ _____

WIRE INSTRUCTIONS:

Name of Bank: _____

ABA No: _____

Account Number: _____

Account Name: _____

5. If this is a Final Request, then this Receipt Certificate/Payment Request shall constitute a Full Funding Notice and if any funds remain in the Equipment Acquisition Fund established pursuant to the Escrow Agreement (including any remaining amount of the Lessor's Deposit and/or any earnings thereon; collectively referred to as the "Escrow Balance"), then Lessee hereby directs Escrow Agent to pay the Escrow Balance as follows: (a) to Lessee if the Escrow Balance is less than \$500.01; and (b) otherwise to Lessor and Lessor is hereby authorized to apply the Escrow Balance as follows: (i) If Escrow Balance is less than interest paid on the Lease during the previous 18 months the Escrow Balance will be reimbursed to the Lessee (ii) if the Escrow Balance is equal to or less than the next Rent Payment due under the Lease, apply the Escrow Balance to said Rent Payment; or (iii) if the Escrow Balance is greater than the next Rent Payment due under the Lease, apply the Escrow Balance as a partial prepayment of principal under the Lease and Lessor is authorized to send a revised Payment Schedule for the Lease that reflects said prepayment.

6. Lessee will confirm wire instructions by telephone (if required by Lessor) by designating an Authorized Contact ("Contact") for Lessee below. This Contact must be someone who has the requisite knowledge to verify the instructions outlined above AND must be someone other than the authorized signer hereto. Lessee should consider designating more than one Contact to avoid funding delays.

CITY OF HUNTINGTON BEACH
(Lessee)

JPMORGAN CHASE BANK, N.A.
(Lessor)

By: _____

By: _____

Title: _____

Title: Authorized Officer

Contact #1:

Name: _____

Title: _____

Direct Telephone: _____

General Telephone: _____

Contact Signature: _____

Contact #2:

Name: _____

Title: _____

Direct Telephone: _____

General Telephone: _____

Contact Signature: _____

SCHEDULE A-1

Equipment Description

(This Schedule A-1 is attached to a Receipt Certificate/Payment Request relating to the Lease Schedule.)

Lease Schedule No: 1000147653 dated June 15, 2021

The Equipment described below includes all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto.

Equipment Location: _____

Equipment Description: _____

**ESCROW FUNDING SCHEDULE ADDENDUM
AND ARBITRAGE CERTIFICATE**

Dated as of: June 15, 2021

Lease Schedule No.: 1000147653

Lessee: CITY OF HUNTINGTON BEACH

Escrow Agent: DEUTSCHE BANK TRUST COMPANY AMERICAS

Escrow Agreement dated as of: JUNE 15, 2021

Amount To Be Deposited Into Escrow: \$8,750,000.00 ("Lessor's Deposit")

Reference is made to the above Lease Schedule ("Schedule") to the Master Lease-Purchase Agreement identified in the Schedule ("Master Lease") by and between **JPMORGAN CHASE BANK, N.A.** ("Lessor") and the above lessee ("Lessee"). As used herein, "Lease" shall mean the Schedule and the Master Lease, but only to the extent that the Master Lease relates to the Schedule. This Addendum amends and modifies the terms and conditions of the Lease and is hereby made a part of the Lease. Unless otherwise defined herein, capitalized terms defined in the Master Lease shall have the same meaning when used herein.

NOW, THEREFORE, as part of the valuable consideration to induce the execution of the Lease, Lessor and Lessee hereby agree to amend the Lease as follows:

1. Lessee and Lessor together with the above Escrow Agent ("Escrow Agent") have entered into the above Escrow Agreement ("Escrow Agreement") establishing a fund ("Equipment Acquisition Fund") from which the Purchase Price of the Equipment will be paid.

2. Lessor shall deposit such amount into escrow as is required by the Escrow Agreement, which amount shall be credited to the Equipment Acquisition Fund. Lessee shall pay the balance of the Purchase Price of the Equipment, either by deposit in escrow to the Equipment Acquisition Fund or by direct payment to the Suppliers of the Equipment.

3. The Lease Term of the Lease shall commence on the earlier of the date specified in the Payment Schedule to the Schedule or the date of Lessor's deposit of funds into the Equipment Acquisition Fund. Notwithstanding the statements regarding delivery and acceptance of the Equipment in the Schedule, the parties acknowledge that the Equipment will be accepted as provided in the Escrow Agreement.

4. The delivery of documents and the satisfaction of any other conditions required by the Escrow Agreement or this Addendum shall be additional Funding Conditions for the Lease.

5. Upon Lessee's execution of the Escrow Agreement, Lessee hereby represents and warrants to Lessor that: (a) Lessee has full power, authority and legal right to execute and deliver the Escrow Agreement and to perform its obligations under the Escrow Agreement, and all such actions have been duly authorized by appropriate findings and actions of Lessee's governing body; (b) the Escrow Agreement has been duly executed and delivered by Lessee and constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms; and (c) the Escrow Agreement is authorized under, and the authorization, execution and delivery of the Escrow Agreement complies with, all applicable federal, state and local laws and regulations (including, but not limited to, all open meeting, public bidding and public investment laws) and all applicable judgments and court orders.

6. The opinion of Lessee's legal counsel will include statements to the same effect as the representations of Lessee in paragraph 5 above.

7. It shall be an additional event of default under the Lease if Lessee fails to pay or perform any of its obligations under the Escrow Agreement or this Addendum or if any of the representations of Lessee in the Escrow Agreement or this Addendum prove to be false, misleading or erroneous in any material respect.

8. **ARBITRAGE CERTIFICATE.** The authorized representative of Lessee who executes this Addendum hereby certifies that he/she is the duly qualified and acting representative of Lessee with the title set forth below his/her signature hereon; that Lessee has executed and delivered the Schedule and the Master Lease (collectively, the "Lease"); that Lessee is a political subdivision of the State identified in the Lease; and that in his/her official capacity as such officer he/she is responsible for executing and delivering, on

behalf of the Lessee, the Lease and this Addendum. This paragraph of this Addendum (hereinafter, this paragraph shall be identified as the "Arbitrage Certificate") is being issued by Lessee as a "no arbitrage certificate" pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and Treasury Regulations, Sections 1.148-0 through 1.148.11 (the "Regulations"). Lessee represents and warrants to Lessor that the following facts, estimates and circumstances are in existence on the date of this Arbitrage Certificate or are reasonably expect to occur hereafter.

(a) The Lease provides for the lease of the Equipment described in the Lease by Lessor to Lessee. Under the Lease, Lessee is required to make Rent Payments with respect to the Equipment, comprising principal and interest, on the dates and in the amounts stated in the Payment Schedule to the Lease.

(b) Pursuant to the Lease and for the purpose of meeting its obligations thereunder and assuring the Lessee of the availability of monies needed to pay the cost of the Equipment when due, Lessee, Lessor and the Escrow Agent have executed the Escrow Agreement.

(c) Contracts or purchase orders providing for the acquisition and delivery of the Equipment have been issued by Lessee to Equipment Vendors therefor and the Equipment will be acquired and installed with due diligence. Based upon the provisions of the contracts or purchase orders, the Equipment will be acquired and installed no later than **eighteen (18) months** from the date of the Escrow Agreement ("Funding Expiration Date").

(d) The Escrow Agreement provides that Lessor shall deposit the Lessor's Deposit into escrow to be credited to the Equipment Acquisition Fund created by the Escrow Agreement and utilized to pay for the Equipment as provided therein. It is presently expected that all such funds initially credited to the Equipment Acquisition Fund shall be disbursed to pay for the Equipment, but any such amounts ultimately determined not to be needed for such purposes and the interest earnings on the amounts held in escrow shall be utilized on or after the Funding Expiration Date to pay part of the principal due under the Lease, as provided in the Escrow Agreement.

(e) All of the spendable proceeds of the Lease will be expended on the Equipment and related expenses on or before the Funding Expiration Date.

(f) The original proceeds of the Lease, and interest to be earned thereon, do not exceed the amount necessary for the purpose for which the Lease is issued.

(g) The interest of Lessee in the Equipment has not been and is not expected during the term of the Lease to be sold or disposed of by Lessee.

(h) No sinking fund is expected to be created by Lessee with respect to the Lease and Rental Payments.

(i) Lessee represents, warrants and covenants to one of the following statements of this clause (i) as is initialed by Lessee below [and if Lessee fails to initial its selection, then subclause (A) shall be deemed to have been selected by Lessee]:

_____ (A) 100% of the proceeds of the Lease shall be paid for the acquisition of the Equipment within 18 months of the date of the Escrow Agreement in accordance with the following schedule:

No less than 15% within 6 months of the date of the Escrow Agreement;
No less than 60% within 12 months of the date of the Escrow Agreement; and
No less than 100% within 18 months of the date of the Escrow Agreement.

_____ (B) 100% of the proceeds of the Lease shall be paid for the acquisition of the Equipment within 6 months of the date of the Escrow Agreement.

_____ (C) Lessee qualifies for the "small issuer" exemption in section 148(f)(4)(D) of the Code because all of the following are true: (1) Lessee is a governmental unit with general taxing powers, and (2) the Lease is not a "private activity bond" as defined in Section 141 of the Code, and (3) 95% or more of the proceeds of the Lease shall be used for the governmental activities of Lessee, and (4) the aggregate face amount of all tax exempt bonds and other tax exempt obligations (other than "private activity bonds") issued by Lessee (and any subordinate entities of Lessee as contemplated by Section 148(f) of the Code) during the calendar year in which the Lease is issued is not reasonably expected to exceed \$5,000,000.00.

(j) Lessee hereby covenants that Lessee shall comply with all of the requirements of the Code and Regulations relating to the rebate of arbitrage profit to the United States of America (including, without limitation Section 148(f) of the Code) and will rebate to the United States of America all arbitrage profit required thereby.

(k) To the best of the knowledge and belief of the undersigned, the expectations of Lessee, as set forth above, are reasonable; and there are no present facts, estimates and circumstances which would change the foregoing expectations.

(l) Lessee has not been notified of the listing or proposed listing of it by the Internal Revenue Service as an issuer whose arbitrage certificates may not be relied upon.

9. If there is a partial prepayment of principal pursuant to the terms of either clause (c) of Section 2.04 second of the Escrow Agreement or clause (c) of Section 2.05 second of the Escrow Agreement, then in addition to the payment of the Partial Principal Amount, a Break Funding Charge (as defined below) shall be due and payable if (i) exceeds (ii) where (i) equals the interest portion of each of the Rent Payments which would have been paid if such prepayment had not occurred calculated at the interest rate swap including any forward rate swap, if any, which Lessor shall be deemed to have entered into on the earlier of (a) the date the Lease was originally funded or (b) the date a rate lock letter was signed, if any, and (ii) equals the interest portion of each of the Rent Payments which would have been paid if such prepayment had not occurred calculated at the interest rate swap which Lessor shall be deemed to have entered into on the date of prepayment (the "Replacement Swap"). The "Break Funding Charge" equals the present value of the difference between (i) and (ii) for each interest period discounted to a net present value as of the date of prepayment using the fixed interest rate of the Replacement Swap. Lessee acknowledges that (i) Lessor might not fund or hedge its fixed-rate loan portfolio or any prepayment thereof on a loan-by-loan basis at all times, and agrees that the Break Funding Charge is a reasonable and appropriate method of calculating liquidated damages for any prepayment irrespective of whether any of the foregoing hedging transactions have in fact occurred or occurred precisely as stated with respect to the Lease and (ii) all calculations and determinations by the Lessor of the Break Funding Charge or of any element thereof, if made in accordance with its then standard procedures for so calculating or determining such amounts, shall be conclusive absent manifest arithmetic error.

10. Except as expressly amended by this Addendum and other modifications signed by Lessor, the Lease remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date first referenced above.

CITY OF HUNTINGTON BEACH
(Lessee)

JPMORGAN CHASE BANK, N.A.
(Lessor)

By: _____

By: _____

Title: _____

Title: Authorized Officer

APPROVED AS TO FORM

By: _____
MICHAEL E. GATES 
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

ESCROW AGREEMENT
(Gross Fund-Earnings to Lessee)

Dated as of: JUNE 15, 2021

This Escrow Agreement together with all addenda, riders and attachments hereto, as the same may from time to time be amended, modified or supplemented ("Agreement") is made and entered as of the date set forth above by and among the Escrow Agent identified below ("Escrow Agent"), the Lessee identified below ("Lessee") and JPMorgan Chase Bank, N.A. ("Lessor"). As used herein, "Party" shall mean any of Lessee, Lessor or Escrow Agent, and "Parties" shall mean all of Lessee, Lessor and Escrow Agent. The Parties hereby authorize the Escrow Agent to act as escrow agent hereunder. All references to Escrow Agent shall mean Deutsche Bank Trust Company Americas in its capacity as escrow agent only, and all references to Lessor shall mean JPMorgan Chase Bank, N.A. in its capacity as lessor only.

