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**THIRTY-EIGHTH SUPPLEMENTAL INDENTURE OF TRUST**

**between**

**CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1**

**and**

**WILMINGTON TRUST, NATIONAL ASSOCIATION,  
as Trustee**

**CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1  
SPECIAL TAX REFUNDING BONDS, 2021 SERIES A  
(IMPROVEMENT AREA NO. 7B)**

**Dated as of \_\_\_\_\_ 1, 2021**

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## THIRTY-EIGHTH SUPPLEMENTAL INDENTURE OF TRUST

THIS THIRTY-EIGHTH SUPPLEMENTAL INDENTURE OF TRUST dated as of \_\_\_\_ 1, 2021 (this “Thirty-Eighth Supplemental Indenture”), governs the terms of the City of Beaumont Community Facilities District No. 93-1 Special Tax Refunding Bonds, 2021 Series A (Improvement Area No. 7B), which are being issued as Parity Bonds in accordance with the Original Indenture (as defined below).

### *RECITALS:*

WHEREAS, the City Council of the City of Beaumont, located in Riverside County, California (hereinafter sometimes referred to as the “legislative body of the District”), has heretofore undertaken proceedings and declared the necessity to issue bonds of City of Beaumont Community Facilities District No. 93-1 (the “District”) pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5, of the Government Code of the State of California (the “Act”); and

WHEREAS, the District and Wilmington Trust, National Association, as successor trustee (the “Trustee”), have previously entered into an indenture of trust dated as of January 15, 1994 (the “Original Indenture”), to provide for the issuance of bonds of the District pursuant to the terms of the Original Indenture; and

WHEREAS, the District financed and refinanced the costs of certain Projects through the issuance of its (i) Special Tax Refunding Bonds, 2012 Series C (Improvement Area No. 7B) (the “2012C Bonds”), and (ii) Special Tax Bonds, 2012 Series D (Improvement Area No. 7B) (the “2012D Bonds” and together with the 2012C Bonds, the “2012 Bonds”), both series of which were issued pursuant to the Original Indenture, as supplemented by the Twenty-Sixth Supplemental Indenture of Trust, dated as of June 1, 2012 (the “Twenty-Sixth Supplemental Indenture”), and (iii) Special Tax Bonds, 2018 Series A (Improvement Area No. 7B) (the “2018 Bonds”) which were issued pursuant to the Original Indenture, as supplemented by the Thirty-Sixth Supplemental Indenture dated November 1, 2018 (the “Thirty-Sixth Supplemental Indenture”); and

WHEREAS, Section 2.11 of the Original Indenture provides that the District may by Supplemental Indenture issue additional Series of Bonds in order to refund outstanding Bonds or Parity Bonds; and

WHEREAS, the District has been duly authorized to issue a Series of Bonds pursuant to the Original Indenture, as supplemented by this Thirty-Eighth Supplemental Indenture (together with the Original Indenture, the Twenty-Sixth Supplemental Indenture and the Thirty-Sixth Supplemental Indenture, the “Indenture”) designated as the City of Beaumont Community Facilities District No. 93-1 Special Tax Refunding Bonds, 2021 Series A (Improvement Area No. 7B) (the “2021 Bonds”) in an aggregate principal amount of \_\_\_\_\_ for the purpose of refunding the Outstanding 2012 Bonds and paying costs of issuing the 2021 Bonds;

WHEREAS, the District has determined that the conditions contained in Sections 2.11 of the Original Indenture and the Act have been satisfied, and the 2021 Bonds are being issued as a Series of Bonds pursuant to the Original Indenture and, after the refunding of the Outstanding 2012 Bonds,

the Outstanding 2018 Bonds shall be payable from Special Taxes levied within the Improvement Area on a parity with the 2021 Bonds;

WHEREAS, Section 9.01(b) of the Original Indenture provides for the amendment of the Original Indenture: (i) to add to the covenants and agreements of the District in the Indenture contained other covenants and agreements to be observed; and (ii) for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision of the Original Indenture, provided that such amendment does not materially adversely affect the owners of the Bonds of any Series and to facilitate the issuance of Parity Bonds by the District; and

NOW, THEREFORE, in order to establish the terms and conditions upon and subject to which the 2021 Bonds are to be issued, and in consideration of the promises and of the mutual covenants contained herein and of the purchase and acceptance of the 2021 Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the District does hereby covenant and agree, for the benefit of the Owners of the 2018 Bonds and the 2021 Bonds issued under the Indenture, as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.1. Definitions.** All capitalized terms not otherwise defined in this Supplemental Indenture shall have the meaning set forth in the Original Indenture, as supplemented by the Twenty-Sixth Supplemental Indenture and the Thirty-Sixth Supplemental Indenture. The following definitions set forth in Section 1.01 of the Indenture are revised, or added, as the case may be, to mean the following with respect to the 2021 Bonds:

#### Administrative Expenses Cap

The term “Administrative Expenses Cap” means \$20,000.

