

## ESCROW AGREEMENT (2010 BONDS)

THIS ESCROW AGREEMENT (2010 BONDS), dated as of November 1, 2020 (the “**Agreement**”), and entered into by and among the City of Garden Grove (the “**Agency**”), the Garden Grove Public Financing Authority (the “**Authority**”) and U.S. Bank National Association, as escrow agent (the “**Escrow Agent**”) and as Prior Trustee (as such term is defined herein), is entered into in accordance with: (i) resolutions of the Agency and the Authority adopted on October 13, 2020; and (ii) an Indenture of Trust, dated as of May 1, 2010 (the “**2010 Indenture**”), by and between the Agency and U.S. Bank National Association as trustee (the “**Prior Trustee**”), relating to the Authority’s Water Revenue Bonds, Series 2010A (Tax-Exempt) (the “**2010A Bonds**”), Series 2010B (Federally Taxable Direct Pay Build America Bonds) (“**2010B Bonds**”) and Series 2010C (Federally Taxable Recovery Zone Economic Development Bonds) (the “**2010C Bonds**” and, together with the 2010A Bonds and the 2010B Bonds, the “**Refunded Obligations**”). This Agreement is entered into to refund all of the outstanding Refunded Obligations.

### RECITALS

A. Pursuant to the 2010 Indenture, the Authority previously issued: (i) the 2010A Bonds in the aggregate principal amount of \$9,305,000, of which \$3,310,000 is currently outstanding; (ii) the 2010B Bonds in the aggregate principal amount of \$4,125,000, all of which is currently outstanding; and (iii) the 2010C Bonds in the aggregate principal amount of \$3,195,000, all of which is currently outstanding.

B. The Authority has determined to issue its Water Revenue Bonds, Series 2020A (the “**2020A Bonds**”), a portion of the proceeds of which will be applied to pay, on December 15, 2020 (the “**Redemption Date**”) the principal of the Refunded Obligations maturing on and after the Redemption Date, plus interest thereon accrued to the Redemption Date, without premium (the “**Redemption Price**”).

C. The Authority and the Agency will irrevocably deposit moneys with the Escrow Agent, which moneys will be used to purchase the securities that are described on Schedule A (the “**Federal Securities**”) (as permitted by, in the manner prescribed by and all in accordance with the 2010 Indenture). Such Federal Securities satisfy the criteria that are set forth in Section 10.03 of the 2010 Indenture, and the principal of and interest on such Federal Securities when paid, together with other moneys contributed by the Agency and the Authority, will provide funds which will be fully sufficient to pay and discharge the Refunded Obligations.

### AGREEMENT

SECTION 1. Deposit of Moneys. The Authority will cause U.S. Bank National Association, as trustee for the 2020A Bonds, to transfer to the Escrow Agent, on the date of issuance of the 2020A Bonds: (a) a portion of the proceeds of the 2020A Bonds in the amount of \$\_\_\_\_\_ for deposit in the 2010A Bonds Escrow Account established hereunder; (b) a portion of the proceeds of the 2020A Bonds in the amount of \$\_\_\_\_\_ for deposit in the 2010B Bonds Escrow Account established hereunder; and (c) a portion of the proceeds of the 2020A Bonds in the amount of \$\_\_\_\_\_ for deposit in the 2010C Bonds Escrow Account established hereunder.

The Authority also hereby directs the Prior Trustee to transfer to the Escrow Agent, on the date of issuance of the 2020A Bonds: (i) \$\_\_\_\_\_ held in the funds and accounts relating to the 2010A Bonds for deposit in the 2010A Bonds Escrow Account; \$\_\_\_\_\_ held in the funds and accounts relating to the 2010B Bonds for deposit in the 2010B Bonds Escrow Account; and (iii) \$\_\_\_\_\_ held in the funds and accounts relating to the 2010C Bonds for deposit in the 2010C Bonds Escrow Account.