Escrow Agent: Deutsche Bank Trust Company Americas

Lessee: CITY OF HUNTINGTON BEACH

For good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. RECITALS.

1.01 Lessor and Lessee have entered into the Lease identified below whereby Lessor has agreed to lease and sell certain property generally described in the attached Schedule A-1 (the "Equipment") to Lessee, and Lessee has agreed to lease and purchase the Equipment from Lessor, in the manner and on the terms set forth in the Lease.

1.02 "Lease" means, collectively, the Lease Schedule identified below and the Master Lease-Purchase Agreement identified in said Lease Schedule (to the extent that it relates to said Lease Schedule) together with all exhibits, schedules, addenda, riders and attachments thereto. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of, nor have any requirements to comply with, the terms and conditions of any other agreement, instrument or document between Lessee and Lessor, in connection herewith, if any, including without limitation the Lease, nor shall the Escrow Agent be required to determine if any person or entity has complied with any such agreements, nor shall any such obligations of the Escrow Agent be inferred from the terms of such agreements, even though reference thereto may be made in this Agreement. In the event of any conflict between the terms and provisions of this Agreement, those of the Lease, any schedule or exhibit attached to the Agreement, or any other agreement among the Parties, the terms and conditions of this Agreement shall control.

Lease Schedule No. 1000147653

1.03 **LESSOR'S DEPOSIT: \$8,750,000.00.** Lessor shall pay or cause to be paid to the Escrow Agent the amount of the Lessor's Deposit. The date that the Lessor's Deposit is paid to the Escrow Agent shall be referred to as the "Lessor's Deposit Date". Escrow Agent shall credit the Lessor's Deposit to the Equipment Acquisition Fund established in Section 2 hereof on the Lessor's Deposit Date. To the extent that the purchase price of the Equipment exceeds the Lessor's Deposit, Lessee shall either notify Escrow Agent and then deposit with Escrow Agent funds which will be credited to the Equipment Acquisition Fund and used to pay the balance of the purchase price of the Equipment or Lessee shall pay such balance directly to the suppliers.

1.04 **FUNDING EXPIRATION DATE: DECEMBER 15, 2022** ("Funding Expiration Date"). Lessee and Lessor agree that all Equipment should be delivered and installed, and all funds disbursed from the Equipment Acquisition Fund, no later than the above Funding Expiration Date.

1.05 Under the Lease, Lessee will cause each item of Equipment to be ordered from the applicable suppliers. Lessee shall furnish to Lessor as soon as available, a copy of the purchase orders or purchase contracts for all Equipment ordered pursuant to the Lease, showing the supplier, the purchase price and the estimated delivery dates.

1.06 Subject to such control by Lessee and Lessor as is provided herein, Lessor and Lessee agree to appoint the Escrow Agent and the Escrow Agent accepts such appointment to receive, hold, invest and disburse the moneys deposited with the Escrow Agent as described in this Agreement. The Escrow Agent shall not be obligated to assume or perform any obligation of Lessee or Lessor under the Lease or of any supplier with respect to any Equipment by reason of anything contained in this Agreement. Escrow Agent

shall have only those duties as are specifically and expressly provided herein, which shall be deemed purely ministerial in nature, and no other duties shall be implied. Any funds in the Equipment Acquisition Fund not needed to pay the purchase price of Equipment will be paid to Lessor or Lessee, all as hereinafter provided.

1.07 This Agreement is not intended to alter or change in any way the rights and obligations of Lessor and Lessee under the Lease, but is entirely supplemental thereto. The provisions of this Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing signed by all Parties.

1.08 Each of the Parties hereto has authority to enter into this Agreement, and has taken all actions necessary to authorize the execution of this Agreement by the officers whose signatures are affixed hereto. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby irrevocably waived by the Parties hereto to the fullest extent permitted by law, to the end that this Agreement shall be enforced as written.

SECTION 2. EQUIPMENT ACQUISITION FUND.

2.01 The Escrow Agent's sole responsibility prior to the Lessor's Deposit Date shall be to establish an escrow account designated as the Equipment Acquisition Fund (the "Equipment Acquisition Fund"). Escrow Agent shall keep such funds deposited into the escrow account separate and apart from all other funds and money held by it, and shall administer such funds as provided in this Agreement. Escrow Agent's rights and responsibilities under this Agreement, other than establishment of the Equipment Acquisition Fund, shall begin on the Lessor's Deposit Date, which may be on or after the date of this Agreement.

2.02 The Lessor's Deposit and any funds deposited by Lessee under Section 1.03 hereof shall be credited to the Equipment Acquisition Fund on the Lessor's Deposit Date and shall be used to pay the balance of the purchase price of each item of Equipment subject to the Lease. The Escrow Agent shall pay to the suppliers of the Equipment the payment amounts then due and payable with respect thereto upon receipt of a written request executed by an Authorized Representative (as defined in Section 7) of the Lessor, delivered to the Escrow Agent in accordance with Section 9.02, and after the Escrow Agent has satisfied any applicable security procedures as required by Section 7. The written request will specify the supplier/beneficiary, its address or wire instructions and the applicable portion of the Equipment Acquisition Fund to be paid (the "Receipt Certificate/Payment Request"). As between Lessee and Lessor only, Lessee agrees that it will submit to Lessor for Lessor's signature a Receipt Certificate/Payment Request that has been executed by Lessee together with (a) the suppliers' invoices specifying the applicable portion of the purchase price of the items of Equipment described in said Receipt Certificate, (b) if the item of Equipment is a titled vehicle, a copy of the Manufacturer's Statement of Origin (MSO) covering such item showing Lessor as first and sole lienholder, and (c) any other documents required by the Lease, and Lessee agrees that Lessor shall not be obligated to execute any such Receipt Certificate until all of the foregoing have been submitted to Lessor.

2.03 If an Authorized Representative of the Lessor delivers to the Escrow Agent written notice of the occurrence of an event of default under the Lease or of a termination of the Lease due to a non-appropriation event or non-renewal event under the Lease, then the Escrow Agent shall immediately remit to Lessor the remaining balance of the Equipment Acquisition Fund. After its receipt of a notice of an event of default under the Lease, the Escrow Agent shall comply with all written instructions from an Authorized Representative of Lessor without further consent from Lessee or any other person. After its receipt of a notice of an event of default under the Lease, the Escrow Agent shall not accept or act upon any instruction from Lessee nor shall it permit any distribution or release of any part of the Equipment Acquisition Fund without written authorization from an Authorized Representative of the Lessor.

2.04 Upon the Escrow Agent's receipt of a Full Funding Notice (as defined below), the Escrow Agent shall apply the balance remaining in the Equipment Acquisition Fund:

first, to all reasonable fees and expenses incurred by the Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessee and Lessor; and

second, to Lessor to be applied by Lessor for benefit of Lessee either: (a) toward the principal and interest portion of the Rent Payment next coming due under the Lease; or (b) to reimburse the Lessee for the interest portion of their Rental Payments previously made within the past 18 months; or (c) toward a partial prepayment of the principal amount remaining due under the Lease and thereupon Lessor shall prepare and deliver to Lessee a revised Payment Schedule reflecting such partial prepayment of principal.

"Full Funding Notice" means written notification by an Authorized Representative of the Lessor to the Escrow Agent of the Lessor's receipt of the Final Receipt Certificate/Payment Request which confirms that all Equipment covered by the Lease has been delivered to and accepted by Lessee under the Lease and that the full amount of the Lessor's Deposit has been paid to the applicable suppliers.

2.05 Upon the Funding Expiration Date stated in Section 1.04 above, the Escrow Agent shall apply the remaining balance in the Equipment Acquisition Fund:

first, to all reasonable fees and expenses incurred by the Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessee and Lessor; and

second, to Lessor to be applied by Lessor for benefit of Lessee either: (a) toward the principal portion of the Rent Payment next coming due under the Lease; or (b) to reimburse the Lessee for the interest portion of their Rental Payments previously made within the past 18 months; or (c) toward a partial prepayment of the principal amount remaining due under the Lease and thereupon Lessor shall prepare and deliver to Lessee a revised Payment Schedule reflecting such partial prepayment of principal.

Upon the Funding Expiration Date stated in Section 1.04 above, the Escrow Agent shall apply the interest earnings on the Equipment Acquisition Fund as set forth in Section 2.04 above.

2.06 The Escrow Agent shall not be responsible for the sufficiency of the moneys credited to the Equipment Acquisition Fund to make the payments herein required.

2.07 This Agreement shall terminate upon disbursement by the Escrow Agent of all money held by it hereunder, subject to the provisions of Section 4.

SECTION 3. MONEY IN EQUIPMENT ACQUISITIONS FUND; INVESTMENT.

3.01 The money and investments held by the Escrow Agent under this Agreement are irrevocably held in escrow for the benefit of Lessee and Lessor, and such money, together with any income or interest earned thereon, shall be expended only as provided in this Agreement, and shall not be subject to any security interest or lien, by or for the benefit of any creditor of either Lessee or Lessor; provided, that the money and investments held by the Escrow Agent under this Agreement shall be subject to the security interests provided in Sections 3.07 and 4.03 hereof and further shall be subject to Section 12.04.

3.02 Money held by the Escrow Agent hereunder shall be invested and reinvested by the Escrow Agent at the written direction executed by an Authorized Representative of Lessee in Qualified Investments (as defined below). Such investments shall be registered in the name of the Escrow Agent and held by the Escrow Agent. The Escrow Agent may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section. Such investments and reinvestments shall be made giving consideration for the time at which funds are required to be available. No investment instruction shall be given that would cause the Agreement to be deemed an "arbitrage bond" within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended.

3.03 The Escrow Agent shall have no discretion whatsoever with respect to the management, disposition or investment of the Equipment Acquisition Fund. Lessee acknowledges and agrees that all investments made pursuant to this section shall be for the account and risk of Lessee and any losses associated with investments shall be borne solely by Lessee. Escrow Agent shall from time to time invest and reinvest the funds held in the Equipment Acquisition Fund account, as and when instructed by an Authorized Representative of Lessee, in writing, in any one or more of the following (hereinafter, "Qualified Investments"): (a) obligations of the United States of America or any agency created thereby; (b) general obligations of any State of the United States of America; (c) general obligations of any political subdivision of a State of the United States of America, if such obligations are rated by at least two recognized rating services as at least AA; (d) certificates of deposit of any national bank or banks (including, if applicable, Escrow Agent or an affiliate of Escrow Agent) insured by the Federal Deposit Insurance Corporation (FDIC) with a net worth in excess of \$100,000,000.00 ("Acceptable Bank"); (e) obligations of State or Municipal Public Housing Authorities chartered by the United States of America and guaranteed by the United States of America; (f) demand interest bearing accounts of Escrow Agent or an affiliate of Escrow Agent if Escrow Agent or an affiliate of Escrow Agent is an Acceptable Bank; (g) money market funds whose assets are solely invested in obligations listed in (a) through (f) above, including repurchase agreements secured by such obligations and which money market funds are rated in either of the two highest categories of any Rating Agency at the time of purchase, including, without limitation, the Deutsche Bank Trust Company Americas Funds, or any other mutual fund for which the Escrow Agent or an affiliate of the Escrow Agent serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (1) the Escrow Agent or an affiliate of the Escrow Agent receives fees from such funds for services rendered, (2) the Escrow Agent charges and collects fees for services rendered pursuant to this Agreement, which fees are, separate from the fees received from such funds and (3) services performed for such funds and pursuant to this Agreement may at times duplicate those provided to such funds by the Escrow Agent or its affiliates; and (h) any other obligations approved in writing by Lessor. Unless otherwise directed in writing by an Authorized Representative of the Lessee, the Escrow Agent shall invest the Equipment Acquisition Fund, including all income earnings, as selected by the Lessee on schedule 1 hereto ("**Schedule 1**") upon the execution of this Agreement. In the event that no election is made by an Authorized Representative of Lessee by the Lessor's Deposit Date, Escrow Agent shall invest the Equipment Acquisition Fund in an investment available through the Escrow Agent's Trust Platform or in an interest bearing account that the Escrow Agent has agreed to and upon written direction to the Escrow Agent.