#### Authority Bonds

The term “Authority Bonds” means any bonds outstanding under the Authority Indenture, which are secured in part by payments made on the 2021 Bonds.

#### Authority Indenture

The term “Authority Indenture” means that certain Indenture of Trust, dated as of \_\_\_\_\_ 1, 2021, by and between the Authority and the Authority Trustee, pursuant to which the Authority Bonds are issued.

#### Authority Trustee

The term “Authority Trustee” means Wilmington Trust, National Association, or any successor thereto appointed pursuant to the Authority Indenture.

Bonds; 2012 Bonds; 2012C Bonds; 2012D Bonds; 2018 Bonds, 2021 Bonds

The term “Bonds” means the 2018 Bonds and the 2021 Bonds and any additional Parity Bonds. The terms “2012 Bonds” “2012C Bonds,” “2012D Bonds” and “2018 Bonds” are defined in the third “Whereas” clause above. The term “2021 Bonds” is defined in the fifth “Whereas” clause above.

Escrow Agreement

The term “Escrow Agreement” means the Escrow Agreement dated as of \_\_\_\_\_ 1, 2021, by and between the District and Wilmington Trust, National Association, as escrow agent relating to the defeasance of the Outstanding 2012 Bonds.

Escrow Fund

The term “Escrow Fund” means the fund by that name established under the Escrow Agreement.

Federal Securities

The term “Federal Securities” means, with respect to the 2021 Bonds: (a) (1) non-callable direct obligations of the United States of America (“Treasuries”), (2) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (3) subject to the prior written consent of the Insurer (so long as the Insurer has not defaulted on any obligation under the Insurance Policy), pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody’s, respectively, and (4) subject to the prior written consent of the Insurer (so long as the Insurer has not defaulted on any obligation under the Insurance Policy), securities eligible for “AAA” defeasance under then existing criteria of S&P.

Improvement Area

The term “Improvement Area” means Improvement Area No. 7B of the District.

Indenture

The term “Indenture” is defined in the fifth “Whereas” clause above.

Insurance Policy

The term “Insurance Policy” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Authority Bonds when due.

Insurer

The term “Insurer” means \_\_\_\_\_, or any successor thereto or assignee thereof.

### Interest Payment Date

The term “Interest Payment Date” means each March 1 and September 1, and with respect to the 2021 Bonds, commencing March 1, 2022.

### Original Indenture

The term “Original Indenture” is defined in the second “Whereas” clause above.

### Proportionate Share

The term “Proportionate Share” means, as of the date of calculation, a fraction equal to (A) the principal amount of the 2021 Bonds Outstanding divided by (B) the sum of the principal amount of all of the Local Obligations (as defined in the Authority Indenture) Outstanding.

### Reserve Account

The term “Reserve Account” means, with respect to the 2021 Bonds, the District’s Account of the Reserve Fund established under the Authority Indenture.

### Reserve Requirement

The term “Reserve Requirement” with respect to the Authority Bonds, shall have the meaning given such term in the Authority Indenture.

### Reserve Fund

The term “Reserve Fund” means the fund by that name established by the Authority Indenture.

### Reserve Policy

The term “Reserve Policy” means the municipal bond debt service reserve insurance policy relating to the Authority Bonds issued by the Insurer.

### Twenty-Sixth Supplemental Indenture

The term “Twenty-Sixth Supplemental Indenture” is defined in the fifth “Whereas” clause above.

### Thirty-Sixth Supplemental Indenture

The term “Thirty-Sixth Supplemental Indenture” is defined in the third “Whereas” clause above.

### Thirty-Eighth Supplemental Indenture

The term “Thirty-Eighth Supplemental Indenture” means this Thirty-Eighth Supplemental Indenture, dated as of \_\_\_\_\_ 1, 2021, between the District and the Trustee, as originally executed.

Term Bonds

The term “Term Bonds” means the 2021 Bonds maturing on September 1, 20\_\_.

**ARTICLE II**

**GENERAL AUTHORIZATION AND BOND TERMS**

**Section 2.1. Amount, Issuance, Purpose and Nature of 2021 Bonds.** Under and pursuant to the Thirty-Eighth Supplemental Indenture, the 2021 Bonds in the aggregate principal amount of \$\_\_\_\_\_ shall be issued as Parity Bonds governed by the terms of the Original Indenture, as supplemented by the Thirty-Sixth Supplemental Indenture, and by this Thirty-Eighth Supplemental Indenture, for the purpose of refunding the Outstanding 2012 Bonds and paying the Costs of Issuance of the 2021 Bonds.