The Escrow Agent will hold such amounts in an irrevocable escrow separate and apart from other funds of the Agency, the Authority and the Escrow Agent in separate accounts hereby created and established to be known as the “**2010A Bonds Escrow Account**,” the “**2010B Bonds Escrow Account**” and the “**2010C Bonds Escrow Account**.” The 2010A Bonds Escrow Account, the 2010B Bonds Escrow Account and the 2010C Bonds Escrow Account constitute accounts within the “**Escrow Fund**,” which is hereby created and established. Moneys in the Escrow Fund shall be applied solely as provided in this Agreement. The Agency represents that the sum of the amounts set forth above is at least equal to an amount that is sufficient to purchase the Federal Securities listed on Schedule A, and to hold \$\_\_\_\_\_ uninvested as cash.

SECTION 2. Investment of Moneys. The Escrow Agent acknowledges receipt of the moneys described in Section 1 and agrees immediately to invest \$\_\_\_\_\_ of such moneys in the Federal Securities listed on Schedule A and to deposit such Federal Securities in the Escrow Fund. The Escrow Agent shall be entitled to rely upon the conclusion of Causey Demgen & Moore P.C., Denver, Colorado (the “**Verification Agent**”) that the Federal Securities listed on Schedule A mature and bear interest that is payable in such amounts and at such times as, together with cash on deposit in the Escrow Fund, will be sufficient to pay, on the Redemption Date, the applicable Redemption Prices of the respective series of outstanding Refunded Obligations maturing after the Redemption Date.

SECTION 3. Investment of Any Remaining Moneys. At the written direction of the Agency, together with an unqualified opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, to the effect that reinvestment is permitted under the legal documents in effect with respect to the Refunded Obligations and will not have an adverse effect on the tax status of the Refunded Obligations, the Escrow Agent shall reinvest any other amount of principal and interest, or any portion thereof, received from the Federal Securities prior to the date on which such payment is required for the purposes set forth herein, in noncallable Federal Securities maturing not later than the date on which such payment or portion thereof is required for the purposes set forth in Section 5, as verified in a report prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions to the effect that the reinvestment described in said report will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay, on the Redemption Date, the applicable Redemption Prices of the outstanding respective series of Refunded Obligations maturing after the Redemption Date. Any interest income resulting from investment or reinvestment of moneys pursuant to this Section 3 which are not required for the purposes set forth in Section 5, as verified in the letter of the Verification Agent originally obtained by the Agency with respect to the refunding of the Refunded Obligations or in any other report prepared by an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions, shall be paid to the Agency promptly upon the receipt of such interest income by the Escrow Agent.

SECTION 4. Substitution of Securities. Upon the written request of the Agency, and subject to the conditions and limitations that are set forth herein and applicable governmental rules and regulations, the Escrow Agent shall sell, redeem or otherwise dispose of Federal Securities purchased

in accordance with Section 3, provided that there are substituted therefor from the proceeds thereof other Federal Securities, but only after the Agency has obtained and delivered to the Escrow Agent: (i) an unqualified opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, to the effect that the substitution of securities is permitted under the legal documents in effect with respect to the Refunded Obligations and will not have an adverse effect on the tax status of the Refunded Obligations; and (ii) a report by a firm of independent certified public accountants to the effect that the reinvestment described in said report will not adversely affect the sufficiency of the amounts of securities, investments and money in the Escrow Fund to pay, on the Redemption Date, the applicable Redemption Prices of the outstanding respective series of Refunded Obligations maturing after the Redemption Date. The Escrow Agent shall not be liable or responsible for any loss resulting from any reinvestment made pursuant to this Agreement and in full compliance with the provisions hereof.

#### SECTION 5. Payment of Refunded Obligations.

(a) Payment. From the maturing principal of the Federal Securities and the investment income and other earnings thereon and other moneys on deposit in the Escrow Fund, the Escrow Agent shall transfer to the Prior Trustee for the Prior Trustee to pay, on the Redemption Date, the applicable Redemption Prices of the respective series of Refunded Obligations maturing on and after the Redemption Date, as indicated on Schedule A.