3.04 If any of the above-described Qualified Investments are not legal investments of Lessee, then an Authorized Representative of the Lessee shall immediately notify Escrow Agent which of said Qualified Investments are not legal investments of

Lessee, and shall provide Escrow Agent with direction to invest funds in accordance with Section 3.03. It is the sole responsibility of the Lessee to ascertain that all investments comply with all applicable federal, state, and local laws, statutes, and policies.

3.05 The Escrow Agent shall, without further direction, sell such investments as and when required to make any payment from the Equipment Acquisition Fund. Any income received on such investments shall be credited to the Equipment Acquisition Fund.

3.06 The Escrow Agent shall furnish a monthly statement listing all investments to Lessor and to Lessee. The Escrow Agent shall not be responsible or liable for any loss suffered in connection with any investments of moneys made by it in accordance with this Section. Market values, exchange rates and other valuation information (including without limitation, market value, current value or notional value) of any Qualified Investment furnished in any report or statement may be obtained from third party sources and is furnished for the exclusive use of the Parties. The Escrow Agent has no responsibility whatsoever to determine the market or other value of any Qualified Investment and makes no representation or warranty, express or implied, as to the accuracy of any such valuations or that any values necessarily reflect the proceeds that may be received on the sale of a Qualified Investment.

3.07 Lessee hereby grants Lessor a security interest in the money and investments held by the Escrow Agent under this Agreement as collateral security for the payment and performance of all of Lessee's obligations under the Lease, this Agreement and any agreement, contract or instrument related to the Lease or this Agreement. Lessee represents and warrants to Lessor that the money and investments held by the Escrow Agent under this Agreement are free and clear of any liens, security interests or encumbrances other than the security interests created under this Agreement. Escrow Agent hereby acknowledges that it holds the money and investments held by the Escrow Agent under this Agreement subject to such security interest created by Lessee as bailee for Lessor; provided, that Escrow Agent's security interest in such money and investments as created under Section 4.03 hereof shall be superior to Lessor's security interest therein. It is understood that Escrow Agent has no responsibility with respect to the validity or perfection of the security interest other than to act in accordance with the terms of this Agreement.

SECTION 4. ESCROW AGENT'S AUTHORITY; INDEMNIFICATION.

4.01 The Escrow Agent may: act in reliance upon any writing, notice, certificate, instruction, instrument or signature which it, in good faith, believes to be genuine and to have been signed by an Authorized Representative of the applicable Party or Parties; assume the validity and accuracy of any statement or assertion contained in such a writing, notice, certificate, instruction or instrument; and assume that any person purporting to give any such writing, notice, certificate, instruction or instrument in connection with the provisions hereof has been duly authorized to do so. Except as expressly provided otherwise in this Agreement, the Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form of, the manner of execution of, or the validity, accuracy or authenticity of any writing, notice, certificate, instruction or instrument deposited with it, nor as to the identity, authority or right of any person executing the same. The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it except to the extent that a final adjudication of a court of competent jurisdiction determines that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to either Party. The Escrow Agent's duties hereunder (including, without limitation, its duties as to the safekeeping, investment and disbursement of moneys in the Equipment Acquisition Fund) shall be limited to those specifically provided herein.

4.02 Lessee and Lessor jointly and severally shall indemnify, defend and save harmless the Escrow Agent from any and all claims, liabilities, losses, damages, fines, penalties and expenses (including out-of pocket and incidental expenses and fees and expenses of in house or outside counsel) ("Losses") arising out of or in connection with (i) its execution and performance of this Agreement, except to the extent and that such Losses are determined by a court of competent jurisdiction through a final order to have been caused by the gross negligence or willful misconduct of the Escrow Agent, or (ii) its following any instructions or other directions from Lessee or the Lessor, except to the extent that its following any such instruction or direction is expressly forbidden by the terms hereof. The provisions of this Section 4.02 shall survive the termination of this Agreement and the resignation or removal of the Escrow Agent for any reason. The indemnifications set forth herein are intended to and shall include the indemnification of all affected agents, directors, officers and employees of the Escrow Agent. In no event shall the Escrow Agent be liable for special, incidental, punitive, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

4.03 Lessee and Lessor hereby grant Escrow Agent a first priority security interest in the money and investments held by the Escrow Agent under this Agreement as collateral security for the costs and expenses of the foregoing of Section 4.02 and for any other expenses, costs, fees or charges of any character or nature which may be incurred by the Escrow Agent (including reasonable attorneys' fees and court costs) relating to any suit (interpleader or otherwise) or other dispute arising between Lessee and Lessor as to the correct interpretation of the Lease, this Agreement or any instructions given to the Escrow Agent hereunder, with the right of the Escrow Agent, regardless of the instructions aforesaid, to hold the said property until and unless said expenses, costs, fees and charges shall be fully paid.

4.04 Except as otherwise provided in accordance with Section 2.03 above, if Lessee or Lessor disagree about the interpretation of the Lease or this Agreement, about their rights and obligations under the Lease or this Agreement, or about the propriety

of any action contemplated by the Escrow Agent hereunder, then the Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. Lessee and Lessor shall pay all costs, including reasonable attorneys' fees, in connection with such action. Unless the Escrow Agent has received a notice of an event of default under the Lease in accordance with Section 2.03 above, if Escrow Agent receives conflicting instructions from the Parties, the Escrow Agent shall be entitled and fully protected in (a) suspending all or any part of its activities under this Agreement until it shall be given a joint written direction executed by Authorized Representatives of the Parties which eliminates such conflict or by a final court order or (b) file an action in interpleader. Lessor and Lessee agree to pursue any redress or recourse in connection with any dispute without making the Escrow Agent a party to the same.

4.05 Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through affiliates or agents.

4.06 The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of facts or errors of judgment, or for any acts or omissions of any kind unless caused by the Escrow Agent's gross negligence or willful misconduct. None of the provisions contained in this Agreement shall require the Escrow Agent to use or advance its own funds in the performance of any of its duties or the exercise of any of its rights or powers hereunder.

SECTION 5. CHANGE OF ESCROW AGENT.

5.01 Upon agreement of the parties hereto, a national banking association or a state bank having capital (exclusive of borrowed capital) and surplus of at least \$10,000,000.00, qualified as a depository of public funds, may be substituted to act as Escrow Agent under this Agreement. Such substitution shall not be deemed to affect the rights or obligations of the parties hereto. Upon any such substitution, the Escrow Agent agrees to assign to such substitute Escrow Agent all of its rights under this Agreement.

5.02 The Escrow Agent may resign and be discharged from its duties hereunder at any time by giving thirty (30) calendar days' prior written notice of such resignation to the Lessee and Lessor. The Lessee and Lessor may remove the Escrow Agent at any time by giving thirty (30) calendar days' prior written notice to the Escrow Agent. Upon such notice, a successor escrow agent shall be appointed by the Lessor and Lessee, who shall provide written notice of such to the resigning Escrow Agent. Such successor escrow agent shall become the escrow agent hereunder upon the resignation or removal date specified in such notice. If the Lessor and Lessee are unable to agree upon a successor escrow agent within thirty (30) days after such notice, the Escrow Agent may, in its sole discretion, deliver the Equipment Acquisition Fund to the Lessor at the address provided herein or may apply to a court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief. The costs and expenses (including its attorneys' fees and expenses) incurred by the Escrow Agent in connection with such proceeding shall be paid by the Lessee and Lessor. Upon receipt of the identity of the successor escrow agent, the Escrow Agent shall either deliver the Escrow Property then held hereunder to the successor Escrow Agent, less the Escrow Agent's fees, costs and expenses or other obligations owed to the Escrow Agent to be paid from any interest earned in respect of the Escrow Property, or hold any interest earned in respect of the Escrow Property (or any portion thereof), pending distribution, until all such fees, costs and expenses or other obligations are paid. Upon its resignation and delivery of the Escrow Property as set forth in this Section, the Escrow Agent shall be discharged of and from any and all further obligations arising in connection with the Escrow Property or this Agreement.

5.03 The Escrow Agent may appoint an agent to exercise any of the powers, rights or remedies granted to the Escrow Agent under this Agreement, to hold title to property or to take any other action which may be desirable or necessary hereunder.

5.04 Any corporation, association or other entity into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or otherwise transfer all or substantially all of its corporate trust assets and business to any corporation, association or other entity resulting from any such conversion, sale, merger consolidation or other transfer to which it is a party, ipso facto, shall be and become successor escrow agent hereunder, vested with all other matters as was its predecessor, without the execution or filing of any instrument or any further act on the part of the parties hereto, notwithstanding anything herein to the contrary.

SECTION 6. ADMINISTRATIVE PROVISIONS.

6.01 The Escrow Agent shall keep complete and accurate records of all money received and disbursed under this Agreement, which shall be available for inspection by Lessee or Lessor, or the agent of either of them, at any time during regular business hours.

6.02 This Agreement shall be construed and governed in accordance with the laws of the State where Lessee is located. Each Party irrevocably waives any objection on the grounds of venue, forum non-conveniens or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of the courts located in the State where the Lessee is located. To the extent that in any jurisdiction either Party may now or hereafter be entitled to

claim for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, such Party shall not claim, and hereby irrevocably waives, such immunity.

6.03 The Parties represent, warrant and covenant that each document, notice, instruction or request provided by such Party to Escrow Agent shall comply with applicable laws and regulations. Any provision of this Agreement found to be prohibited by law shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Agreement.

6.04 This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. Any entity into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business may be transferred, shall be the Escrow Agent under this Agreement without further act. Specifically, the term "Lessor" as used herein means any person or entity to whom Lessor has assigned its right to receive Rent Payments under the Lease and any other payments due to Lessor hereunder from and after the date when a written notice of such assignment is filed with the Escrow Agent. Neither this Agreement nor any right or interest hereunder may be assigned by any Party without the prior consent of Escrow Agent and the other Party; unless the assignment is to JPMorgan Chase & Co., then consent will not be required.

6.05 This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Agreement. Except as expressly provided in Section 4 above, nothing in this Agreement, whether express or implied, shall be construed to give to any person or entity other than Escrow Agent and the Parties any legal or equitable right, remedy, interest or claim under or in respect of the Equipment Acquisition Fund or this Agreement.

6.06 All signatures of the Parties to this Agreement may be transmitted by a Portable Document Format ("PDF"), and PDF will, for all purposes, be deemed to be the original signature of such Party whose signature it reproduces, and will be binding upon such Party.

SECTION 7. SECURITY PROCEDURES.

In the event funds transfer instructions are given (whether in writing or by PDF), executed by the appropriate Party or Parties as evidenced by the signatures of the person or persons signing this Agreement or one of their designated persons as set forth in Schedule 2 (each an "Authorized Representative"), and delivered to the Escrow Agent in accordance with Section 9.02, the undersigned is authorized to certify that the signatories on Schedule 2 are specimen signatures of each of their respective Authorized Representatives. The Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the Lessee or Lessor to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank. The Escrow Agent may apply any of the escrowed funds for any payment order it executes using any such identifying number, even where its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The Lessor and Lessee acknowledge that these security procedures are commercially reasonable.

SECTION 8. ESCROW AGENT FEES.

\$1,500 ("Administration Fee"). As compensation for Escrow Agent's services hereunder, Lessee agrees to pay Escrow Agent the above Administration Fee. If the Administration Fee is payable by Lessee, then Lessee authorizes Escrow Agent either to deduct said Administration Fee from the interest and earnings otherwise payable to Lessee under this Agreement or to bill and collect said Administration Fee at any time. In addition, Lessee agrees to reimburse Escrow Agent for its reasonable out-of-pocket costs and expenses and any extraordinary fees and expenses for performing its obligations hereunder (including, but not limited to, attorney's fees and expenses) and to pay all other amounts expressly due and payable to Escrow Agent hereunder. The Escrow Agent may impose, charge, pass-through and modify fees and/or charges for any account established and services provided by the Escrow Agent, including but not limited to, transactions, maintenance, balance-deficiency, and service fees, agency or trade execution fees, and other charges, including those levied by any governmental authority.

SECTION 9. NOTICES.

