

## REMARKETING AGREEMENT

### CITY OF RIVERSIDE, CALIFORNIA VARIABLE RATE REFUNDING ELECTRIC REVENUE BONDS, ISSUE OF 2008A

April [13], 2017

City of Riverside  
3900 Main Street  
Riverside, California 92501

Ladies and Gentlemen:

This is to confirm the agreement between the undersigned, Barclays Capital Inc., as remarketing agent (the "Remarketing Agent"), and the City of Riverside (the "Issuer"), for Remarketing Agent to act as exclusive remarketing agent in connection with the offering and sale from time-to-time in the secondary market of the outstanding bonds that are captioned above (the "Bonds") issued pursuant to an pursuant to Resolution No. 17662 adopted by the City Council on January 8, 1991 (the "Master Resolution"), as amended and supplemented, including by Resolution No. 21611 adopted by the City Council on April 22, 2008 (the "Tenth Supplemental Resolution" and, together with the Master Resolution, the "Bond Ordinance"). All capitalized terms used herein and not defined herein shall have the meanings specified in the Bond Ordinance.

The Issuer will, at all times while the Bonds are subject to remarketing pursuant to this Agreement, undertake to provide annual reports and notices of certain events pursuant to the Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") of the District dated May 1, 2008. A copy of the Continuing Disclosure Certificate has been provided to the Remarketing Agent. Any amendments to the Continuing Disclosure Certificate will be provided to the Remarketing Agent promptly.

The Issuer has entered into a Reimbursement Agreement, dated May 22, 2014 (the "Reimbursement Agreement"), with Barclays Bank plc (the "Bank"). U.S. Bank National Association, as fiscal agent (the "Fiscal Agent") is entitled to draw under the letter of credit issued by the Bank (the "Letter of Credit") pursuant to the Reimbursement Agreement to pay the purchase price plus accrued interest, if any, of Bonds subject to optional or mandatory purchase and not remarketed. The Bonds will be as described in, and will bear interest in accordance with, the Bond Ordinance.

**Section 1. Appointment of Remarketing Agent; Responsibilities of Remarketing Agent; Representations of Remarketing Agent.** Subject to the terms and conditions in this Remarketing Agreement (this "Agreement"), the Remarketing Agent is hereby appointed, and the Remarketing Agent hereby accepts such appointment and agrees to perform the duties and obligations imposed on it hereunder and under the Bond Ordinance, as exclusive remarketing agent in connection with the determination of interest rates, the remarketing of tendered Bonds from time to time in the secondary market subsequent to the initial offering and the performance and discharge of all other responsibilities of the Remarketing Agent under the Bond Ordinance. The principal office of the Remarketing Agent shall be as set forth in Section 12 hereof.

The Remarketing Agent agrees that, commencing on the date that is set forth above, the effective date of the appointment of the Remarketing Agent (the "Appointment Date"), the Remarketing Agent's responsibilities hereunder and under the Bond Ordinance will include: (a) exercising its best efforts to remarket the Bonds; (b) effecting and processing such purchases; (c) billing and receiving payment of Bond purchases; (d) causing the proceeds from the secondary sale of the Bonds to be transferred to the Tender Agent or the Fiscal Agent as appropriate; (e) determining Weekly Interest Rate, Daily Interest Rate Period, Short-Term Interest Rate Period or ARS Interest Rate Period; and (f) performing such other related functions as provided in the Bond Ordinance of the Remarketing Agent, including giving notice to the Tender Agent at the times required under the Bond Ordinance, or reasonably requested by the Issuer and agreed to by the Remarketing Agent.

The obligations of the Remarketing Agent hereunder and under the Bond Ordinance, with respect to the date on which the Bonds are to be remarketed pursuant to this Agreement, are also subject to the conditions set forth in Section 5 hereof. The Remarketing Agent may suspend the remarketing of the Bonds as provided in Section 6 hereof.

The Remarketing Agent hereby notifies the Issuer that it is not acting as a Municipal Advisor (as defined in Section 15B of the Exchange Act of 1934, as amended), and that it does not have a fiduciary duty to the Issuer, the Bank or any other party in connection with the matters contemplated by this Agreement.

