

ASSIGNMENT OF INSTALLMENT SALE AGREEMENT

This Assignment of Installment Sale Agreement (this "Assignment") is dated as of _____ 1, 2022, and is between CLEARLAKE PUBLIC FINANCING AUTHORITY, as assignor (the "Authority"), and _____, a _____, as assignee (the "Assignee").

BACKGROUND:

WHEREAS, the City of Clearlake, California (the "City") and the Authority entered into an Installment Sale Agreement, dated as of _____ 1, 2022 (the "Installment Sale Agreement") for the purpose of assisting the City in the financing of certain road improvements as described therein (the "Project"), under which the Authority agreed to sell the Project to the City in return for semiannual installment payments (the "Installment Payments") to be made by the City as the purchase price of the Project.

WHEREAS, funding for the Installment Sale Agreement will be provided by the Assignee, and in order to secure such financing the Authority wishes to assign its rights under the Installment Sale Agreement, including but not limited to the right of the Authority to receive the Installment Payments from the City, as provided in this Assignment.

AGREEMENT:

In consideration of the foregoing and the material covenants hereinafter contained, the Authority and the Assignee formally covenant, agree and bind themselves as follows:

1. Assignment of Rights to Assignee. The Authority, without recourse, hereby sells, assigns and transfers to the Assignee all of its interests under the Installment Sale Agreement, including its rights to receive the Installment Payments.

2. Acceptance. The Assignee hereby accepts the assignments made herein.

3. Consideration for Assignment. In consideration of the foregoing assignment, the Assignee shall pay to the Authority the amount of \$_____, to be deposited on the date hereof with the City and to be applied to the costs of the Project and to pay costs incurred by the City in connection with the execution and delivery of the financing contemplated by the Installment Sale Agreement and this Assignment.

4. Representations and Warranties of Authority. The Authority represents and warrants that it has made no prior sale or assignment of any interest which is the subject of this Assignment; that the Installment Sale Agreement is genuine and in all respects is what it purports to be; that the Assignee shall not be liable for and does not assume responsibility for the performance of any of the covenants, agreements or obligations specified in the Installment Sale Agreement to be kept, paid or performed by the Authority with exception of the Assignee's obligation to issue notices upon the City's default of the Installment Sale Agreement. The Authority further represents and warrants that as of the date of this Assignment, the Installment Sale Agreement is in full force and effect and the City is not in default of any of the terms set forth therein.

5. Representations of Assignee. The Assignee has conducted its own investigation of the financial condition of the City, the purpose for which the Installment Sale Agreement is being executed and delivered and security for the Installment Payments and has obtained such information regarding the Installment Payments and the City and its operations, financial condition and financial prospects as the Assignee deems necessary to make an informed lending decision with respect to this Assignment. The Assignee acknowledges that it is purchasing the Installment Sale Agreement for its own account and reasonably expects to hold the Installment Sale Agreement and does not expect to sell, assign, or otherwise transfer the Installment Sale Agreement, and in the event that the Assignee disposes of the Installment Sale Agreement in the future, the transferee must be either an “accredited investor” as defined in Section 501(a)(1), (2) or (3) of Regulation D promulgated under the Securities Act of 1933, as amended, or a “qualified institutional investor” under Rule 144A promulgated under the Securities Act of 1933, and deliver to the City an investor letter satisfactory to the City.

6. Governing Law; Severability. This Assignment shall be construed and governed in accordance with the laws of the State of California. Any provision of this Assignment found to be prohibited by law shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Assignment.

7. Binding on Successors. This Assignment shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

8. Payment of Litigation Costs. In the event of litigation between the Authority and the Assignee arising under this Assignment, the prevailing party shall be entitled to recover from the other party all costs and expenses, including attorneys' fees which may be the allocable cost of in-house counsel, incurred by the prevailing party in exercising any of its rights or remedies hereunder or enforcing any of the terms, conditions or provisions of this Assignment.

IN WITNESS WHEREOF, the Authority and the Assignee have caused this Assignment to be executed in their respective names by their duly authorized officers, all as of the date first above written.

**CLEARLAKE PUBLIC FINANCING
AUTHORITY,**
as Assignor

By: _____
Treasurer

_____, as Assignee

By: _____
Authorized Signatory