9.01 Notwithstanding anything to the contrary as set forth Section 9.02, any notices and demands under or related to this document shall be in writing and delivered to the intended Party at its address stated herein. Notice shall be deemed sufficiently given or made (a) upon receipt if delivered by hand, (b) on the Delivery Day after the day of deposit with a nationally recognized courier service, (c) on the third Delivery Day after the day of deposit in the United States mail, sent certified, postage prepaid with return receipt requested, (d) only if to Lessee, on the third Delivery Day after the notice is deposited in the United States mail, postage prepaid, and (e) upon receipt if delivered by confirmed facsimile. "Delivery Day" means a day other than a Saturday, a Sunday, or any other day on which national banking associations are authorized to be closed. Any Party may change its address for the purposes of the receipt of notices and demands by giving notice of such change in the manner provided in this provision.

9.02 Any instructions setting forth, claiming, containing, objecting to, or in any way related to the transfer or distribution of funds, including but not limited to any such funds transfer instructions that may otherwise be set forth in a written instruction permitted pursuant to Section 2 of this Agreement, shall be given to the Escrow Agent in writing, be executed by an Authorized Representative and sent as a PDF attached to an email only. No instruction for or related to the transfer or distribution of the Equipment Acquisition Fund shall be deemed delivered and effective unless Escrow Agent actually shall have received it on a Delivery Day as a PDF attached to an email only at the email address set forth in this Section 9.02 and as evidenced by a confirmed transmittal to the Party's or Parties email address and Escrow Agent has been able to satisfy any applicable security procedures as may be required hereunder. The Escrow Agent shall not be liable to any Party or other person for refraining from acting upon any instruction for or related to the transfer or distribution of the Equipment Acquisition Fund if delivered to any other fax number or email address, including but not limited to a valid email address of any employee of the Escrow Agent. The Lessor and Lessee acknowledge that there are certain security, corruption, transmission error and access availability risks associated with using open networks such as the internet and the Parties hereby expressly assume such risks.

Notices shall be addressed as follows:

- (i) If to the Lessee:
CITY OF HUNTINGTON BEACH
2000 MAIN ST
HUNTINGTON BEACH, CA 92648
Attn: SUNNY RIEF
Telephone: 714-536-5907
Email: SUNNY.RIEF@SURFCITY-HB.ORG
- (ii) If to the Lessor:
JPMORGAN CHASE BANK, N.A.
1111 POLARIS PARKWAY, SUITE 4N
MAIL CODE OH1-1085
COLUMBUS, OHIO 43240
Attention: GHHN Operations Manager
Email: cefi.escrow.disbursement.request@jpmchase.com
- (iii) If to the Escrow Agent:
DEUTSCHE BANK TRUST COMPANY AMERICAS
60 WALL STREET, 24th Floor
NEW YORK, NY 10005
Attn: DBNY MP Escrow SF5332
Telephone: 212-250-6647
Email: dbny-mpescrow@list.db.com

SECTION 10. FORCE MAJEURE.

Notwithstanding any other provision of this Agreement, no Party to this Agreement is liable to any other Party for losses due to, or if it is unable to perform its obligations under the terms of this Agreement because of acts of God, war, terrorism, fire, floods, strikes, electrical outages, equipment or transmission failures, or other causes reasonably beyond its control.

SECTION 11. JURY WAIVER.

ALL PARTIES TO THIS AGREEMENT WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTER CLAIM BROUGHT BY ANY PARTY AGAINST ANOTHER PARTY ON ANY MATTER WHATSOEVER ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS AGREEMENT.

SECTION 12. MISCELLANEOUS.

12.01 **Patriot Act Section 326 Customer Identification Program.** In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including, without limitation, those relating to the funding of terrorist activities and money laundering, including Section 326 of the USA PATRIOT Act of the United States ("Applicable Law"), the Escrow Agent are required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Escrow Agent. Accordingly, each of the parties agree to provide to the Escrow Agent, upon their request from time to time such identifying information and documentation as may be available for such party in order to enable the Escrow Agent to comply with Applicable Law.

12.02 Taxpayer Identification Numbers ("TINs"). The other Parties have provided the Escrow Agent with their respective fully executed Internal Revenue Service ("IRS") Form W-8, or W-9 and/or other required documentation. The other Parties each represent that its correct TIN assigned by the IRS, or any other taxing authority, is set forth in the delivered forms.

12.03 Tax Reporting. All interest or other income earned under the Agreement shall be allocated to the Lessee and reported by the Escrow Agent to the IRS, or any other taxing authority, on IRS Form 1099 or 1042S (or other appropriate form) as income earned from the Equipment Acquisition Fund by the Lessee whether or not said income has been distributed during such year. The Lessor and Lessee hereby represent to the Escrow Agent that no other tax reporting of any kind is required given the underlying transaction giving rise to this Agreement. Escrow Agent shall withhold any taxes it deems appropriate, including but not limited to required withholding, in the absence of proper tax documentation or as required by law, and shall remit such taxes to the appropriate authorities.

12.04 Court Orders. In the event that any of the Equipment Acquisition Fund shall be attached, garnished, levied upon, or otherwise be subject to any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all such orders so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that the Escrow Agent obeys or complies with any such order it shall not be liable to any of the Parties hereto or to any other person by reason of such compliance notwithstanding such order be subsequently reversed, modified, annulled, set aside or vacated.

Section 13. Use of Electronic Records and Signatures by Escrow Agent

- (a) Notwithstanding any other provision of this Agreement, in such format and delivered in such manner as Lessor may specify, this Agreement, and any notice, consent, amendment, communication, or other document or information provided for herein or related to the Escrow Agreement (collectively, "Documents"), including without limitation any Document required to be written or in writing, may be in the form of an electronic record ("Electronic Record"). Electronic Records and "Electronic Signatures" (as that term is defined under the New York Electronic Signatures and Records Act, N.Y. Laws STT - State Technology Article 3, and, to the extent applicable, the federal E-SIGN Act, 15 U.S.C. § 7001 et seq.) may be used by Escrow Agent in place of written documents and handwritten signatures. Any Document may be executed in as many counterparts as necessary or convenient, including both counterparts that are executed on paper and counterparts that are Electronic Records and executed by Escrow Agent using Electronic Signatures. Each executed counterpart shall be deemed an original, and all such counterparts shall constitute one and the same Document.
- (b) Notwithstanding any other provision of the Escrow Agreement, Electronic Records may be sent electronically by Lessor to Escrow Agent by sending the Electronic Record to Escrow Agent's Authorized Email Address as an attachment to an email. In the absence of actual notice of non-delivery received by the sender, and except as otherwise expressly required by applicable law, an Electronic Record sent electronically pursuant to the Escrow Agreement shall be deemed given when the Electronic Record is sent and shall constitute notice of the Electronic Record. As used in this subparagraph, "Authorized Email Address" means any email address Escrow Agent provides to Lessor as Escrow Agent's email address or the email address of Escrow Agent's authorized representative, including as provided in any authorization or certification provided by Escrow Agent to Lessor.
- (c) Lessor and Lessee will accept Electronic Signatures from Escrow Agent generated only through the electronic signature platform of DocuSign, Inc. ("DocuSign"). Any Document consisting of an Electronic Record bearing Electronic Signatures executed through DocuSign (an "Electronically Signed Document") must, when viewed in a PDF viewer, produce a signature panel evidencing the document has not been modified since the signature was applied ("Signature Panel") and must include a certificate of completion providing details about each signer on the document, which may include the signer's IP address, email address, signature image and timestamp ("Certificate of Completion"). In choosing not to use (or, in the case of encryption, not having the capability to use) any one or more security features of DocuSign, Escrow Agent accepts the risks associated with not using such security measures. Escrow Agent shall be liable for any loss or costs suffered by Lessor or Lessee as a result of not using such security measures. Any Electronically Signed Document that (i) contains the Certificate of Completion and (ii) shows that the email address of the signer contained in the Certificate of Completion is an Authorized Email Address previously provided to Lessor by Escrow Agent (or Lessor has otherwise received a verification email from such Authorized Email Address) for an Authorized Signer (defined below), is prima-facie evidence of it having been executed by the person whose electronic signature appears thereon, regardless of the appearance or form of such electronic signature. Escrow Agent agrees that an Electronically Signed

Document shall be deemed to have the same effect as an original Document manually signed by an Authorized Signer.

- (d) Lessor and Lessee will accept delivery from Escrow Agent of Electronically Signed Documents (i) which conform to the parties' negotiated and agreed terms and the requirements herein, and (ii) which were created and sent by Escrow Agent acting on Lessor's behalf as its designated custodian solely for purposes of Section 9-105 of the Uniform Commercial Code ("Designated Custodian") until receipt of delivery by Lessor of the Document. Lessor, Lessee and Escrow Agent agree that the copy of an Electronically Signed Document received by Lessor from Escrow Agent is the authoritative electronic copy of such Electronic Record (each an "Authoritative Copy"). Notwithstanding anything to the contrary herein, Lessor shall have the right to reject for any reason any Electronically Signed Document received from Escrow Agent, including by way of example and not limitation, any failure of such Document to conform as provided herein, and may require Escrow Agent to execute and deliver such Document on paper. Upon receipt and acceptance of the executed Authoritative Copy by Lessor, Escrow Agent shall decommission, permanently mark as a copy that it is not the Authoritative Copy, or otherwise render inactive or inaccessible all copies of the Documents held by Escrow Agent as Designated Custodian and certify the same as part of the transmittal to Lessor.
- (e) At the Lessor's option, an Authoritative Copy of the Document may be converted to paper and marked as the original by the Lessor (each a "Paper Original"). In the event the Authoritative Copy is converted to a Paper Original, the parties hereto acknowledge and agree that:
 - a. the electronic signing of the Document also constitutes issuance and delivery of the Paper Original,
 - b. the Electronic Signature(s) associated with the Document, when affixed to the Paper Original, constitutes legally valid and binding signatures on the Paper Original, and
 - c. the Escrow Agent's obligations will be evidenced by the Paper Original after such conversion.
- (f) Escrow Agent will separately provide Lessor with documentation (i) showing or certifying the authority of its authorized signers ("Authorized Signers") to sign documents on behalf of Escrow Agent and (ii) containing the correct name, Authorized Email Address, and telephone numbers for each Authorized Signer ("Authority Documents"). Escrow Agent represents and warrants that the information contained in the Authority Documents is accurate and complete, and that the Escrow Agent will promptly notify Lessor if there are any changes to the Authority Documents, including if an Authorized Signer's authority is modified or revoked. Lessor is authorized to rely on the information set forth in the Authority Documents until it receives and has had a reasonable time to act on such notice. The Lessor has no obligation to verify whether the Electronic Signature for any Authorized Signer in an Electronically Signed Document matches the specimen signature held by the Lessor, the name, or other information or characteristic of the Authorized Signer, or otherwise verify in any way that the Electronically Signed Document was actually executed by that Authorized Signer.
- (g) Escrow Agent represents and warrants on a continuous basis that (i) Electronically Signed Documents shall be deemed to have the same effect as an original document manually signed by an Authorized Signer; and (ii) each Electronically Signed Document has been validly executed by duly Authorized Signer(s) in accordance with the requirements of applicable law and, to the extent relevant, the Escrow Agent's organizational documents; (iii) each Electronically Signed Document constitutes a valid, legal, enforceable and binding obligation of the Escrow Agent; and (iv) each Electronically Signed Document consisting the Document was created and delivered by Escrow Agent to Lessor in Escrow Agent's capacity as Designated Custodian. The Escrow Agent acknowledges that the Lessor and Lessee has relied on the foregoing representations and warranties when accepting Electronically Signed Documents. The Escrow Agent confirms that each Electronically Signed Document constitutes an Electronic Record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such printed copies will be treated to the same extent and under the same conditions as other original business records created and maintained in documentary form. The Escrow Agent represents and warrants that it has commercially reasonable policies and procedures intended to prevent unauthorized access to email messages delivered to any Authorized Signer at the Authorized Signer's business email address, which include the following: (i) each Authorized Signer is assigned a unique business email address; (ii) the Authorized Signer's access to the business email account requires at least the use of a unique username and password; and (iii) the Authorized Signer is required to maintain the security of the log-in password and other security used to access the business email account and not to reveal them to any other person.

- (h) Lessor assumes no responsibility or liability arising from the transmission, treatment or storage of any data by any e-signature platform, including, without limitation, any personal data. In consideration of the Lessor and Lessee accepting Electronically Signed Documents, the Escrow Agent indemnifies and holds the Lessor and Lessee, and their agents, employees, officers and directors, harmless from and against any and all claims, damages, demands, judgments, liabilities, losses, costs and expenses (including attorneys' fees) arising out of or resulting from the Lessor's or Lessee's reliance on this Agreement or on an Electronically Signed Document executed on behalf of the Escrow Agent.