The Issuer and the Remarketing Agent acknowledge and agree that: (i) the transactions contemplated by this Remarketing Agreement are arm's length, commercial transactions between the Issuer and the Remarketing Agent in which the Remarketing Agent is acting solely as a principal or agent, as applicable and is not acting as a municipal advisor, financial advisor or fiduciary to Issuer; (ii) the Remarketing Agent has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Remarketing Agent or its affiliates have provided other services or is currently providing other services to the Issuer on other matters) or other contractual, advisory or fiduciary obligation to the Issuer related to this Remarketing Agreement except the contractual obligations expressly are set forth in this Remarketing Agreement; and (iii) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate

**Section 2. The Bonds.** As more fully described in the Bond Ordinance, the Bonds will be available for sale, subject to the terms and conditions of the Bond Ordinance, in the form of fully registered Bonds in the denominations, and having such tender, redemption, payment and other terms, as specified in the Bond Ordinance.

### **Section 3. Offering Materials.**

(a) The Issuer hereby confirms that it has previously delivered a copy of the Official Statement relating to the Bonds dated April 25, 2008 (the "Official Statement") to the Remarketing Agent. The Issuer hereby authorizes the Official Statement and the information contained therein to be used in connection with the remarketing of the Bonds by the Remarketing Agent.

(b) The Issuer agrees to cooperate with the Remarketing Agent to update and supplement the Official Statement at the Issuer's expense when and as deemed appropriate by the

Issuer, and the Issuer agrees that it will provide to the Remarketing Agent copies of any supplements to the Official Statement and any revised Official Statements.

(c) The Issuer shall prepare and furnish to the Remarketing Agent, at the Issuer's expense, an official statement of the Issuer, updates or supplements to the Official Statement, or such other disclosure documents that the Remarketing Agent determines are required by: (i) Rule 15c2-12 of the Securities Exchange Act; (ii) the rules of the Municipal Securities Rulemaking Board; or (iii) subsequent changes of law or rules pertaining to disclosure with respect to the Bonds, delivery of disclosure materials to purchasers of the Bonds or registration of the Bonds.

(d) The information contained in the Official Statement dated as of April 25, 2008 was true and correct in all material respects as of its date and did not contain any untrue or misleading statement of a material fact or omit to state a material fact which was required or necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading as of its date. In addition, any amendments or supplements to the Official Statement prepared and furnished by the Issuer pursuant to paragraph (b) hereof will not contain any untrue statement of a material fact or omit to state any material fact which is required or necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The representations contained in this paragraph (c) shall not apply to information in the Official Statement or any amendments or supplements thereto relating to the Bank, the Depository Trust Company, the Letter of Credit, the price or yield information on the cover of the Official Statement, or to any statements or omissions based upon information furnished in writing by the underwriters of the Bonds expressly for use therein (collectively, the "Excluded Information").

(e) If, at any time after the Appointment Date, any event known to the Issuer relating to or affecting the Issuer, the Bank, the Fiscal Agent, the Bond Ordinance, the Letter of Credit, this Agreement or the Bonds shall occur which might materially adversely affect the Bonds or the remarketing thereof, the Issuer shall promptly notify the Remarketing Agent in writing of the circumstances and details of such event.

(f) The Issuer will cooperate with the Remarketing Agent and will supply the Remarketing Agent with any additional materials to which the Issuer has access and which the Remarketing Agent believes are necessary in connection with its remarketing of the Bonds.

(g) The Issuer will not amend or supplement, or request the amendment or supplementation of, the Official Statement prior to notifying the Remarketing Agent in writing of the proposed amendment or supplement thereto.

#### **Section 4. Representation, Warranties, Covenants and Agreements of the Issuer.**

The Issuer, by acceptance hereof, and upon the date of each remarketing of the Bonds, represents and warrants to the Remarketing Agent that:

(a) The Issuer has full power and authority to take all actions required or permitted to be taken by it by or under, and to perform and observe the covenants and agreements on its part contained in the Bond Ordinance and this Agreement, the Reimbursement Agreement and the Letter of Credit (the "Issuer Documents").

(b) Each of the Issuer Documents has been duly authorized, executed and delivered by the Issuer, and assuming the due authorization, execution and delivery thereof by the respective parties thereto, as applicable, each of the Issuer Documents constitutes a legal, valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its respective terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity.