As provided in Section 2.12 of the Original Indenture, the 2021 Bonds shall be equally payable from the Net Taxes levied within the Improvement Area without priority for number, issue date, date of sale, date of execution, or date of delivery, and the payment of the interest on and principal and any premiums upon the redemption thereof shall be exclusively paid from such Net Taxes and moneys on deposit in the Special Tax Fund established for the Improvement Area, the applicable portion of moneys on deposit in the Accounts in the Bond Fund, the Redemption Fund which are hereby set aside for the payment of the 2021 Bonds.

**Section 2.2. Description of Bonds; Interest Rates.** The 2021 Bonds shall be issued in fully registered form in denominations of \$5,000 or any integral multiple thereof within a single maturity. The 2021 Bonds shall be numbered as determined by the Trustee.

The 2021 Bonds shall be designated “CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1 SPECIAL TAX REFUNDING BONDS, 2021 SERIES A (IMPROVEMENT AREA NO. 7B).” The 2021 Bonds shall be dated as of their Delivery Date and shall mature and be payable on September 1 in the years and in the aggregate principal amounts and shall be subject to and shall bear interest at the rates set forth in the table below payable on March 1, 2022 and each Interest Payment Date thereafter:

<i>Maturity Date (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>
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**Section 2.3. Form of 2021 Bonds; Execution and Authentication.**

(a) The 2021 Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which forms are hereby approved and adopted as the forms of such 2021 Bonds and of the certificate of authentication.

Only the 2021 Bonds bearing thereon such certificate of authentication in the form set forth in Exhibit A attached hereto shall be entitled to any right or benefit under the Indenture, and no 2021 Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. The 2021 Bonds shall be registered in the Registration Books of the Trustee in the name of Wilmington Trust, National Association, as Authority Trustee, and shall not be delivered in book-entry form.

Neither the Authority nor the Trustee shall sell, transfer or encumber or permit the sale, transfer or encumbrance of any of the 2021 Bonds unless the Insurer shall have provided its prior consent.

**Section 2.4. Conditions to Issuance of 2021 Bonds.** The 2021 Bonds shall not be issued unless and until the conditions for the issuance of the 2021 Bonds as Parity Bonds pursuant to Section 2.11 of the Indenture shall have been satisfied.

**ARTICLE III**

**APPLICATION OF PROCEEDS OF 2021 BONDS**

**Section 3.1. Application of Proceeds of Sale of 2021 Bonds**

(a) Application of 2021 Bond Proceeds. The net proceeds of the sale of the 2021 Bonds in the amount of \$\_\_\_\_\_ (constituting the par amount of the 2021 Bonds, less Underwriter's Discount allocated to the 2021 Bonds of \$\_\_\_\_\_ and less moneys wired to the Insurer in the amount of \$\_\_\_\_\_) shall be received by the Trustee on behalf of the District and deposited as follows:

(i) \$\_\_\_\_\_ shall be deposited to the Escrow Fund to refund the Outstanding 2012C Bonds;

(ii) \$\_\_\_\_\_ shall be deposited to the Escrow Fund to refund the Outstanding 2012D Bonds;

(iii) \$\_\_\_\_\_ of the proceeds of the sale of the 2021 Bonds representing the District's share of Costs of Issuance shall be immediately transferred to the Authority Trustee for deposit in the Cost of Issuance Fund (as such term is defined in the Authority Indenture); and

The Trustee may, in its discretion, establish a temporary fund or account in its books and records to facilitate such transfers.

**ARTICLE IV**

**REDEMPTION OF 2021 BONDS**

**Section 4.1. Redemption of 2021 Bonds**

(a) Optional Redemption. The 2021 Bonds maturing on or after September 1, 20\_\_ may be redeemed, at the option of the District from any source of funds on any date on or after September 1, 20\_\_, in whole, or in part from such maturities as are selected by the District and by lot within a maturity, at a redemption price of the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

In the event the District elects to redeem 2021 Bonds as provided above, the District shall give written notice to the Trustee of its election to so redeem, the redemption date and the principal amount of the 2021 Bonds to be redeemed. The notice to the Trustee shall be given at least 60 but no more than 90 days prior to the redemption date, or by such later date as is acceptable to the Trustee, in its sole discretion. The 2021 Bonds may be redeemed pursuant to this Section 4.1(a) only with the prior consent of the Authority as set forth in the Authority Indenture.