IN WITNESS WHEREOF, the parties have executed this Agreement.

CITY OF HUNTINGTON BEACH
(Lessee)

By: _____

Title: _____

DEUTSCHE BANK TRUST COMPANY AMERICAS, as
escrow agent
(Escrow Agent)

By: _____

Title: _____

DEUTSCHE BANK TRUST COMPANY AMERICAS, as
escrow agent
(Escrow Agent)

By: _____

Title: _____

Attachments: Schedule 1 (Investment Authorization)

Schedule 2 (Name/telephone # of call-back person(s) designated by Section 7 above)

APPROVED AS TO FORM

By: MICHAEL E. GATES
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

JPMORGAN CHASE BANK, N.A.
(Lessor)

By: _____

Title: Authorized Officer

Schedule 1

Investment Authorization

Lessee: **CITY OF HUNTINGTON BEACH**

Lease No.: **1000147653**

Investment: **SELECT QUALIFIED INVESTMENT BELOW**

☐ During the term of this Agreement, the Equipment Acquisition Fund shall remain in a Non-Interest Bearing Account.

☐ A money market mutual fund, including without limitation a JPMorgan Money Market Mutual Fund (collectively, "MMMF"), as selected by Lessee below.

Check One (if the money market mutual fund option is selected above):

- ☐ JPMorgan 100% U.S. Treasury Securities Money Market Fund (675)
- ☐ JPMorgan U.S. Government Money Market Fund Morgan Shares (3916)
- ☐ JPMorgan U.S. Treasury Plus Money Market Fund Morgan Shares (3919)
- ☐ JPMorgan Federal Money Market Fund Morgan Shares (353)
- ☐ JPMorgan 100% U.S. Treasury Money Market Fund Morgan Shares (677)
- ☐ JPMorgan Tax Free Money Market Fund Morgan Shares (2)
- ☐ Federated U.S. Treasury Cash Reserves Money Market Fund Institutional Service Shares (632)
- ☐ Federated Government Obligations Tax-Managed Money Market Fund Institutional Service Shares (637)
- ☐ Federated Treasury Obligations Money Market Fund Institutional Service Shares (398)
- ☐ Federated Government Obligations Money Market Fund Institutional Service Shares (395)

Notes related to MMMFs:

- 1) An investment in any of the above investment options is subject to the availability of such money market mutual fund. If the selected investment is not available at the present time you will be contacted by a Deutsche Bank Trust Company Americas representative.
- 2) Each investment instrument above has a rating not lower than the highest rating category from both Standard & Poor's and Moody's.
- 3) Lessee acknowledges that an affiliate of Escrow Agent, Deutsche Bank Trust Company Americas, serves as investment manager for the selected MMMF and receives fees from the invested funds for services rendered separate from the fees for services rendered by Escrow Agent as further provided within this Agreement. MMMFs have rates of compensation that may vary from time to time based upon market conditions. The Escrow Agent shall not be responsible or liable for any loss suffered in connection with any investments of moneys made by it in accordance with Section 3 of the Agreement.
- 4) The Lessee, hereby acknowledges and confirms that it makes its own investment decisions and has not been offered any advice or recommendation on investing in any MMMF and if selected above, is based upon Lessee's independent review of prospectuses previously delivered to Lessee. The Lessee recognizes and agrees that the Escrow Agent has not and will not provide supervision, recommendations or advice relating to either the investment of moneys held in the Equipment Acquisition Fund account or the purchase, sale, retention or other disposition of any Qualified Investment.
- 5) Market values, exchange rates and other valuation information (including without limitation, market value, current value or notional value) of any MMMF furnished in any report or statement may be obtained from third party sources and is furnished for the exclusive use of the Lessee and Lessor. Escrow Agent has no responsibility whatsoever to determine the market or other value of any MMMF or other non-cash Qualified Investments and makes no representation or warranty, express or implied, as to the accuracy of any such valuations or that any values necessarily reflect the proceeds that may be received on the sale of an MMMF or such Qualified Investments.
- 6) **SHAREHOLDER SERVICES FEES:** Lessee acknowledges that the Fund is authorized to make payments from its management fee or any other source available to parties such as banks or broker-dealers ("Service Organizations") that

provide shareholder support services to the Fund and that Service Organizations currently are compensated at a rate of up to the Maximum Rate of .50% annually of the average net assets of each Fund with respect to which they provide or have provided shareholder support services. Lessee further acknowledges that Deutsche Bank Trust Company Americas is a Service Organization and is paid, and hereby consents to such payment, by the Fund up to the Maximum Rate annually of the average daily balance of the Account invested in the Fund for shareholder support services rendered to the Fund by Deutsche Bank Trust Company Americas, which services may include, without limitation, answering client's inquiries regarding the Fund, assistance to clients in changing dividend options, account designations and addresses, processing purchase and redemption transactions, providing periodic statements showing a client's account balance and the integration of such statement with other transactions, arranging for Deutsche Bank Trust Company Americas wires, and providing such other information and services as the Fund's distributor or Lessee reasonably may request. Lessee further acknowledges that the Fund may purchase securities from or through Deutsche Bank Trust Company Americas or its affiliates, may engage in repurchase transactions with Deutsche Bank Trust Company Americas or its affiliates, may place funds on deposit in accounts with Deutsche Bank Trust Company Americas or its affiliates and receive interest income thereon and may obtain other services from Deutsche Bank Trust Company Americas for which Deutsche Bank Trust Company Americas is paid a fee.

This investment authorization and direction will remain in effect until and unless expressly revoked or superseded in writing and shall specify the type and identity of the investments to be purchased and/or sold.

SCHEDULE 2

Telephone Number(s) and Signature(s) for Person(s) Designated to Give Funds Transfer Instructions

If from Lessee:

<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

If from Lessor:

<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1. Stacey R. Roth	614-213-1537	(Standing Signature on File)
2. Karen L Williams	312-385-7005	(Standing Signature on File)
3. Anastasia L. McClellan	614-213-4876	(Standing Signature on File)
4. Terri E. Sayers	614-213-4521	(Standing Signature on File)
5. Cherie L. Oliveto	614-213-3246	(Standing Signature on File)
6. Mary T. Short	614-213-4881	(Standing Signature on File)
7. Kris Hewitt	614-213-8581	(Standing Signature on File)
8. Kelsey A. Bruck	614-213-9516	(Standing Signature on File)
9. Meron Gola	614-217-4670	(Standing Signature on File)
10. Teri L. Fancelli	614-213-2270	(Standing Signature on File)
11. Nathaniel J. Ruhe	614-213-3859	(Standing Signature on File)
12. Debbie J. Mullennix	614-213-5797	(Standing Signature on File)
13. Kerry Stygler	614-213-4400	(Standing Signature on File)
14. Lourdes Roman	312-732-6444	(Standing Signature on File)

All instructions, including but not limited to funds transfer instructions, whether transmitted by facsimile or set forth in a PDF attached to an email, must include the signature of the Authorized Representative authorizing said funds transfer on behalf of the Party.

SCHEDULE A-1
(Equipment List)

Expected Equipment Purchase Price: \$8,750,000.00

Net Amount Financed: \$8,750,000.00

Equipment Location: 2000 MAIN ST, HUNGTINTON BEACH, CA 92648

Equipment Description: FIRE TRUCK, MD HELICOPTERS (3) AND RESCUE BOAT AND RELATED EQUIPMENT INSTALLATION COSTS

TOGETHER WITH ALL ATTACHMENTS, ADDITIONS, ACCESSIONS, PARTS, REPAIRS, IMPROVEMENTS, REPLACEMENTS AND SUBSTITUTIONS THERETO.

This Schedule A-1 is attached to the Lease Schedule 1000147653 or a Receipt Certificate/Payment Request relating to the Lease Schedule.

CERTIFICATE OF INCUMBENCY

Dated: **JUNE 15, 2021**

Lease Schedule No: 1000147653

Lessee: **CITY OF HUNTINGTON BEACH**

I, the undersigned Secretary/Clerk identified below, do hereby certify that I am the duly elected or appointed and acting Secretary/Clerk of the above Lessee (the "Lessee"), a political subdivision duly organized and existing under the laws of the State where Lessee is located, that I have the title stated below, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of the Lessee holding the offices set forth opposite their respective names.

[NOTE: Use same titles as Authorized Representatives stated in Resolutions.]

Name	Title	Signature
------	-------	-----------

Name	Title	Signature
------	-------	-----------

IN WITNESS WHEREOF, I have duly executed this certificate and affixed the seal of such Lessee as of the date set forth below.

Signature of Secretary/Clerk of Lessee

Print Name: _____

Official Title: _____

Date: _____

NOTE: In case the Secretary/Clerk is also the authorized representative that executes a Lease-Purchase Agreement / documents by the above incumbency, this certificate must also be signed by a second officer.

Print Name: _____ Signature: _____

Title: _____

APPROVED AS TO FORM

By: _____
MICHAEL E. GATES
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

AIRCRAFT SECURITY AGREEMENT

Loan Number: 1000147653

This Agreement is dated as of _____, 20____ and is executed by and between JPMORGAN CHASE BANK, N.A. ("Lender"), with Lender's principal office located at 1111 Polaris Parkway, Suite N4 (OH1-1085), Columbus, Ohio 43240 and the Debtor identified below ("Debtor"):

Debtor: CITY OF HUNTINGTON BEACH

Debtor's Address: 2000 MAIN ST, Huntington Beach, CA 92648

"Borrower" shall mean: CITY OF HUNTINGTON BEACH, as Lessee under that certain Master Lease Purchase Agreement between Borrower and Lender (as Lessor), dated as of February 5, 2016 (as amended from time to time, the "Lease Agreement")

1. **GRANT OF SECURITY INTEREST.** Debtor grants, pledges and assigns to Lender a security interest in all of Debtor's respective right, title and interest in and to the property described on the attached Schedule A-1, now or hereafter arising or acquired, wherever located, together with any and all additions, accessions, parts, accessories, substitutions and replacements thereof, now or hereafter installed in, affixed to or used in connection with said property (the "Equipment"), in all proceeds thereof, cash and non-cash, including, but not limited to, proceeds of notes, checks, instruments, indemnity proceeds, or any insurance on such and any refund or rebate of premiums on such (together with the Equipment, the "Collateral") and agrees that the foregoing grant creates in favor of the Lender an International Interest in the Equipment. Debtor hereby consents to such grant of a security interest in the Collateral by Debtor and to the creation of the International Interest in the Equipment. This Agreement secures the prompt payment and complete performance in full when due, whether at the stated maturity, by acceleration or otherwise, of all payment and other obligations of Debtor and/or Borrower under or in connection with this Agreement, the Business Purpose Promissory Note executed in connection with the Loan Number referenced above that was executed by Borrower (the "Note"), the Loan Agreement executed by Borrower and Lender in connection with the Note (the "Loan Agreement"), and any and all renewals, extensions or substitutions for any such instrument, and also any and all obligations which Borrower and Debtor or either of them now have or may hereafter have to Lender, or any affiliate of either Lender or JPMorgan Chase & Co., direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and without limitation, all indebtedness, leases, debts and liabilities arising under or from any note, open account, overdraft, credit card, lease, Rate Management Transaction, letter of credit application, endorsement, surety agreement, guaranty, acceptance, foreign exchange contract or any monetary obligations (including principal, interest, late charges, collection costs, attorney fees and the like) (collectively, the "Obligations"). It is Debtor's express intention that this Agreement and the continuing security interest granted hereby, in addition to covering all present Obligations of Borrower and/or Debtor to Lender, shall extend to all future Obligations of Borrower and Debtor or either of them to Lender, whether or not such Obligations are reduced or entirely extinguished and thereafter increased or are reincurred, and whether or not such Obligations are specifically contemplated by Debtor and Lender as of the date hereof. The absence of any reference to this Agreement in any documents, instruments or agreements evidencing or relating to any Obligations secured hereby shall not limit or be construed to limit the scope of this Agreement. Debtor represents to Lender that (i) Borrower is, and will continue to be, (or, with respect to after acquired property, will be when acquired) the legal and beneficial owner of the Collateral free and clear of any Lien except for the security interest created by this Agreement; no effective Uniform Commercial Code ("UCC") financing statement or other instrument providing notice of a security interest in all or any part of the Collateral is on file in any recording office, except those in favor of Lender; and (iii) Debtor has not executed or delivered an IDERA to any party other than the Lender. At its sole expense, Debtor shall protect and defend Lender's first priority security interest in the Collateral against all claims and demands whatsoever.
2. **MAINTENANCE; USE AND OPERATION; LOCATION; REGISTRATION.** At its sole expense, Debtor shall: (a) repair and maintain the Equipment in good condition and working order and supply and install all replacement parts or other devices when required to so maintain the Equipment or when required by applicable law or regulation, which parts or devices shall automatically become part of the Equipment; (b) use and operate the Equipment in a careful manner in the normal course of its business and only for the purposes for which it was designed in accordance with the manufacturer's warranty requirements, and comply with all laws and regulations relating to the Equipment, and obtain all permits or licenses necessary to install, use or operate the Equipment; (c) make no alterations, additions, subtractions, upgrades or improvements to the Equipment which reduce the fair market value or operational utility of the Equipment without Lender's prior written consent, provided, however, that no consent shall be required for any Federal Aviation Administration ("FAA") mandated or manufacturer recommended modifications, or for any alternation, addition, subtraction, upgrade or improvement costing less than \$50,000.00, and provided further that any such alterations, additions, upgrades or improvements shall automatically become part of the Equipment; (d)