(c) The terms of the Bond Ordinance, the execution, delivery and performance of the Issuer Documents, the tender and remarketing of the Bonds and the consummation of the transactions contemplated by the Bond Ordinance and the Issuer Documents, under the circumstances contemplated by such documents, do not and will not: (i) in any way conflict with or constitute on the part of the Issuer a breach of or default under any agreement, indenture, mortgage, lease or other instrument to which the Issuer is a party or by or to which it or its revenues, properties, assets or operations are bound or subject; (ii) conflict with or result in a violation by the Issuer of the Constitution of the United States or the State of California or any law, ordinance, regulation, order, decree, judgment or ruling by or to which it or its revenues, properties, assets or operations are bound or subject; or (iii) except as provided in the Bond Ordinance, result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of its revenues, properties or assets.

(d) [RESERVED].

(e) Except as previously disclosed to the Remarketing Agent, the Issuer has not failed during the previous five years to comply with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12. The Issuer: (i) agrees to provide the Remarketing Agent with a copy of the execution version of any document that the Remarketing Agent determines is required to be filed with the Municipal Securities Rulemaking Board (the "MSRB") pursuant to its rules, including, but not limited to, MSRB Rule G-34(c) ("Rule G-34(c)") in such format and at such time as to permit the Remarketing Agent to comply with such rules; and (ii) authorizes the Remarketing Agent to submit such documents to the MSRB in accordance with Rule G-34(c) and other applicable rules and regulations. If the Issuer determines that redaction of information in any such document is required to maintain the confidentiality or proprietary nature of such information (such information to include, but not be limited to, fees, staff names and contact information, and bank routing or account numbers), the Issuer shall identify such information to the Remarketing Agent in writing and request the Remarketing Agent accept delivery of the applicable documents with such redactions. The Remarketing Agent agrees to comply with any such request to the extent permitted by Rule G-34(c) and such other applicable rules and regulations. The Issuer further agrees to hold the Remarketing Agent harmless with respect to, and that the Remarketing Agent shall have no responsibility with respect to, identifying and/or redacting any confidential information.

(f) The Issuer shall deliver to the Remarketing Agent such additional information concerning the business and financial condition of the Issuer as the Remarketing Agent may reasonably request.

**Section 5. Term, Removal and Termination of Remarketing Agent.** This Agreement shall become effective upon the Appointment Date and shall continue to be in effect for as long as any Bonds remain unpaid; provided, however, that the Remarketing Agent or the Issuer may

terminate their obligations under this Agreement upon forty-five (45) days written notice to the other party, the Fiscal Agent and the Tender Agent. Following termination, each party shall pay the other any amounts owing at the time of termination.

**Section 6. Suspension of Remarketing.** The Remarketing Agent may suspend remarketing the Bonds with immediate effect if it determines, in its reasonable judgment, that for any reason, it is not advisable to attempt to remarket the Bonds due to, without limitation:

(a) a pending, proposed or adopted change in applicable tax laws which materially adversely affects the Bonds;

(b) a termination of the obligation of the Bank under the Letter of Credit;

(c) a general banking moratorium by federal, New York or state authorities or a material disruption in commercial banking or securities settlement or clearance services shall have occurred;

(d) the engagement by the United States of America in hostilities which have resulted in a declaration of war or national emergency, or the occurrence of any other outbreak of hostilities or escalation of hostilities or national or international calamity or crisis, financial or otherwise, the effect of such outbreak, escalation, calamity or crisis on the financial markets of the United States of America being such as, in the reasonable opinion of the Remarketing Agent, would materially adversely affect the ability of the Remarketing Agent to market the Bonds;

(e) if any of the rating agencies then rating the Bonds or the Bank shall either: (i) downgrade the unsecured obligations of the Bank below A2 by S&P Global Ratings or F1 by Fitch Ratings or place the Bank on "Credit Watch" or any similar designation as an entity whose creditworthiness is being reviewed with negative implications; (ii) downgrade the rating assigned to the Bonds or the Bank then in effect so that the Bonds are not "Eligible Securities" as defined under Rule 2a-7 of the Investment Company Act of 1940, as amended; or (iii) suspend or withdraw or place on "Credit Watch" or any similar designation with negative implications for the current ratings assigned to the Bonds;

(f) a general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange, the establishment of minimum or maximum prices on any such national securities exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, or any material increase of restrictions now in force (including, with respect to the extension of credit by, or the charge to the net capital requirements of, the Remarketing Agent);

(g) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Bond Ordinance is not exempt from qualification under or other requirements of

the Trust Indenture Act of 1939, as amended, or that the remarketing of the Bonds is or would be in violation of the federal securities law as amended and then in effect;

(h) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(i) a material misstatement or omission in the Official Statement as then modified or supplemented exists such that, as reasonably determined by the Remarketing Agent, a supplement to the Official Statement is required for distribution to prospective purchasers and that such document is not available or, if available, is not satisfactory to the Remarketing Agent, in form or substance.