(b) Extraordinary Redemption. The 2021 Bonds are subject to redemption in whole or in part in the maturities selected by the District, and by lot within a maturity, on any Interest Payment Date from the proceeds of the prepayment of the Special Taxes deposited in the Redemption Fund pursuant to the Indenture and from amounts transferred from the District Residual Fund and the Reserve Account in connection with such redemption. Such mandatory redemption of the 2021 Bonds shall be at the following redemption prices (expressed as percentages of the principal amount of the 2021 Bonds to be redeemed), together with accrued interest thereon to the date of redemption:

<i>Redemption Dates</i>	<i>Redemption Prices</i>
Any Interest Payment Date through and including March 1, 20__	%
September 1, 20__ and March 1, 20__	
September 1, 20__ and March 1, 20__	
September 1, 20__ and any Interest Payment Date thereafter	

For so long as the 2021 Bonds are held in trust by the Trustee, in connection with the calculation of such redemption price, the District shall receive a credit from the Authority from the reduction in the Reserve Requirement resulting from the redemption of the 2021 Bonds and the Authority Bonds so redeemed in connection therewith.

Prepayments will be allocated to the payment at maturity and redemption of Bonds as nearly as practicable on a proportionate basis based on the outstanding principal amount of the Bonds and such amounts shall be applied to redeem Bonds as nearly as practicable on a pro rata basis among maturities in increments of \$5,000.

(c) Mandatory Sinking Fund Redemption. The Term Bonds maturing on September 1, 20\_\_ shall be called before maturity and redeemed, from the Sinking Payments that have been deposited into the Sinking Account, on September 1, 20\_\_ and on each September 1 thereafter prior to maturity, in accordance with the schedule of Sinking Payments set forth below. The Term Bonds so called for redemption shall be selected by the Trustee by lot and shall be

redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

2021 BONDS MATURING SEPTEMBER 1, 20\_\_

*Redemption Dates*  
*(September 1)*

*Principal Amount*

In the event that the Term Bonds are redeemed pursuant to Section 4.1(a) or (b) hereof, the sinking fund payments for the Term Bonds will be reduced as nearly as practicable on a proportionate basis in integral multiples of \$5,000.

## ARTICLE V

### AMENDMENTS

**Section 5.1. Amendment to Section 5.02(e) of the Indenture with Respect to the Bonds.** For purposes of clarifying the replenishment of reserve funds and accounts established with respect to the Bonds, solely with respect to the Bonds, Section 5.02 of the Original Indenture, as supplemented and amended by the Thirty-Sixth Supplemental Indenture and the Thirty-Eighth Supplemental Indenture, is amended and restated in its entirety to read as follows:

“(e) Without preference or priority and in the event of any insufficiency of such moneys ratably without any discrimination or preference, transfer to the Trustee for deposit in any Reserve Account established under the Indenture in connection with the Bonds and to any other trustee for deposit in any reserve fund or account established in connection with or allocated to the Bonds, the amount necessary to cause the balance on deposit therein to equal the applicable reserve requirement. The foregoing transfer shall include any transfer to the Authority Trustee for deposit in the Reserve Account established under the Authority Indenture for the 2021 Bonds, the amount necessary to cause the balance on deposit therein to equal the District’s Proportionate Share of the Reserve Requirement (as defined in the Authority Indenture) or to reimburse the Insurer pursuant to the Authority Indenture for amounts owed to the Insurer for draws under the Reserve Policy related to the 2021 Bonds.”

## ARTICLE VI

### COVENANTS AND WARRANTY

**Section 6.1. Warranty.** The District shall preserve and protect the security pledged hereunder to the 2021 Bonds against all claims and demands of all persons.

**Section 6.2. Covenants.** So long as any of the 2021 Bonds issued hereunder are Outstanding and unpaid, the District makes the following covenants with the Insurer and the 2021 Bondowners under the provisions of the Act and this Thirty-Eighth Supplemental Indenture (to be

performed by the District or its proper officers, agents or employees), which covenants are necessary and desirable to secure the 2021 Bonds; provided, however, that said covenants do not require the District to expend any funds or moneys other than the Special Taxes and other amounts deposited to the Special Tax Fund:

(a) Commence Foreclosure Proceedings. The District hereby covenants with and for the benefit of the Owners of the 2021 Bonds and the landowners of the Improvement Area securing the 2021 Bonds that it will review the public records of the County of Riverside, California, in connection with the collection of the Special Tax not later than July 1 of each year to determine the amount of Special Tax collected in the prior Fiscal Year; and with respect to individual delinquencies within the Improvement Area, if the District determines that any single property owner subject to the Special Tax within the Improvement Area is delinquent in the payment of Special Taxes in the aggregate of \$2,500 or more or that as to any single parcel the delinquent Special Taxes represent more than 5% of the aggregate Special Taxes within the Improvement Area, then the District will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereat) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) the District will cause judicial foreclosure proceedings to be filed in the superior court within ninety (90) days of such determination against all properties for which the Special Taxes remain delinquent.