maintain, inspect, service and repair, overhaul and test the Equipment in accordance with the FAA approved maintenance program, manufacturer's approved maintenance program, FAA airworthiness directives, and the manufacturer's alert bulletins and urgently recommended service bulletins and procedures, and perform all duties and tasks which would be required to maintain the Equipment, including the engines, in full compliance with the manufacturer's specification (i) so as to keep the Equipment in as good operating condition as when delivered to the Debtor hereunder, ordinary wear and tear excepted, and (ii) so as to keep the Equipment in such operating condition as may be necessary to enable the airworthiness certification of such Equipment to be maintained in good standing at all times under the Act (as defined in Section 19 hereof); and (e) maintain all records, logs and other materials required by the FAA to be maintained in respect of the Equipment. Lender has the right upon reasonable notice to Debtor to inspect the Equipment wherever located. The hangar location of the aircraft shall be as specified on Schedule A-1. The Equipment will not be used or located outside of the United States of America without the prior written consent of Lender. Debtor agrees that the Equipment will be maintained and inspected under in accordance with the requirements of the FAA-approved inspection program specified by the Certificated Air Carrier, the Certificated Air Carrier's FAA-approved maintenance manuals, the Certificated Air Carrier's FAR Part 135 maintenance specifications, and all applicable provisions of the FARs. The Equipment shall be hangared at the location specified on Schedule A-1. The Equipment will not be used or located outside of the United States of America without the prior written consent of Lender. On or prior to the date of this Agreement, at its own cost and expense, and at all times during the term of this Agreement, Borrower shall cause the Equipment to be duly registered in the name of Borrower in accordance with the Act, and the Equipment shall not be registered under the laws of any country other than the United States of America without the prior written consent of Lender. At least ninety (90) days prior to the date that any registration of the Equipment shall expire, Borrower shall, at its expense, furnish (or cause to be furnished) to Lender a new (or renewed, as the case may be) certificate of registration for the Equipment verifying that the Equipment is properly registered with the FAA in accordance with the requirements of this Section 2. Accordingly, the parties acknowledge and agree that as a condition precedent to the funding of the loan described in this Agreement, Borrower shall execute and deliver in favor of Lender an irrevocable power of attorney (and any necessary authorizing documents), in form(s) acceptable to Lender, providing Lender with the power (in Lender's sole discretion) to re-register (or renew the registration of) the Equipment ("Re-registration POA") should Borrower fail to timely complete such process. Lender shall not exercise the Re-registration POA or file the Re-registration POA with the FAA unless Borrower has failed to provide evidence of the re-registration (or renewal of the registration) of the Equipment at least ninety (90) days prior to the date that any registration shall expire as described above. It is understood that Lender shall have the right to exercise its powers under the Re-registration POA, but shall not be obligated to do the same. In the event this Agreement is assigned by Lender, Borrower agrees to execute a new Re-registration POA in favor of such assignee in a form substantially similar to the original Re-registration POA. When the Obligations shall have been indefeasibly and fully paid, then the Re-registration POA shall automatically terminate and be deemed to cease to exist.

3. INSURANCE.

- 3.1. At its sole expense, Debtor at all times shall obtain hull physical damage insurance, insuring the Equipment insured against all risks of loss or damage (including, without limitation, standard war risk coverage) for an amount not less than the greater of the full replacement value of the Equipment or 100% of the outstanding principal balance of the Note. Proceeds of any insurance covering damage or loss of the Equipment shall be payable to Lender as loss payee and shall, at Lender's option, be applied as set forth in Section 4 below.
- 3.2. At its sole expense, Debtor shall also carry comprehensive aircraft and third party property damage insurance at all times (including, without limitation, standard war risk coverage) in amounts satisfactory to Lender (but in no event less than \$50,000,000.00) protecting Debtor and Lender from liability for personal injury, death, and damage to property of others relating in any way to the Equipment. Proceeds of any public liability or third party property insurance shall be payable first to claims made against the Lender as additional insured to the extent of its liability, then to claims against Borrower.
- 3.3. All insurers shall be reasonably satisfactory to Lender. Debtor shall deliver to Lender satisfactory evidence of such coverage. If an Event of Default occurs, then Debtor automatically appoints Lender as Debtor's attorney-in-fact with full power and authority in the place of Debtor and in the name of Debtor or Lender to make claim for, receive payment of, and sign and endorse all documents, checks or drafts for loss or damage under any such policy. Each insurance policy will require that the insurer give Lender at least 30 days prior written notice of any cancellation of such policy and will require that Lender's interests remain insured regardless of any act, error, omission, neglect or misrepresentation of Debtor.
- 3.4. The insurance maintained by Debtor shall be primary without any right of contribution from insurance which may be maintained by Lender. In the event that any policies insuring against liability risks described above shall now or hereafter provide coverage on a "claims made" basis, Debtor shall continue to maintain such policies in effect for a period of not less than three years after the expiration of this Agreement.

4. LOSS OR DAMAGE. Debtor and Borrower bear the entire risk of loss, theft, damage or destruction of Equipment in whole or in part from any reason whatsoever ("Casualty Loss"). No Casualty Loss to Equipment shall relieve Debtor from the obligation to

pay any obligation under this Agreement. In the event of Casualty Loss to any item of Equipment, Debtor shall immediately notify Lender of the same and Debtor shall, if so directed by Lender, immediately repair the same. If Lender determines that the Equipment has suffered a Casualty Loss beyond repair or a Casualty Loss which substantially and permanently reduces the fair market value of the Equipment ("Lost Equipment"), then Debtor, at the option of Lender, shall: (1) immediately replace the Lost Equipment with similar equipment in good repair, condition and working order free and clear of any Liens, convey to Lender a security interest in such equipment, and deliver to lender such documents to evidence such conveyance and the International Interest and shall make such filings and registrations with the FAA and the International Registry (and hereby consents to such registrations with the International Registry) with respect thereto as the Lender requests, in which event such replacement equipment shall automatically be Equipment under this Agreement; or (2) on the installment payment due date specified in the Note which is at least 30 but no more than 60 days after the date of the Casualty Loss ("Loss Payment Date"), pay to Lender an amount equal to all accrued and unpaid principal, interest, late charges and other amount then due and payable by Borrower or Debtor under the Note, the Loan Agreement and/or this Agreement plus the remaining principal balance of the Note as of the Loss Payment Date as determined by Lender's records and a Breakfunding Charge. Upon payment by Debtor of all amounts due under the above clause (2), the security interest of the Lender in the Lost Equipment will terminate.

5. **TAXES.** Debtor will pay promptly when due all taxes, assessments and governmental charges upon or against Debtor, the Collateral, or the property or operations of Debtor, in each case before same becomes delinquent and before penalties accrue thereon, unless and to the extent that same are being contested in good faith by appropriate proceedings.
6. **GENERAL INDEMNITY.** Debtor assumes all risk and liability for, and shall defend, indemnify and keep Lender harmless on an after-tax basis from, any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs and expenses, including reasonable attorney fees and expenses, of whatsoever kind and nature imposed on, incurred by or asserted against Lender, in any way relating to or arising out of the manufacture, purchase, acceptance, rejection, ownership, possession, use, selection, delivery, operation, condition, sale, return or other disposition of the Equipment or any part thereof (including, without limitation, any claim for latent or other defects, whether or not discoverable by Debtor or any other person, any claim for negligence, tort or strict liability, any claim under any environmental protection or hazardous waste law and any claim for patent, trademark or copyright infringement). Debtor will not indemnify Lender under this section for loss or liability caused directly and solely by the gross negligence or willful misconduct of Lender. In this section, "Lender" also includes any director, officer, employee, agent, successor or assign of Lender. Debtor's obligations under this section shall survive the expiration, cancellation or termination of this Agreement.
7. **PERSONAL PROPERTY.** Debtor represents and agrees that the Equipment is, and shall at all times remain, separately identifiable personal property. Lender may display notice of its interest in the Equipment by any reasonable identification, and Debtor shall not alter or deface any such indicia of Lender's interest.
8. **[RESERVED].**
9. **[RESERVED].**
10. **REPRESENTATIONS.** Debtor represents and warrants that: (a) Debtor is a municipality, corporation, limited liability company, partnership or proprietorship as stated below Debtor's signature duly organized, validly existing and in good standing under the laws of the state of its organization as stated below Debtor's signature and Debtor is qualified to do business and is in good standing under the laws of each other state in which the Equipment is or will be located; (b) Debtor's name as set forth at the outset of this Agreement is its complete and correct legal name as indicated in the public records of Debtor's state of organization; (c) Debtor has full power, authority and legal right to sign, deliver and perform this Agreement and all related documents and such actions have been duly authorized by all necessary corporate, company, partnership or proprietorship action; (d) this Agreement and each related document has been duly signed and delivered by Debtor and each such document constitutes a legal, valid and binding obligation of Debtor enforceable in accordance with its terms; (e) there is no litigation or other proceeding pending, or to the best of the Debtor's knowledge, threatened against or affecting Debtor which, if decided adversely to Debtor, would adversely affect, impair or encumber the interest of Lender in the Equipment or would materially adversely affect the business operations or financial condition of Debtor; (f) all balance sheets, income statements and other financial data that have been delivered to Lender with respect to Debtor are complete and correct in all material respects, fairly present the financial condition of Debtor on the dates for which, and the results of its operations for the periods for which, the same have been furnished and have been prepared in accordance with generally accepted accounting principles consistently applied, (g) there has been no material adverse change in the condition of Debtor, financial or otherwise, since the date of the most recent financial statements delivered to Lender, (h) Debtor's organizational number assigned to Debtor by the state of its organization is correctly stated below Debtor's signature; (i) the Equipment is not, and will not, be registered under the laws of any foreign country; (j) the Equipment is, and shall remain at all times, eligible for registration under the Act (as defined in Section 19 hereof); (k) the Equipment shall be based in, and primarily used in, the United States all as required by the Act; (l) the Equipment will not be used in violation of any law, regulation, ordinance or policy of insurance affecting the maintenance, use or flight of the Equipment; and (m) Debtor qualifies as a citizen

of the United States as defined in the Act and will continue to qualify as a United States citizen in all respects; and (n) the Equipment is and will continue to be registered at all times with the FAA in the name of the Debtor.

11. OTHER DOCUMENTS; EXPENSES; APPOINTMENT OF ATTORNEY-IN-FACT. Debtor agrees to sign and deliver to Lender any additional documents deemed desirable by Lender to effect the terms of this Agreement including, without limitation, Uniform Commercial Code financing statements and instruments to be filed with the Federal Aviation Administration, all of which Lender is authorized to file with the appropriate filing officers. Debtor hereby irrevocably appoints Lender as Debtor's attorney-in-fact with full power and authority in the place of Debtor and in the name of Debtor to prepare, sign, amend, file or record any Uniform Commercial Code financing statements or other documents deemed desirable by Lender to perfect, establish or give notice of Lender's interests in the Equipment or in any collateral as to which Debtor has granted Lender a security interest. Debtor agrees to sign and deliver to Lender any additional documents deemed desirable by Lender to effect the terms of this Agreement. Debtor shall pay upon Lender's request any out-of-pocket costs and expense paid or incurred by Lender in connection with the above terms of this Agreement or the funding and closing of this Agreement (including, without limitation, all out-of-pocket fees and expenses of any outside counsel to Lender).