(b) Irrevocable Instructions to Provide Notice. The notice of redemption of the Refunded Obligations that is required to be mailed pursuant to Section 4.03 of the 2010 Indenture is substantially in the form that is attached hereto as Exhibit A. The notice of defeasance of the Refunded Obligations that is required to be mailed pursuant to Article X of the 2010 Indenture is substantially in the form that is attached hereto as Exhibit B. The Agency and the Authority instruct the Prior Trustee to deliver a notice of redemption of the Refunded Obligations in accordance with Section 4.03 of the 2010 Indenture (including to The Depository Trust Company) and a notice of defeasance of the Refunded Obligations on the date of issuance of the 2020A Bonds.

(c) Unclaimed Moneys. Any moneys in the Escrow Fund which remain unclaimed after the Redemption Date shall be repaid by the Escrow Agent to the Agency.

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

(e) Termination of Obligation. Upon the deposits into the Escrow Fund as described herein: (i) the Refunded Obligations shall cease to be entitled to any benefit or security under the 2010 Indenture, and the Owners of said Refunded Obligations shall have no rights in respect thereof except to receive payment of the Redemption Price thereof; (ii) the 2010 Indenture and the pledge of Pledged Revenues and other assets made thereunder and all covenants, agreements and other obligations of the Authority thereunder shall cease, terminate, become void and be completely discharged and satisfied; (iii) all liability of the Authority in respect of such Refunded Obligations shall cease, terminate and be completely discharged, and the Owners thereof shall thereafter be entitled only to payment out of such money or securities deposited with the Prior Trustee as aforesaid for their payment, subject however, to the provisions of the 2010 Indenture; and (iv) the right, title and interest of the Authority in the Installment Purchase Agreement (as such term is defined in the 2010 Indenture) and the obligations of the City thereunder will, with respect to all or such portion of the Series 2010

Installment Payments as have been so provided for, thereupon cease, terminate, become void and be completely discharged and satisfied (except for the right of the Trustee and the obligation of the City to have such moneys and such Federal Securities applied to the payment of such Series 2010 Installment Payments).

SECTION 6. Application of Certain Terms of the 2010 Indenture. All of the terms of the 2010 Indenture relating to the making of payments of principal of and interest on the respective series of Refunded Obligations and relating to the exchange or transfer of the respective series of Refunded Obligations are incorporated in this Agreement as if set forth in full herein. The procedures set forth in Article VIII of the 2010 Indenture relating to the resignation and removal and merger of the Prior Trustee are also incorporated in this Agreement as if set forth in full herein and shall be the procedures to be followed with respect to any resignation or removal of the Escrow Agent hereunder.

SECTION 7. Performance of Duties. The Escrow Agent agrees to perform only the duties that are set forth herein and shall have no responsibility to take any action or omit to take any action that is not set forth herein.

SECTION 8. Escrow Agent's Authority to Make Investments. Except as provided in Sections 2, 3 and 4 hereof, the Escrow Agent shall have no power or duty to invest any funds that are held hereunder or to sell, transfer or otherwise dispose of the moneys or securities that are held hereunder.

SECTION 9. Indemnity. The Agency hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by or asserted against the Escrow Agent at any time (whether or not also indemnified against the same by the Agency or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the retention of the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the Agency shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Agent's respective employees. In no event shall the Agency or the Escrow Agent be liable to any person by reason of the transactions that are contemplated hereby other than to each other as set forth in this Section. The indemnities that are contained in this Section shall survive the termination of this Agreement and the resignation or removal of the Escrow Agent.