(b) Reduction of Maximum Special Taxes. The District hereby finds and determines that, historically, delinquencies in the payment of special taxes authorized pursuant to the Act in community facilities districts in Southern California have from time to time been at levels requiring the levy of special taxes at the maximum authorized rates in order to make timely payment of principal of and interest on the outstanding indebtedness of such community facilities districts. For this reason, the District hereby determines that a reduction in the maximum Special Tax rates authorized to be levied on parcels in the Improvement Area below the levels provided in this Section 6.2(b) would interfere with the timely retirement of the 2021 Bonds. The District determines it to be necessary in order to preserve the security for the 2021 Bonds to covenant, and, to the maximum extent that the law permits it to do so, the District hereby does covenant, that it shall not initiate proceedings to reduce the maximum Special Tax rates for the District, unless, in connection therewith, (i) the District receives a certificate from one or more Independent Accounts which, when taken together, certify that, on the basis of the parcels of land and improvements existing in the Improvement Area as of the July 1 preceding the reduction, the maximum amount of the Special Tax which may be levied on then existing taxable property in each Bond Year for any Bonds Outstanding will equal at least the sum of Administrative Expenses of \$20,000 plus 110% of the gross debt service in such Bond Year on all Bonds to remain Outstanding after the reduction is approved, (ii) the District finds that any reduction made under such conditions will not adversely affect the interests of the Owners of the Bonds, and (iii) the District is not delinquent in the payment of the principal of or interest on the Bonds.

(c) Covenants to Defend. The District covenants that, in the event that any initiative is adopted by the qualified electors in the Improvement Area which purports to reduce the minimum or the maximum Special Tax below the levels specified in Section 6.2(b) above, it will commence and pursue legal action in order to preserve its ability to comply with such covenant.

(d) Against Encumbrances. The District will not mortgage or otherwise encumber, pledge or place any charge upon any of the Net Taxes except as provided in the Indenture, and will not issue any obligation or security having a lien or charge upon the Net Taxes superior to or

on a parity with the 2021 Bonds, other than Parity Bonds. Nothing herein shall prevent the District from issuing or incurring indebtedness which is payable from a pledge of Net Taxes which is subordinate in all respects to the pledge of Net Taxes to repay the 2021 Bonds and the Parity Bonds.

(e) Levy of Special Tax to Pay Policy Costs. The District covenants to include in the Special Tax levy pursuant to Section 6.02 of the Original Indenture, such amounts necessary to pay Policy Costs (as defined in the Authority Indenture), and any other amounts owed the Insurer under the Insurance Policy pursuant to Article X of the Authority Indenture, to the extent such amounts are owed as a result of payments made under the Insurance Policy, or a draw under the Reserve Account for the 2021 Bonds, resulting from a default on the 2021 Bonds and subject to the limitations under applicable law and the Rate and Method of Apportionment for the Improvement Area.

## ARTICLE VII

### MISCELLANEOUS

**Section 7.1. Provisions of Indenture in Effect.** Except as expressly modified herein, all of the provisions of the Original Indenture shall remain in full force and effect.

**Section 7.2. Partial Invalidity.** If any section, paragraph, sentence, clause or phrase of this Thirty-Eighth Supplemental Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Thirty-Eighth Supplemental Indenture. The District hereby declares that it would have entered into this Thirty-Eighth Supplemental Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the 2021 Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Thirty-Eighth Supplemental Indenture may be held illegal, invalid or unenforceable.

**Section 7.3. Execution in Counterparts.** This Thirty-Eighth Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 7.4. Governing Law.** This Thirty-Eighth Supplemental Indenture shall be construed and governed in accordance with the laws of the State of California applicable to contracts made and performed in such state.

**Section 7.5. Action on Next Business Day.** 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 Thirty-Eighth Supplemental Indenture, is not a Business Day, such payment, with no interest accruing for the period from and after such nominal date, may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided therefore in this Thirty-Eighth Supplemental Indenture.

**Section 7.6. Provisions Relating to the Insurer.**

(a) The District shall pay or reimburse the Insurer from Special Taxes any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security under this Thirty-

Eighth Supplemental Indenture or the Authority Indenture; (ii) the pursuit of any remedies under this Thirty-Eighth Supplemental Indenture or the Authority Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Thirty-Eighth Supplemental Indenture or the Authority Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Thirty-Eighth Supplemental Indenture or the Authority Indenture or the transactions contemplated hereby or thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Thirty-Eighth Supplemental Indenture or the Authority Indenture.