12. EVENTS OF DEFAULT. Each of the following events shall constitute an Event of Default under this Agreement: (a) an Event of Default occurs under the Note; or (b) an Event of Default occurs under the Loan Agreement; or (c) Debtor fails to perform or observe any of its obligations in Sections 3, 9, or 18 hereof; or (d) Debtor fails to perform or observe any of its other obligations in this Agreement within 30 days after Lender notifies Debtor of such failure; or (e) Debtor fails to pay or perform or observe any term, covenant (including, but not limited to, any financial covenant), agreement or condition contained in, or there shall occur any payment or other default under or as defined in, any loan, credit agreement, extension of credit or lease in which Lender or any subsidiary (direct or indirect) of JPMorgan Chase & Co. (or its successors or assigns) is the lender, creditor or lessor, other than this Agreement (each an "Affiliate Credit Agreement") which shall not be remedied within the period of time (if any) within which such Affiliate Credit Agreement permits such default to be remedied; or (f) any statement, representation or warranty made by Debtor in this Agreement or in any document, certificate or financial statement in connection with this Agreement proves at any time to have been untrue or misleading in any material respect as of the time when made; or (g) Debtor becomes insolvent or bankrupt, or Debtor admits its inability to pay its debts as they mature, or Debtor makes an assignment for the benefit of creditors, or Debtor applies for, institutes or consents to the appointment of a receiver, trustee or similar official for Debtor or any substantial part of its property or any such official is appointed without Debtor's consent, or Debtor applies for, institutes or consents to any bankruptcy, insolvency, reorganization, debt moratorium, liquidation or similar proceeding relating to Debtor or any substantial part of its property under the laws of any jurisdiction or any such proceeding is instituted against Debtor without stay or dismissal for more than 30 days, or Debtor commences any act amounting to a business failure or a winding up of its affairs, or Debtor ceases to do business as a going concern; or (h) Borrower shall fail to comply with the aircraft re-registration or registration renewal requirements with respect to the Equipment (as specified in Section 2 of this Agreement) within the timeframe specified in Section 2 of this Agreement; or (i) there shall occur in Lender's reasonable opinion any material adverse change in the financial condition, business or operations of Debtor.

13. RIGHTS UPON DEFAULT.

13.1. If any Event of Default exists, Lender may exercise in any order one or more of the remedies described in the lettered subparagraphs of this section, and Debtor shall perform its obligations imposed thereby:

- a) Lender may require Debtor to turn over any and all Collateral to Lender.
- b) Lender or its agent may repossess any or all Collateral wherever found, may enter the premises where the Collateral is located and remove it, and may use such premises without charge to store or show the Collateral for sale for up to 90 days, and may demand that Debtor cease using the Collateral.
- c) Lender may exercise its rights pursuant to any IDERA delivered to Lender pursuant to Section 26(c) of this Agreement.
- d) Lender may sell any or all Collateral at public or private sale, with or without advertisement or publication, may lease or otherwise dispose of it or may use, hold or keep it.
- e) Lender may require Borrower to pay to Lender on a demand date specified by Lender (the "Demand Date"), (i) all accrued and unpaid interest, late charges and other amounts due under the Note or this Agreement as of such demand date, plus (ii) the remaining principal balance of the Note as of such demand date, plus (iii) interest at the Overdue Rate on the total of the foregoing from such demand date to the date of payment; plus (iv) a Breakfunding Charge. "Overdue Rate" means an interest rate per annum equal to 3% per annum above the interest rate per annum otherwise applicable to the principal balance of the Note, but not to exceed the highest rate permitted by applicable law. If an Event of Default

under section 12(f) of this Agreement exists, then Borrower will be automatically liable to pay Lender the foregoing amounts as of the next installment payment date under the Note unless Lender otherwise elects in writing.

- f) Without demanding payment pursuant to section 13.1(e), increase the interest rate applicable to the principal balance of the Note to the Overdue Rate.
- g) Debtor shall pay all costs, expenses and damages incurred by Lender because of the Event of Default or its actions under this section, including, without limitation any collection agency and/or attorney fees and expenses, and any costs related to the repossession, safekeeping, storage, repair, reconditioning or disposition of the Collateral.
- h) Lender may sue to enforce Debtor's performance of its obligations under this Agreement and/or may exercise any other right or remedy then available to Lender at law or in equity.

13.2. Except as otherwise expressly required by Section 12 hereof or by applicable law, Lender is not required to take any legal process or give Debtor any notice before exercising any of the above remedies. If Lender is required to give notice, 10 calendar days advanced notice is reasonable notification. None of the above remedies is exclusive, but each is cumulative and in addition to any other remedy available to Lender. Lender's exercise of one or more remedies shall not preclude its exercise of any other remedy. No action taken by Lender shall release Debtor or Borrower from any of the Obligations. No delay or failure on the part of Lender to exercise any right hereunder shall operate as a waiver thereof nor as an acquiescence in any Event of Default, nor shall any single or partial exercise of any right preclude any other exercise thereof or the exercise of any other right. After any Event of Default, Lender's acceptance of any payment by Debtor under the Note, the Loan Agreement, or this Agreement shall not constitute a waiver by Lender of such Event of Default, regardless of Lender's knowledge or lack of knowledge at the time of such payment, and shall not constitute a reinstatement of the Note, the Loan Agreement, or this Agreement if this Agreement has been declared in default by Lender, unless Lender has agreed in writing to reinstate this Agreement and to waive the Event of Default. With respect to any Collateral or any Obligation, Debtor assents to all extensions or postponements to the time of payment thereof or any other indulgence in connection therewith, to each substitution, exchange or release of Collateral, to the release of any party primarily or secondarily liable, to the acceptance of partial payment thereof or to the settlement or compromise thereof, all in such matter and such time or times as Lender may deem advisable.

13.3. If Lender actually repossesses any Collateral, then it will use commercially reasonable efforts under the then current circumstances to attempt to mitigate its damages; provided, that Lender shall not be required to sell, lease or otherwise dispose of any Collateral prior to Lender enforcing any of the remedies described above. Lender may sell or lease the Collateral in any manner it chooses, free and clear of any claims or rights of Debtor and without any duty to account to Debtor with respect thereto except as provided below. If Lender actually sells or leases the Collateral, it will credit the net proceeds of any sale of the Collateral, or the net present value (discounted at the then current Prime Rate) of the rents payable under any new lease of the Collateral, against the Obligations. The term "net" as used above shall mean such amount after deducting the costs and expenses described in subsection 13.1(g) above and after deducting the costs and expenses described in Subsection 10.1(c) of the Loan Agreement.

14. LATE CHARGES. If any amount payable under this Agreement is not paid within 5 days of its due date, then as compensation for the administration and enforcement of Debtor's obligation to make timely payments, Debtor shall pay with respect to each overdue payment on demand an amount equal to the greater of fifteen dollars (\$15.00) or five percent (5%) of the each overdue payment (but not to exceed the highest late charge permitted by applicable law) plus any collection agency fees and expenses. The failure of Lender to collect any late charge will not constitute a waiver of Lender's right with respect thereto.

15. LENDER'S RIGHT TO PERFORM. If Debtor fails to make any payment under this Agreement or fails to perform any of its other obligations in this Agreement (including, without limitation, its agreement to provide insurance coverage), Lender may itself make such payment or perform such obligation, and the amount of such payment and the amount of the expenses of Lender incurred in connection with such payment or performance shall be payable by Debtor on demand.

16. NOTICES; POWER OF ATTORNEY. (a) Any notices and demands under or related to this document shall be in writing and delivered to the intended party at its address stated herein (if to Bank to **1111 Polaris Parkway, Suite N4 (OH1-1085), Columbus, Ohio 43240**, to the attention of the Operations Manager). Notice shall be deemed sufficiently given or made (i) upon receipt if delivered by hand, (ii) on the Delivery Day after the day of deposit with a nationally recognized courier service, (iii) on the third Delivery Day after the day of deposit in the United States mail, sent certified, postage prepaid with return receipt requested, and (iv) only if to Lessee, on the third Delivery Day after the notice is deposited in the United States mail, postage prepaid. "Delivery Day" means a day other than a Saturday, a Sunday, or any other day on which national banking associations are authorized to be closed. Any party may change its address for the purposes of the receipt of notices and demands by giving notice of such change in the manner provided in this provision. (b) With respect to any power of attorney covered by this

Agreement, the powers conferred on Lender thereby: are powers coupled with an interest; are irrevocable; are solely to protect Lender's interests under this Agreement; and do not impose any duty on Lender to exercise such powers. Lender shall be accountable solely for amounts it actually receives as a result of its exercise of such powers.

- 17. ASSIGNMENT BY LENDER.** Lender and any assignee of Lender, with or without notice to or consent of Debtor, may sell, assign, transfer or grant a security interest in all or any part of Lender's rights, obligations, title or interest in the Collateral, the Note, the Loan Agreement, this Agreement, or the amounts payable under the Note, the Loan Agreement, or this Agreement to any entity ("Transferee"). The Transferee shall succeed to all of Lender's rights in respect to this Agreement (including, without limitation, all rights to insurance and indemnity protection described in this Agreement). Debtor agrees to sign any acknowledgment and other documents reasonably requested by Lender or the Transferee in connection with any such transfer transaction. Debtor, upon receiving notice of any such transfer transaction, shall comply with the terms and conditions thereof. Debtor agrees that it shall not assert against any transferee any claim, defense, setoff, deduction or counterclaim which Debtor may now or hereafter be entitled to assert against Lender. Debtor agrees that Lender may provide loan information and financial information about Debtor on a confidential basis to any prospective transferee.
- 18. NO ASSIGNMENT OR LEASING BY DEBTOR.** DEBTOR SHALL NOT, DIRECTLY OR INDIRECTLY, WITHOUT THE PRIOR WRITTEN CONSENT OF LENDER: (a) MORTGAGE, ASSIGN, SELL, TRANSFER, OR OTHERWISE DISPOSE OF ANY INTEREST IN THIS AGREEMENT OR THE COLLATERAL OR ANY PART THEREOF; OR (b) LEASE, RENT, LEND OR TRANSFER POSSESSION OR USE OF THE EQUIPMENT OR ANY PART THEREOF TO ANY PARTY; OR (c) CREATE, INCUR, GRANT, ASSUME OR ALLOW TO EXIST ANY LIEN ON ITS INTEREST IN THIS AGREEMENT, THE COLLATERAL OR ANY PART THEREOF; OR (d) REGISTER ANY PROSPECTIVE OR CURRENT INTERNATIONAL INTEREST OR CONTRACT OF SALE (OR ANY AMENDMENT, MODIFICATION, SUPPLEMENT, SUBORDINATION OR SUBROGATION THEREOF) WITH THE INTERNATIONAL REGISTRY; OR (e) EXECUTE OR DELIVER ANY IDERA TO ANY PARTY OTHER THAN THE LENDER.
- 19. CERTAIN DEFINITIONS.** "Act" means subtitle VII of Title 49 of the United States Code. "Break Funding Charge" means the sum of the differences between (a) each scheduled interest payment which would have been made on the prepaid amount if such prepayment had not occurred and (b) the corresponding fixed-rate interest payment which would be received under an interest rate swap which the Lender shall be deemed to have entered into as of the Prepayment Date (the "Replacement Swap") covering its payment obligations under an interest rate swap which the Lender shall be deemed to have entered into when the prepaid amount was originally funded, with each such difference discounted to a present value as of the date of prepayment using the fixed interest rate of the Replacement Swap as the applicable discount rate; the Borrower acknowledges that the Lender might not fund or hedge its fixed-rate loan portfolio or any prepayment thereof on a loan-by-loan basis at all times, and agrees that the foregoing is a reasonable and appropriate method of calculating liquidated damages for any prepayment irrespective of whether any of the foregoing hedging transactions have in fact occurred or occurred precisely as stated with respect to the loan evidenced by this Note; all calculations and determinations by the Lender of the amounts payable pursuant to the preceding provisions or of any element thereof, if made in accordance with its then standard procedures for so calculating or determining such amounts, shall be conclusive absent manifest arithmetic error. "Cape Town Treaty" has the meaning ascribed thereto in 49 U.S.C. Section 44113(1). "FARs" means the Federal Aviation Regulations embodied in Title 14 of the U.S. Code of Federal Regulations, as amended from time to time, or any successor regulations. "International Interest" has the meaning ascribed thereto in the Cape Town Treaty. "International Registry" has the meaning ascribed thereto in 49 U.S.C. Section 44113(3). "Lien" means any security interest, lien, International Interest, Prospective Assignment, Prospective International Interest, mortgage, pledge, encumbrance, judgment, execution, attachment, warrant, writ, levy, other judicial process or claim of any nature whatsoever by or of any person. "Prime Rate" means the rate of interest per annum announced from time to time by the Lender as its prime rate; provided that the Prime Rate is a reference rate and may not be the Lender's lowest rate. In no event shall the interest rate exceed the maximum rate allowed by law. Any interest payment that would for any reason be unlawful under applicable law shall be applied to principal. "Prospective Assignment" shall have the meaning ascribed thereto in the Cape Town Treaty. "Prospective International Interest" shall have the meaning ascribed thereto in the Cape Town Treaty. All terms defined herein are equally applicable to both the singular and plural form of such terms. "Rate Management Transaction" means any transaction (including an agreement with respect thereto) that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option, derivative transaction or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.
- 20. CONDITIONS.** Lender is not obligated to make any loan in connection with this Agreement unless all of the conditions to funding that are listed in the Note and the Loan Agreement are satisfied and all other reasonable conditions established by Lender have been satisfied.