**Section 7. Dealing in Bonds by Remarketing Agent.** The Remarketing Agent, in its individual capacity, either as principal or agent, may (but is not obligated to) buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any owner of any Bond may be entitled to take with the like effect as if it did not act in any capacity hereunder. Such purchases or sales are not required to be at par. The Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Issuer and may act as depository, trustee or agent for any committee or body of Bondholders or other obligations of the Issuer as freely as if it did not act in any capacity hereunder. The Remarketing Agent may sell any Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others.

**Section 8. Payment of Fees and Expenses.** While the Bonds accrue interest at Flexible Rates, a Daily Rate or a Weekly Rate, the Issuer shall pay the Remarketing Agent directly, as compensation for its services hereunder, a fee equal to [0.07% (7) basis points) per annum of the weighted average principal amount of the Bonds outstanding during each three-month period, or such other amount as may be agreed upon from time-to-time by the Issuer and the Remarketing Agent, payable quarterly in arrears on each January 1, April 1, July 1 and October 1 commencing on July 1, 2017. The Remarketing Agent will not be entitled to compensation for any period after conversion of the interest rate on the Bonds to a Long-Term Interest Rate or such that the Bonds become Fixed Rate Bonds or following termination of this Agreement (whichever is earlier) except for a pro rata portion of the fee in respect of the quarter in which such conversion or termination occurs. The parties anticipate that separate fee arrangements will be made for the remarketing of Bonds accruing interest at a Long-Term Interest Rate or that become Fixed Rate Bonds.

**Section 9. Indemnity and Contribution.** To the extent permitted by law, the Issuer hereby indemnifies and holds the Remarketing Agent, the officers, directors, employees, members and agents of the Remarketing Agent and each person, if any, who controls the Remarketing Agent within the meaning of Section 15 of the Securities Act of 1933, as amended, or of Section 20 of the Securities Exchange Act of 1934, as amended (each an "Indemnified Party"), harmless from and against any and all claims, damages, losses, liabilities, costs or expenses which an Indemnified Party may incur or which may be claimed against any Indemnified Party by any person or entity by reason of any untrue statement or alleged untrue statement of any material fact which is contained in any offering documents or disclosure documents provided by the Issuer and used by the Remarketing Agent in any remarketing of the Bonds (an "Offering Document") or the omission or alleged omission to state therein a material fact which is required or necessary to be stated therein in order to make statements made therein, in the light of the circumstances under which they were made, not misleading; provided that such indemnification shall not extend to the Excluded Information.

In case any action or proceeding shall be brought against one or more of the Indemnified Parties based upon any of the above and in respect of which indemnity may be sought against the Issuer, such Indemnified Party shall promptly notify the Issuer in writing, enclosing a copy of all papers served, but the failure so to notify the Issuer of any such action shall not relieve the Issuer of any liability which it may be determined to have by a court of law to any Indemnified Party pursuant to applicable law. In case any such action or proceeding shall be brought against any Indemnified Party and it shall notify the Issuer of the commencement thereof, the Issuer shall be entitled to participate in and, to the extent that it shall wish, to assume the defense thereof with counsel satisfactory to such Indemnified Party and, after notice from the Issuer to such Indemnified Party of the Issuer's election so to assume the defense thereof, the Issuer shall not be liable to such Indemnified Party for any legal or other expenses. Any Indemnified Party shall have the right to employ its own counsel in any such action or proceeding, but the reasonable fees and expenses of such counsel shall be at the expense of such Indemnified Party unless: (i) the Issuer shall have agreed to pay the fees and expenses of such counsel; (ii) such Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Issuer and the Indemnified Party in the conduct of the defense of such action or proceeding (in which case the Issuer shall not have the right to direct the defense of such action or proceeding on behalf of the Indemnified Party); or (iii) the Issuer shall not in fact have employed counsel satisfactory to such Indemnified Party to assume the defense of such action. The Issuer shall not be liable for any settlement of any action or claim effected without its written consent.