All Insurer Reimbursement Amounts (as defined in the Authority Indenture), to the extent such amounts are owed as a result of payments made under the Insurance Policy resulting from a default on the 2021 Bonds, in the manner and to the extent provided in the Authority Indenture, are payable from and secured by a lien on and pledge of the Special Taxes on parity with debt service due on the 2021 Bonds. In addition, all Policy Costs (as defined in the Authority Indenture), to the extent such amounts are owed as result of a draw under the Reserve Account for the 2021 Bonds, resulting from a default on the 2021 Bonds, are payable from and secured by a lien on and pledge of the Special Taxes subordinate only to the payment of debt service on the 2021 Bonds and Insurer Reimbursement Amounts.

(b) (b) The notice address of the Insurer is: [\_\_\_\_\_]; Attention: \_\_\_\_\_ – Surveillance, Re: Policy No. \_\_\_\_\_ ; Phone: \_\_\_\_\_; Fax: \_\_\_\_\_]. In each case in which notice or other communication to the Insurer refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate “URGENT MATERIAL ENCLOSED.”

(c) The District shall permit the Insurer to discuss the affairs, finances and accounts of the District or any information the Insurer may reasonably request regarding the security for the 2021 Bonds with appropriate officers of the District and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the District on any Business Day upon reasonable prior notice.

(d) The Insurer shall be provided with the following information by the District or the Trustee under this Thirty-Eighth Supplemental Indenture, as the case may be:

(i) On request by the Insurer, the District will provide a certificate that the District is not aware of any Event of Default under this Thirty-Eighth Supplemental Indenture and will provide such information, data or reports as the Insurer shall reasonably request from time to time;

(ii) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto;

(iii) Notice of any default known to the Trustee or the District within five Business Days after knowledge thereof;

(iv) Prior notice of the redemption of any of the 2021 Bonds, including the principal amount and maturities thereof;

(v) Notice of the commencement of any Insolvency Proceeding (as defined in the Authority Indenture) by or against the Authority or the District;

(vi) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Bonds;

(vii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to this Thirty-Eighth Supplemental Indenture; and

(viii) All reports, notices and correspondence to be delivered to Bond Owners under the terms hereof.

In addition, the Insurer shall have the right to receive such additional information as it may reasonably request.

(e) Notwithstanding anything in Section 9.01 of the Original Indenture to the contrary, any amendment or modification to the Indenture which adversely affects the rights and interests of the Insurer shall require the prior written consent of the Insurer. So long as the Insurance Policy is in full force and effect, any amendment, supplement, modification to, or waiver of, the Indenture requiring the consent of the Owners of the 2021 Bonds shall be subject to the prior written consent of the Insurer.

(f) In the event of default under the Indenture, if in the reasonable opinion of the District the default can be corrected, but not within a thirty (30) day period, and corrective action is instituted by the District, with the written approval of the Insurer (so long as the Insurer has not defaulted on any obligation under the Insurance Policy), within such thirty (30) day period and diligently pursued in good faith until the default is corrected, such default shall not be an event of default under the Indenture.

(g) Notwithstanding anything else in the Indenture or the Authority Indenture to the contrary, the provisions herein and in the Authority Indenture requiring the consent, approval or direction of the Insurer shall be applicable only at such time as the Insurer shall be in compliance with its payment obligations under the Insurance Policy and the Reserve Policy.

(h) So long as the Insurance Policy shall be in effect, the Insurer shall be deemed a third party beneficiary of the Indenture with respect to the 2021 Bonds.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]*

IN WITNESS WHEREOF, the District and the Trustee have executed this Thirty-Eighth Supplemental Indenture, effective the date first written above.

CITY OF BEAUMONT COMMUNITY FACILITIES  
DISTRICT NO. 93-1

By: \_\_\_\_\_  
Mayor of the City of Beaumont, acting on  
behalf of City of Beaumont Community  
Facilities District No. 93-1

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Beaumont, acting on  
behalf of City of Beaumont Community  
Facilities District No. 93-1

The terms of this Thirty-Eighth Supplemental Indenture relating to the Trustee are accepted by Wilmington Trust, National Association, as Trustee.

WILMINGTON TRUST, NATIONAL  
ASSOCIATION, as Trustee

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

**EXHIBIT A**

**FORM OF SPECIAL TAX REFUNDING BOND, 2021 SERIES A**

R- \_\_\_\_\_

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

**UNITED STATES OF AMERICA  
STATE OF CALIFORNIA  
COUNTY OF RIVERSIDE**

**CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1  
SPECIAL TAX REFUNDING BONDS, 2021 SERIES A  
(IMPROVEMENT AREA NO. 7B)**

**INTEREST RATE:    MATURITY DATE:    DATED DATE:    CUSIP:**  
\_\_\_\_\_ %                      September 1, \_\_\_\_\_                      \_\_\_\_\_, 2021                      \_\_\_\_\_