SECTION 10. Responsibilities of Escrow Agent. The Escrow Agent and its agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or securities deposited therein, the sufficiency of the moneys held in the Escrow Fund to pay the Refunded Obligations or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent that is made in good faith in the conduct of its duties. The recitals of fact that are contained herein shall be

taken as the statements of the Agency and the Authority, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the proceeds to accomplish the refunding of the Refunded Obligations or to the validity of this Agreement as to the Agency and the Authority and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence or willful misconduct, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. In no event shall the Escrow Agent be liable for any special indirect or consequential damages. The Escrow Agent may consult with counsel, who may or may not be counsel to the Agency, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the Agency.

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

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions (“**Instructions**”) given pursuant to this Agreement and delivered using Electronic Means (“**Electronic Means**” shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder); provided, however, that the Agency and the Authority shall provide to the Escrow Agent an incumbency certificate listing officers with the authority to provide such Instructions (“**Authorized Officers**”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Agency or the Authority whenever a person is to be added or deleted from the listing. If the Agency or the Authority elect to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent’s understanding of such Instructions shall be deemed controlling. The Agency and the Authority understand and agree that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The Agency shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the Agency and the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Agency or the Authority. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Agency and the Authority agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that they are fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Agency or the Authority; (iii) that the security

procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

The Escrow Agent shall furnish the Agency with periodic cash transaction statements which include detail for all investment transactions effected by the Escrow Agent or brokers selected by the Agency, provided that the Escrow Agent is not obligated to provide an accounting for any fund or account that: (a) has a balance of \$0.00; and (b) has not had any activity since the last reporting date. Upon the Agency's election, such statements will be delivered via the Escrow Agent's online service and upon electing such service, paper statements will be provided only upon request. The Agency and the Authority waive the right to receive brokerage confirmations of security transactions effected by the Escrow Agent as they occur, to the extent permitted by law. The Agency and the Authority further understand that trade confirmations for securities transactions effected by the Escrow Agent will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

If the Escrow Agent learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of Securities that is to be submitted pursuant to this Agreement, the Escrow Agent shall promptly request alternative written investment instructions from the Agency with respect to escrowed funds which were to be invested in securities. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold funds uninvested and without liability for interest until receipt of further written instructions from the Agency. In the absence of investment instructions from the Agency, the Escrow Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent may conclusively rely upon the Agency's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Agent may conclusively rely, as to the trust and accuracy of the statements and correctness of the opinions and the calculations provided to it in connection with this Agreement, and shall be protected in acting, or refraining from acting, upon any written notice, instruction, request, certificate, document or opinion furnished to the Escrow Agent in accordance with this Agreement and reasonably believed by the Escrow Agent to have been signed or presented by the proper party, and it need not investigate any facts or matter stated in such notice, instruction, request, certificate or opinion.

The liability of the Escrow Agent to make any payments under the Agreement shall be limited to the funds in the Escrow Fund.

SECTION 11. Amendments. This Agreement is made for the benefit of the Agency, the Authority and the owners from time to time of the Refunded Obligations and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent, the Agency and the Authority; provided, however, that the Agency, the Authority and the Escrow Agent may, without the consent of, or notice to, such owners, amend this Agreement or enter into such

agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement or the 2010 Indenture for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of any series of the Refunded Obligations any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; and (iii) to include under this Agreement additional funds. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the various Refunded Obligations or that any instrument that is executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Notice to Rating Agencies. In the event that this agreement or any provision thereof is severed, amended or revoked, the Escrow Agent shall provide written notice of such severance, amendment or revocation to the rating agencies then rating the Refunded Obligations.

SECTION 13. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either: (i) the date upon which the Refunded Obligations have been paid in accordance with this Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 5(c) of this Agreement. Funds remaining in the Escrow Fund after payment in full of the Refunded Obligations shall be transferred to the Agency.

SECTION 14. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent and the Agency and any other reasonable fees and expenses of the Escrow Agent; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien or assert any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services that are rendered or expenses incurred by the Escrow Agent under this Agreement.