21. GOVERNING LAW; JURISDICTION; CONFLICTS. THE INTERPRETATION, CONSTRUCTION AND VALIDITY OF THIS AGREEMENT AND THE NOTE SHALL BE GOVERNED BY THE LAWS OF THE STATE OF OHIO WITHOUT REFERENCE TO CONFLICT OF LAW PROVISIONS. ALL PARTIES TO THIS AGREEMENT IRREVOCABLY CONSENT TO THE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT IN OHIO IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY ON ANY MATTER WHATSOEVER ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THE NOTE OR THIS AGREEMENT. In the event of any conflict between the terms of this Agreement and the Lease Agreement, this Agreement shall govern unless otherwise agreed in writing by the parties hereto.

22. MISCELLANEOUS. (a) Subject to the limitations herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, successors and assigns. (b) This Agreement may be executed in any number of counterparts, which together shall constitute a single instrument. (c) Section and paragraph headings in this Agreement are for convenience only and have no independent meaning. (d) The terms of this Agreement shall be severable and if any term thereof is declared unconscionable, invalid, illegal or void, in whole or in part, the decision so holding shall not be construed as impairing the other terms of this Agreement and this Agreement shall continue in full force and effect as if such invalid, illegal, void or unconscionable term were not originally included herein. (e) All indemnity obligations of Debtor under this Agreement and all rights, benefits and protections provided to Lender by warranty disclaimers shall survive the cancellation, expiration or termination of this Agreement. (f) Lender shall not be liable to Debtor for any indirect, consequential or special damages for any reason whatsoever. (g) This Agreement may be amended, but only by a written amendment signed by Lender and Debtor. (h) If this Agreement is signed by more than one Debtor, each of such Debtors shall be jointly and severally liable for payment and performance of all of Debtor's obligations under this Agreement. (i) This Agreement represents the final, complete and entire agreement between the parties hereto, and there are no oral or unwritten agreements or understandings affecting this Agreement or the Collateral. (j) Debtor agrees that Lender is not the agent of any manufacturer or supplier, that no manufacturer or supplier is an agent of Lender, and that any representation, warranty or agreement made by manufacturer, supplier or by their employees, sales representatives or agents shall not be binding on Lender. (k) In order to secure all Obligations, Debtor assigns and grants to Lender a security interest in: all rights, powers and privileges of Borrower under any lease of any Equipment hereafter authorized in writing by Lender.

23. GOVERNMENT REGULATION. Debtor shall not (a) be or become subject, at any time, to any law, regulation, or list of any government agency (including, without limitation, the U.S. Office of Foreign Asset Control list) that prohibits or limits Lender from making any advance or extension of credit to Debtor or from otherwise conducting business with Debtor or (b) fail to provide documentary and other evidence of Debtor's identity as may be requested by Lender at any time to enable Lender to verify Debtor's identity or to comply with any applicable law or regulation, including, without limitation, Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318.

24. GOVERNMENT REGULATION. ANTI-CORRUPTION.

24.1. Representations and Warranties Regarding Anti-Corruption Laws and Sanctions. Debtor has implemented and maintains in effect policies and procedures designed to ensure compliance by Debtor, its subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and Debtor, its subsidiaries and their respective officers and employees and to the knowledge of Debtor its directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) Debtor, any subsidiary or to the knowledge of Debtor or such subsidiary any of their respective directors, officers or employees, or (b) to the knowledge of Debtor, any agent of Debtor or any subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No advance, letter of credit, use of proceeds or other transaction contemplated by this Agreement will violate Anti-Corruption Laws or applicable Sanctions.

24.2. Compliance with Anti-Corruption Laws and Sanctions. Debtor shall maintain in effect and enforce policies and procedures designed to ensure compliance by Debtor, its subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

24.3. Use of Proceeds. Debtor shall not use, or permit any proceeds of the Note to be used, directly or indirectly, by Debtor or any of its subsidiaries or its or their respective directors, officers, employees and agents: (1) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws; (2) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country; or (3) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

25. COMPLIANCE WITH CAPE TOWN TREATY; RECORDATION WITH THE INTERNATIONAL REGISTRY.

Without limiting any other terms or conditions of this Agreement or the Loan Agreement, Debtor agrees as follows, all of which shall be undertaken at Debtor's sole expense:

- (a) Prior to the closing and funding of any loan under the Loan Agreement, Debtor shall register and be approved as a "Transacting User Entity" with the International Registry.
- (b) Prior to the closing and funding of any loan under the Loan Agreement, Debtor shall take any and all such action, and shall execute and deliver such instruments, documents and certificates, as Lender may require in order to accurately register and timely record the respective interests of Debtor and Lender in the Equipment with the International Registry pursuant to the Cape Town Treaty, such interests to be searchable in the International Registry to the satisfaction of the Lender, and with the FAA pursuant to the Act, including, without limitation, providing such consents (and does hereby consent) as may be required to permit Lender to give effect to the timely registration and recordation with the International Registry of the respective interests of Debtor and Lender in the Equipment.
- (c) Upon Lender's request, Debtor shall execute and deliver to Lender a fully completed and originally executed Irrevocable De-Registration and Export Request Authorization ("IDERA"), in the form acceptable to the Lender in its sole and absolute discretion, which Lender may file with the FAA.
- (d) Debtor shall take any and all such action, and shall execute and deliver such instruments, documents and certificates, and hereby consents to any applicable International Registry registrations as Lender may require in order to maintain the registration and recordation of the respective interests of Debtor and Lender in the Equipment with the International Registry pursuant to the Cape Town Treaty and with the FAA pursuant to the Act.

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ALL PARTIES TO THIS AGREEMENT IRREVOCABLY CONSENT TO THE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT IN OHIO, WHERE THE MAIN OFFICE OF THE LENDER IS LOCATED, AND WAIVE ALL RIGHTS TO TRIAL BY JURY, IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY ON ANY MATTER WHATSOEVER ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THE NOTE OR THIS AGREEMENT.

CITY OF HUNTINGTON BEACH

(Debtor)

By: _____

Title: _____

Debtor Organization Information: A(n) Government organized under the laws of the State of CA with State Organization #n/a

JPMORGAN CHASE BANK, N.A.

(Lender)

By: _____

Title: Authorized Officer

Acceptance Date: _____, 20 ____

APPROVED AS TO FORM

By:  MICHAEL E. GATES
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

SCHEDULE A-1

Loan No. 1000147653

Description of Equipment

Airframe Make/Model: _____

Airframe Serial No.: _____

U.S. Identification No.: _____

Engine Quantity/Make/Model: _____

Engine Serial No(s): _____

Together with all engines, avionics, communication equipment, navigation equipment, instruments, accessories, attachments, parts, appurtenances, accessions, furnishings and other equipment attached to, installed in or relating to any of the foregoing property and all maintenance and service logs and records relating to the foregoing property.

Each engine has 550 or more rated takeoff horsepower or the equivalent of such horsepower.

The hangar location of the Aircraft shall be:

This Schedule A-1 is attached to, and made a part of the Security Agreement with the Loan Number referenced above and contains a true and accurate description of the Equipment.

**IRREVOCABLE POWER OF ATTORNEY IN FACT
(AIRCRAFT REGISTRATION)**

CITY OF HUNTINGTON BEACH, a(n) Government (the "**Registered Owner**") is the borrower under that certain Security Agreement dated as of _____, 20__ executed in favor of **JPMORGAN CHASE BANK, N.A. ("Lender")** and with respect, in part, to Three (3) TBD aircraft bearing manufacturer's serial number _____ and United States Registration Number _____, together with _____ aircraft engines bearing manufacturer's serial numbers _____ (the "**Aircraft**") and the Registered Owner is the registered owner of the Aircraft with the Federal Aviation Administration ("**FAA**") and the Aircraft Registry (the "**Registry**").

In consideration of the loan made by Lender that is secured by the Security Agreement (the receipt and sufficiency of which is hereby acknowledged) and in accordance with the Security Agreement the Registered Owner hereby:

1. **IRREVOCABLY AND UNCONDITIONALLY APPOINTS** Lender as its true and lawful Attorney in Fact (in such capacity the "**Attorney in Fact**") to:

1.1 generally do any and all such acts and things as may be required and to execute and deliver upon its behalf and in its name any documents, instruments or certificates and any amendments thereto (if any) which may be required to:

(a) register, re-register or renew the registration of the Aircraft in the name of the Registered Owner with the Registry, including but not limited to the execution of any FAA AC Forms 8050-1, 8050-1A or 8050-1B and the submission of any information or forms on or through the FAA website established to allow for the registration, re-registration or renewal of said registration; and

(b) to reserve or extend the reservation of the United States Registration Number associated with the Aircraft or to release or assign the United States Registration Number to another entity and/or aircraft.

2. **AGREES** that:

2.1 Registered Owner shall indemnify, defend and hereby undertakes from time to time and at all times to indemnify and defend the Attorney in Fact against all costs, claims, expenses and liabilities properly incurred by any Attorney in Fact in connection herewith;

2.2 Registered Owner ratifies and confirms and will ratify and confirm any action taken and document executed by the Attorney in Fact by virtue of this Irrevocable Power of Attorney in Fact (the "**Power of Attorney**");

2.3 any officer, director, or manager of Attorney in Fact may execute documents for Attorney in Fact in its capacity as Attorney in Fact for Registered Owner;

2.4 this Power of Attorney shall be conclusive and binding upon Registered Owner and no person or entity shall be under any obligation to make any inquiries as to whether or not this Power of Attorney has been revoked, all parties may rely on an executed copy or facsimile of this Power of Attorney and the revocation or termination of this Power of Attorney shall be ineffective as to any documents executed pursuant to this Power of Attorney; and

2.5 this Power of Attorney may be filed with the Registry.

THE power of attorney set forth herein shall be deemed coupled with an interest and shall expire One Hundred Twenty-Six (126) months from the date set forth below. This Power of Attorney shall in all respects be interpreted in accordance with, and governed by the laws of State of Ohio of the United States of America.

IN WITNESS WHEREOF this Power of Attorney was executed on this ____ day of _____ 20__.


CITY OF HUNTINGTON BEACH

(Registered Owner)

By: _____

Title: _____

APPROVED AS TO FORM

By: _____
 MICHAEL E. GATES
CITY ATTORNEY
CITY OF HUNTINGTON BEACH

CERTIFICATION

CITY OF HUNTINGTON BEACH (the "**Registered Owner**"), hereby certifies that the following is a true and correct copy of a certification adopted by the Registered Owner dated as of _____, 2021.

RESOLVED, that the IRREVOCABLE POWER OF ATTORNEY IN FACT (AIRCRAFT REGISTRATION), appointing **JPMORGAN CHASE BANK, N.A.**, as Attorney in Fact for the Registered Owner, is hereby approved and any officer of Registered Owner is hereby authorized to execute and deliver such Irrevocable Power of Attorney in Fact.

DATED as of this _____ day of _____ 2021.

CITY OF HUNTINGTON BEACH
(Registered Owner)

By: _____

Title: _____

APPROVED AS TO FORM

By: _____
 **MICHAEL E. GATES**
CITY ATTORNEY
CITY OF HUNTINGTON BEACH