REGISTERED OWNER: Wilmington Trust, National Association, as Trustee under that certain Indenture of Trust dated as of \_\_\_\_\_ 1, 2021 by and between the Beaumont Public Financing Authority and Wilmington Trust, National Association, as Trustee

PRINCIPAL AMOUNT: \_\_\_\_\_ AND NO/100 DOLLARS

The CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1, a community facilities district, duly organized and existing under the laws of the State of California (the "District"), for value received, hereby promises to pay to the Registered Owner specified above or registered assigns (the "Registered Owner"), on the Maturity Date specified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount specified above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth day of the month preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before February 15, 2022, in which event it shall bear interest from the Dated Date specified above; provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, at the Interest Rate per annum specified above. Interest is payable semiannually on March 1 and September 1 in each year, commencing March 1, 2022 (collectively, the "Interest Payment Dates"), calculated on the basis of a 360-day year composed of twelve 30-day months. Principal hereof and premium, if any, upon early redemption hereof are payable upon presentation and surrender hereof at the corporate trust office (the "Trust Office") of the Trustee, initially Wilmington Trust, National Association (the "Trustee"). Interest hereon is payable by check of the Trustee mailed by first class mail on the Interest Payment Date to

the Registered Owner hereof at the Registered Owner's address as it appears on the registration books of the Trustee as of the close of business on the fifteenth day of the month preceding each Interest Payment Date (a "Record Date") (whether or not such day is a business day), or, upon written request filed with the Trustee prior to such Record Date by a Registered Owner of at least \$1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to an account in the continental United States of America designated by such Registered Owner in such written request.

This Bond is one of a duly authorized issue of "City of Beaumont Community Facilities District No. 93-1 Special Tax Refunding Bonds, 2021 Series A (Improvement Area No. 7B)" (the "Bonds") issued in the aggregate principal amount of \$\_\_\_\_\_ pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311, *et seq.*, of the California Government Code (the "Act") for the purpose of (i) refunding the District's Outstanding Special Tax Refunding Bonds, 2012 Series C (Improvement Area No. 7B) and Special Tax Bonds, 2012 Series D (Improvement Area No. 7B) and (ii) paying certain costs related to the issuance of the Bonds. The issuance of the Bonds and the terms and conditions thereof are provided for by a resolution adopted by the City Council of City of Beaumont, acting in its capacity as the legislative body of the District (the "Legislative Body") on \_\_\_\_\_, 2021 (the "Resolution of Issuance"), and an Indenture of Trust dated as of January 15, 1994 (the "Original Indenture"), as amended and supplemented including as amended and supplemented by the Thirty-Eighth Supplemental Indenture of Trust dated as of \_\_\_\_\_ 1, 2021 (the "Thirty-Eighth Supplemental Indenture" and together with the Original Indenture, the "Indenture") each by and between the District and the Trustee, executed in connection therewith, and this reference incorporates the Indenture herein, and by acceptance hereof the Registered Owner of this Bond assents to said terms and conditions. The Resolution of Issuance and the Indenture are adopted under and this Bond is issued under, and both are to be construed in accordance with, the laws of the State of California. Capitalized terms not defined herein shall have the meanings set forth in the Indenture.

Pursuant to the Act and the Indenture, the principal of, premium, if any, and interest on this Bond are payable on a parity with the District's Outstanding Special Tax Bonds, 2018 Series A (Improvement Area No. 7B), solely from certain Special Taxes authorized under the Act to be levied and collected within the Improvement Area and foreclosure proceeds received following a default in payment of the Special Taxes, and certain other amounts pledged to the repayment of the Bonds as set forth in the Indenture. Any amounts for the payment hereof shall be limited to such Special Taxes and foreclosure proceeds, less certain Administrative Expenses, and other amounts deposited to the Special Tax Fund established under the Indenture, except to the extent that other provision for payment has been made by the Legislative Body, as may be permitted by law. The District has covenanted for the benefit of the owners of the Bonds that under certain circumstances described in the Indenture it will commence and diligently pursue to completion foreclosure proceedings in the event of delinquencies of Special Tax installments levied for payment of principal and interest on the Bonds.

The Bonds maturing on or after September 1, 20\_\_ may be redeemed, at the option of the District from any source of funds on any date on or after September 1, 20\_\_, in whole, or in part from such maturities as are selected by the District and by lot within a maturity, at a redemption price of the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

The Term Bonds maturing on September 1, 20\_\_ shall be called before maturity and

redeemed, from the Sinking Payments that have been deposited into the Sinking Account, on September 1, 20\_\_ and on each September 1 thereafter prior to maturity, in accordance with the schedule of Sinking Payments set forth below. The Term Bonds so called for redemption shall be selected by the Trustee by lot and shall be redeemed at a redemption price for each redeemed Term Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

2021 BONDS MATURING SEPTEMBER 1, 20\_\_

***Redemption Dates***  
***(September 1)***

***Principal Amount***

In the event that the Term Bonds are redeemed pursuant to the optional or extraordinary redemption provisions set forth in the Indenture, the sinking fund payments for the Term Bonds will be reduced as nearly as practicable on a proportionate basis in integral multiples of \$5,000.