SECTION 15. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Agency, the Authority or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void, shall be deemed separate from the remaining covenants and agreements contained herein and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 16. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

SECTION 17. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 18. Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Agreement, shall be a legal holiday or a day on which banking institutions in the city in which is located the office of the Escrow Agent are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day which is not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date

provided in this Agreement, and no interest shall accrue for the period from and after such nominal date.

SECTION 19. Assignment. This Agreement shall not be assigned by the Escrow Agent or any successor thereto without the prior written consent of the Agency.

SECTION 20. Reorganization of Escrow Agent. Notwithstanding anything to the contrary contained in this Agreement, any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Escrow Agent is a party, or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business, shall be the successor to the Escrow Agent without execution or filing of any paper or any paper or further act, if such company is eligible to serve as Escrow Agent.

SECTION 21. Insufficient Funds. If at any time the Escrow Agent has actual knowledge that the moneys and investments in the Escrow Fund, including the anticipated proceeds thereof and earnings thereon, will not be sufficient to make all payments required by this Agreement, the Escrow Agent shall notify the Agency in writing of the amount thereof and the reason therefor to the extent known to it. The Escrow Agent shall have no responsibility regarding any such deficiency.

SECTION 22. Notices. Any notice to or demand upon the Escrow Agent may be served or presented, and such demand may be made, at the principal corporate trust office of the Escrow Agent at 633 West Fifth Street, 24th Floor, Los Angeles, California 90071, Attention: Corporate Trust, Reference: Garden Grove, Series 2010. Any notice to or demand upon the Agency or the Authority shall be deemed to have been sufficiently given or served for all purposes by being sent by facsimile or other electronic transmission, overnight mail or courier or mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the Agency at 11222 Acacia Parkway, California 92840 (or such other address as may have been filed in writing by the Agency with the Escrow Agent).

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]*



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

CITY OF GARDEN GROVE

By: \_\_\_\_\_  
City Manager

GARDEN GROVE PUBLIC FINANCING  
AUTHORITY

By: \_\_\_\_\_  
Executive Director

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

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

**SCHEDULE A**  
**ESCROW REQUIREMENTS**

Moneys deposited in the Escrow Fund shall be invested as follows:

<i>Security</i>	<i>Maturity</i>	<i>Principal Amount</i>	<i>Interest Rate</i>
—	December 15, 2020	\$	%

The escrow requirements for the 2010A Bonds are as follows:

<i>Period Ending</i>	<i>Principal Paid</i>	<i>Principal Redeemed</i>	<i>Interest</i>	<i>Total</i>
December 15, 2020	\$	\$	\$	\$

The escrow requirements for the 2010B Bonds are as follows:

<i>Period Ending</i>	<i>Principal Paid</i>	<i>Principal Redeemed</i>	<i>Interest</i>	<i>Total</i>
December 15, 2020	\$	\$	\$	\$

The escrow requirements for the 2010C Bonds are as follows:

<i>Period Ending</i>	<i>Principal Paid</i>	<i>Principal Redeemed</i>	<i>Interest</i>	<i>Total</i>
December 15, 2020	\$	\$	\$	\$

## EXHIBIT A

### NOTICE OF FULL OPTIONAL REDEMPTION

GARDEN GROVE PUBLIC FINANCING AUTHORITY

WATER REVENUE BONDS, SERIES 2010A (TAX-EXEMPT)

WATER REVENUE BONDS, SERIES 2010B  
(FEDERALLY TAXABLE DIRECT PAY BUILD AMERICA BONDS)

WATER REVENUE BONDS, SERIES 2010C  
(FEDERALLY TAXABLE RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS)

BASE CUSIP 365273

NOTICE IS HEREBY GIVEN to the owners of the above-captioned obligations (collectively, the “2010 Bonds”) pursuant to the Indenture of Trust, dated as of May 1, 2010, by and between the Garden Grove Public Financing Authority (the “Agency”), and U.S. Bank National Association, as trustee (the “2010 Trustee”), that 2010 Bonds in the principal amount of \$9,860,000 have been called for redemption on December 15, 2020 (the “Redemption Date”). The 2010 Bonds were originally issued on May 13, 2010 and are described in the following tables.