To the extent permitted by law, the provisions of this Section 9 shall survive the termination of this Agreement.

**Section 10. Remarketing Agent's Liabilities.** The Remarketing Agent shall incur no liability to the Issuer or any other party for its actions as Remarketing Agent pursuant to the terms hereof and of the Bond Ordinance except for its gross negligence or willful misconduct. The obligation of the Remarketing Agent to remarket Bonds hereunder shall be on a best efforts basis in soliciting offers to purchase bonds. The Remarketing Agent will be acting solely as the agent for the Issuer in the remarketing of the Bonds. The Remarketing Agent is not obligated to buy or to take any position in the bonds for its own account.

**Section 11. Intention of Parties.** It is the express intention of the parties hereto that no purchase, sale or transfer of any Bonds, as herein provided, shall constitute or be construed to be the extinguishment of any Bond or the indebtedness represented thereby or the reissuance of any Bond or the refunding of any indebtedness represented thereby.

**Section 12. Miscellaneous.**

(a) Except as otherwise specifically provided in this Agreement, all notices and formal communications under this Agreement shall be in writing and mailed, telegraphed or delivered to:

If to the Remarketing Agent: Barclays Capital Inc.  
[TO COME]  
Telephone:  
Facsimile:  
Attention:

With a copy to: [Name]  
Barclays Capital  
745 Seventh Avenue, 19<sup>th</sup> Floor  
New York, NY 10019  
[Email]

If to the Issuer: City of Riverside  
3900 Main Street, 6th Floor  
Riverside, California 92501  
Telephone: (951) 826-5660  
Attention: Chief Financial Officer

The Remarketing Agent and Issuer may, by notice given under this Agreement, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

(b) The obligations of the respective parties hereto may not be assigned or delegated to any other person without the consent of the other parties hereto; provided, however, that the Remarketing Agent may assign its rights and obligations hereunder to an entity succeeding to the business of the Remarketing Agent without the consent of the other parties hereto. This Agreement will inure to the benefit of and be binding upon the Issuer and the Remarketing Agent and their respective successors and assigns, and will not confer any rights upon any other person, partnership, association or corporation other than persons, if any, controlling the Remarketing Agent within the meaning of the Securities Act.

(c) All of the representations, warranties and agreements contained in this Agreement of the Issuer and the Remarketing Agent shall remain operative and in full force and effect, regardless of: (i) any investigation made by or on behalf of the Remarketing Agent or the Issuer; (ii) delivery of and any payment for any Bonds hereunder; or (iii) termination or cancellation of this Agreement.

(d) Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part this Agreement and will not be used in the interpretation of any provision of this Agreement.

(e) If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstances, or of rendering any other provisions inoperative or unenforceable to any extent whatsoever.

(f) This Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties.



(g) This Agreement shall only be amended, supplemented, modified, rescinded, canceled or waived, in whole or in part, in a writing signed by a duly authorized representative of the parties hereto.

(h) Any of the Remarketing Agent, the Issuer, the Fiscal Agent or the Tender Agent may record telephone communications with the Issuer, the Remarketing Agent, the Fiscal Agent or the Tender Agent of all of them.

(i) Whenever the provisions of this Agreement call for any payment or the performance of any act on a date which is not a Business Day, then such payment or such performance shall be required on the next succeeding Business Day.

(j) Failure of any party to this Agreement to exercise any right or remedy hereunder in the event of a breach of this Agreement by any other party shall not constitute a waiver of any such right or remedy with respect to any subsequent breach.

(k) This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(l) This Agreement will be governed by and construed in accordance with the laws of the State of California.

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Very truly yours,

BARCLAYS CAPITAL INC., as Remarketing Agent

By: \_\_\_\_\_  
Name:  
Title:

Accepted and agreed to as of the date first above written:

CITY OF RIVERSIDE

By \_\_\_\_\_  
Name:  
Title:

**APPROVED AS TO FORM:**

**BY:** *Susan Uba*  
**ASSISTANT CITY ATTORNEY**