The Bonds are subject to redemption in whole or in part in the maturities selected by the District, and by lot within a maturity, on any Interest Payment Date from the proceeds of the prepayment of Special Taxes deposited in the Redemption Fund pursuant to the Indenture and from amounts transferred from the District Residual Fund and the Reserve Account in connection with such redemption. Such mandatory redemption of the Bonds will be at the following redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), together with accrued interest thereon to the date of redemption:

***Redemption Dates***

***Redemption Prices***

Any Interest Payment Date through and including March 1, 20\_\_  
September 1, 20\_\_ and March 1, 20\_\_  
September 1, 20\_\_ and March 1, 20\_\_  
September 1, 20\_\_ and any Interest Payment Date thereafter

Except as otherwise provided in the Indenture, notice of redemption shall be mailed by the Trustee by first class mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective owners of any Bonds designated for redemption at their address appearing on the registration books of the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption or the cessation of accrual of interest thereon from and after the date fixed for redemption.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

The rights and obligations of the District and the owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but

no such modification or amendment shall extend the fixed maturity of any Bonds, or reduce the amount of principal or premium (if any) thereon, or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the owner of each Bond so affected.

If an Event of Default shall occur, the principal of all Bonds may not be accelerated and declared due and payable under the Indenture, and any declaration of an Event of Default and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof and may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same issue and maturity, all as more fully set forth in the Indenture. This Bond may be presented for transfer by the registered Owner hereof, in person or by his attorney duly authorized in writing, at the Trust Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer, a new bond or bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange therefor. This Bond may be presented for exchange at the Trust Office of the Trustee for Bonds of the same tenor, aggregate principal amount, interest, rate and maturity, of other authorized denominations. Transfer or exchange of this Bond will not be permitted during the period established by the Trustee for selection of Bonds for redemption or if this Bond has been selected for redemption.

The District and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the District and the Trustee shall not be affected by any notice to the contrary.

The District may issue bonds on a parity with the Bonds in accordance with the provisions of the Indenture and the Act. The Indenture contains provisions permitting the District to make provision for the payment of the interest on, and the principal and premium, if any, of any of the Bonds so that such Bonds shall no longer be deemed to be outstanding under the terms of the Indenture.

**THE BONDS DO NOT CONSTITUTE OBLIGATIONS OF THE CITY OF BEAUMONT OR OF THE DISTRICT FOR WHICH THE CITY OF BEAUMONT OR THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE, OR HAS LEVIED OR PLEDGED, GENERAL OR SPECIAL TAXES, OTHER THAN THE SPECIAL TAXES REFERENCED HEREIN. THE BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE FROM THE PORTION OF THE SPECIAL TAXES AND OTHER AMOUNTS PLEDGED UNDER THE INDENTURE BUT ARE NOT A DEBT OF THE CITY OF BEAUMONT, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR RESTRICTION.**

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of authentication hereon endorsed shall have been signed by the Trustee.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this

Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

IN WITNESS WHEREOF, the City of Beaumont Community Facilities District No. 93-1 has caused this Bond to be dated as of \_\_\_\_\_, 2021, to be signed on behalf of the District by the Mayor of the City by his facsimile signature and attested by the facsimile signature of the City Clerk of the City.

\_\_\_\_\_  
Mayor of the City of Beaumont, California, acting on behalf of City of Beaumont Community Facilities District No. 93-1

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Beaumont, California, on behalf of City of Beaumont Community Facilities District No. 93-1

[FORM OF TRUSTEE'S CERTIFICATE  
OF AUTHENTICATION AND REGISTRATION]

This is one of the Bonds described in the within-defined Indenture.

Dated: \_\_\_\_\_, 2021

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

[FORM OF LEGAL OPINION]

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

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City Clerk of the City of Beaumont, California, acting  
on behalf of City of Beaumont Community Facilities  
District No. 93-1

[FORM OF ASSIGNMENT]

For value received the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
\_\_\_\_\_

(Name, Address, and Tax Identification or Social Security Number of Assignee)

the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s)

\_\_\_\_\_ attorney,  
to transfer the same on the Registration Books of the Trustee with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Note: Signature(s) must be guaranteed by an eligible guarantor institution.

\_\_\_\_\_  
Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.