#### WATER REVENUE BONDS, SERIES 2010A (TAX-EXEMPT)

<u>CUSIP</u>	<u>Maturity</u> <u>(December 15)</u>	<u>Interest Rate</u>	<u>Principal</u> <u>Amount</u>	<u>Redemption Price</u>
BF7	2021	5.000%	\$ 805,000	100%
BG5	2022	3.750	455,000	100
BH3	2022	5.000	395,000	100
BJ9	2023	4.000	115,000	100
BK6	2023	5.000	770,000	100

#### WATER REVENUE BONDS, SERIES 2010B (FEDERALLY TAXABLE DIRECT PAY BUILD AMERICA BONDS)

<u>CUSIP</u>	<u>Maturity</u> <u>(December 15)</u>	<u>Interest Rate</u>	<u>Principal</u> <u>Amount</u>	<u>Redemption Price</u>
BL4	2028	6.263%	\$ 4,125,000	100%

#### WATER REVENUE BONDS, SERIES 2010C (FEDERALLY TAXABLE RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS)

<u>CUSIP</u>	<u>Maturity</u> <u>(December 15)</u>	<u>Interest Rate</u>	<u>Principal</u> <u>Amount</u>	<u>Redemption Price</u>
BM2	2030	6.389%	\$ 3,195,000	100%

The 2010 Bonds will be payable on the Redemption Date at a redemption price of 100% of the principal amount plus accrued interest to such date (the “Redemption Price”). The Redemption Price

of the 2010 Bonds will become due and payable on the Redemption Date. Provided that moneys for redemption have been deposited with the Trustee, interest on the 2010 Bonds will cease to accrue and be payable from and after the Redemption Date, and such 2010 Bonds will be surrendered to the 2010 Trustee and cease to be entitled to any benefit under the 2010 Indenture other than to receive payment of the Redemption Price.

To receive payment on the Redemption Date, owners of the 2010 Bonds should present and surrender said 2010 Bonds on the Redemption Date at the address of the 2010 Trustee set forth below:

Delivery Instructions

U.S. Bank  
Global Corporate Trust Services  
111 Fillmore Avenue E  
St. Paul, Minnesota 55107

**REQUIREMENT INFORMATION**

For a list of redemption requirements please visit our website at [www.usbank.com/corporatetrust](http://www.usbank.com/corporatetrust) and click on the “Bondholder Information” link for Redemption instructions. You may also contact our Bondholder Communications team at 1-800-934-6802 Monday through Friday from 8 AM to 6 PM CST.

**IMPORTANT NOTICE**

Federal law requires the 2010 Trustee to withhold taxes at the applicable rate from the payment if an IRS Form W-9 or applicable IRS Form W-8 is not provided. Please visit [www.irs.gov](http://www.irs.gov) for additional information on the tax forms and instructions.

If the owner of any 2010 Bond fails to deliver such 2010 Bond to the 2010 Trustee on the Redemption Date, such 2010 Bond shall nevertheless be deemed redeemed on the Redemption Date and the owner of such 2010 Bond shall have no rights in respect thereof except to receive payment of the Redemption Price from funds held by the 2010 Trustee for such payment.

*Note: The Agency and the 2010 Trustee shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness in the notice or as printed on any 2010 Bond. They are included solely for the convenience of the holders.*

U.S. BANK NATIONAL ASSOCIATION, as 2010  
Trustee

November 15, 2020

## EXHIBIT B

### NOTICE OF DEFEASANCE

#### GARDEN GROVE PUBLIC FINANCING AUTHORITY

#### WATER REVENUE BONDS, SERIES 2010A (TAX-EXEMPT)

#### WATER REVENUE BONDS, SERIES 2010B (FEDERALLY TAXABLE DIRECT PAY BUILD AMERICA BONDS)

#### WATER REVENUE BONDS, SERIES 2010C (FEDERALLY TAXABLE RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS)

BASE CUSIP 365273

NOTICE IS HEREBY GIVEN to the owners of the above-captioned obligations (collectively, the “2010 Bonds”) pursuant to the Indenture of Trust, dated as of May 1, 2010 (the “Indenture”) by and between the Garden Grove Public Financing Authority (the “Agency”) and U.S. Bank National Association, as trustee (the “2010 Trustee”), that the Agency has deposited with the 2010 Trustee cash and federal securities in an amount that is sufficient to pay on December 15, 2020 the principal of all outstanding 2010 Bonds, plus accrued interest with respect thereto to such date. The 2010 Bonds were originally issued on May 13, 2010 and are described in the following tables.

#### WATER REVENUE BONDS, SERIES 2010A (TAX-EXEMPT)

<u>CUSIP</u>	<u>Maturity</u> <u>(December 15)</u>	<u>Interest Rate</u>	<u>Principal</u> <u>Amount</u>	<u>Redemption Price</u>
BE0	2020	5.000%	\$ 770,000	100%
BF7	2021	5.000	805,000	100
BG5	2022	3.750	455,000	100
BH3	2022	5.000	395,000	100
BJ9	2023	4.000	115,000	100
BK6	2023	5.000	770,000	100

#### WATER REVENUE BONDS, SERIES 2010B (FEDERALLY TAXABLE DIRECT PAY BUILD AMERICA BONDS)

<u>CUSIP</u>	<u>Maturity</u> <u>(December 15)</u>	<u>Interest Rate</u>	<u>Principal</u> <u>Amount</u>	<u>Redemption Price</u>
BL4	2028	6.263%	\$ 4,125,000	100%

#### WATER REVENUE BONDS, SERIES 2010C (FEDERALLY TAXABLE RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS)

<u>CUSIP</u>	<u>Maturity</u> <u>(December 15)</u>	<u>Interest Rate</u>	<u>Principal</u> <u>Amount</u>	<u>Redemption Price</u>
BM2	2030	6.389%	\$ 3,195,000	100%

In accordance with the 2010 Indenture and the Installment Purchase Agreement, dated as of May 1, 2010 (the "2010 IPA"), by and between the Agency and the City of Garden Grove (the "City"): (i) the 2010 Bonds have ceased to be entitled to any benefit or security under the 2010 Indenture, and the Owners of said 2010 Bonds have no rights in respect thereof except to receive payment of the Redemption Price thereof; (ii) the 2010 Indenture and the pledge of Pledged Revenues and other assets made thereunder and all covenants, agreements and other obligations of the Agency thereunder have ceased, terminated, become void and been completely discharged and satisfied; (iii) all liability of the Agency in respect of such Refunded Obligations has ceased, terminated and been completely discharged, and the Owners thereof are thereafter entitled only to payment out of such money or securities deposited with the 2010 Trustee as aforesaid for their payment, subject however, to the provisions of the 2010 Indenture; (iv) the right, title and interest of the Agency in the 2010 IPA and the obligations of the City thereunder has, with respect to all or such portion of the Series 2010 Installment Payments as have been so provided for, thereupon ceased, terminated, become void and been completely discharged and satisfied (except for the right of the 2010 Trustee and the obligation of the City to have such moneys and such federal securities applied to the payment of such Series 2010 Installment Payments); and (ii) all obligations of the Agency under the Continuing Disclosure Agreement, dated May 13, 2010, by and between the City and the 2010 Trustee, as trustee and dissemination agent, relating to the 2010 Bonds, have been terminated as of the date hereof.

No representation is made as to the correctness of the CUSIP number either as printed on any 2010 Bond or as contained herein and any error in the CUSIP number shall not affect the validity of the proceedings for redemption of the 2010 Bonds.

U.S. BANK NATIONAL ASSOCIATION, as 2010  
Trustee

November \_\_, 2020