

**JOINT EXERCISE OF POWERS AGREEMENT  
IMPERIAL BEACH PUBLIC FINANCING AUTHORITY**

THIS AGREEMENT-(the "Joint Exercise of Powers Agreement") is dated as of November 1, 2003, by and between the City of Imperial Beach (the "City") and the Imperial Beach Redevelopment Agency (the "Agency"), each duly organized and existing under the laws of the State of California;

***WITNESSETH:***

WHEREAS, the City and the Agency from time to time undertake the financing of public capital improvements and other projects for revitalization of the City and the City and the Agency wish to form a joint powers authority under the Joint Exercise of Powers Law of the State of California (constituting Chapter 5 of Division 7 of Title 1 of the California Government Code) (hereinafter defined as the "Act") for the purpose of exercising any and all powers permitted to be exercised by such an authority pursuant to the Marks-Roos Local Bond Pooling Act of 1985 (hereinafter defined as the "Bond Law") and the Act authorizes agencies formed under the Act to assist in the financing of public capital improvements to be owned by any local agency.

NOW, THEREFORE, in consideration of the above premises and of the mutual promises herein contained, the City and the Agency do hereby agree as follows:

**ARTICLE I**

**DEFINITIONS**

Section 1.1. Definitions. Unless the context otherwise requires, the words and terms defined in this Article I shall, for the purpose hereof, have the meanings herein specified.

"Act" means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code.

"Agreement" means this Joint Exercise of Powers Agreement.

"Authority" means the Imperial Beach Public Financing Authority established pursuant to Section 2.2 of this Agreement.

"Agency" means the Imperial Beach Redevelopment Agency.

"Board" means the Board of Directors of the Authority referred to in Section 2.3, which shall be the governing body of the Authority.

"Bond Law" means Article 4 (commencing with Section 6584) of Chapter 5, Division 7, Title 1 of the California Government Code.

"Bond Purchase Agreement" means an agreement between the Authority and the City or the Agency, pursuant to which the Authority agrees to purchase Obligations from the City or the Agency, as the case may be.

“Bonds” means bonds, notes or other evidences of indebtedness.

“Directors” means the representatives of the City and the Authority appointed to the Board pursuant to Section 2.3.

“Fiscal Year” means the period from July 1st to and including the following June 30th.

“Members” means the City and the Agency.

“Obligations” means “Bonds” as such term is defined in Section 6585(c) of the Bond Law.

“Public Capital Improvements” has the meaning given to such term in Section 6585(g) of the Bond Law.

“Secretary” means the Secretary of the Authority appointed pursuant to Section 3.1.

“State” means the State of California.

“Treasurer” means the Treasurer of the Authority appointed pursuant to Section 3.2.

## ARTICLE II

### GENERAL PROVISIONS

Section 2.1. Purpose. This Agreement is made pursuant to the Act providing for the joint exercise of powers common to the City and the Agency and for other purposes as permitted under the Act and as agreed by one or more of the parties hereto. The purpose of this Agreement is to provide for the financing of Public Capital Improvements.

Section 2.2. Creation of Authority. Pursuant to the Act, there is hereby created a public entity to be known as the “Imperial Beach Public Financing Authority.” The Authority shall be a public entity separate and apart from the Members, and shall administer this Agreement.

Section 2.3. Board of Directors. The Authority shall be administered by a Board of Directors consisting of five (5) Directors, unless and until such number is changed by amendment of this Agreement. The members of the City Council of the City, as such members may change from time to time, shall constitute the Directors of the Authority. The Board shall be called the “Board of Directors of the Imperial Beach Public Financing Authority.” All voting power of the Authority shall reside in the Board.

Section 2.4. Meetings of the Board.

(a) Regular Meetings. The Board shall provide for its regular meetings; provided, however, that at least one regular meeting shall be held each year unless otherwise waived by a resolution of the Authority. The date, hour and place of the holding of regular meetings shall be fixed by resolution of the Board and a copy of such resolution shall be filed with each of the Members.

(b) Special Meetings. Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the California Government Code.

(c) Call, Notice and Conduct of Meetings. All meetings of the Board, including without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (Section 54950 *et seq.* of the California Government Code).

Section 2.5. Minutes. The Secretary shall cause to be kept minutes of the meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director and to the Members.

Section 2.6. Voting. Each Director shall have one vote.

Section 2.7. Quorum; Required Votes; Approvals. Directors holding a majority of the votes shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. The affirmative votes of at least a majority of the Directors present at any meeting at which a quorum is present shall be required to take any action by the Board.

Section 2.8. Bylaws. The Board may adopt, from time to time, such bylaws, rules and regulations for the conduct of its meetings as are necessary for the purposes hereof.

### ARTICLE III

#### OFFICERS AND EMPLOYEES

Section 3.1. Chairman, Vice Chairman, Secretary and Executive Director. The Mayor of the City shall be Chairman of the Board. The Mayor Pro Tem of the City shall be Vice Chairman of the Board. The City Clerk shall be Secretary of the Board. The City Manager shall be Executive Director of the Authority. The officers shall perform the duties normal to said offices. The Chairman shall sign all contracts on behalf of the Authority, unless a resolution of the Board shall provide otherwise, and shall perform such other duties as may be imposed by the Board. The Vice Chairman shall sign contracts and perform all of the Chairman's duties in the absence of the Chairman. The Secretary shall countersign all contracts signed by the Chairman or Vice Chairman on behalf of the Authority, unless a resolution of the Board shall provide otherwise, perform such other duties as may be imposed by the Board and cause a Notice of Joint Powers Agreement to be filed with the Secretary of State of the State pursuant to the Act. The Executive Director shall administer the day-to-day operations of the Authority.

Section 3.2. Treasurer. Pursuant to Section 6505.6 of the Act, the Finance Director of the City is hereby designated as the Treasurer of the Authority. The Treasurer shall be the depository, shall have custody of all of the accounts, funds and money of the Authority from whatever source, shall have the duties and obligations set forth in Sections 6505 and 6505.5 of the Act and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursements of the Authority. As provided in Sections 6505 and 6505.6 of the Act, the Treasurer shall make arrangements with a certified public accountant or firm of certified public accountants for the annual audit of accounts and records of the Authority.

Section 3.3. Officers in Charge of Records, Funds and Accounts. Pursuant to Section 6505.1 of the Act, the Treasurer shall have charge of, handle and have access to all accounts, funds and money of the Authority and all records of the Authority relating thereto; and the Secretary shall have charge of, handle and have access to all other records of the Authority.

Section 3.4. Bonding Persons Having Access to Public Capital Improvements. From time to time, the Board may designate persons, in addition to the Secretary and the Treasurer, having charge of, handling or having access to any records, funds of accounts or any Public Capital Improvement of the Authority, and the respective amounts of the official bonds of the Secretary and the Treasurer and such other persons pursuant to Section 6505.1 of the Act.

Section 3.5. Legal Advisor. The Board shall have the power to appoint the legal advisor of the Authority who shall perform such duties as may be prescribed by the Board.

Section 3.6. Other Employees. The Board shall have the power by resolution to appoint and employ such other employees, consultants and independent contractors as may be necessary for the purposes of this Agreement.

All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activities of officers, agents, or employees of a public agency when performing their respective functions shall apply to the officers, agents or employees of the Authority to the same degree and extent while engaged in the performance of any of the functions and other duties of such officers, agents or employees under this Agreement.

None of the officers, agents, or employees directly employed by the Board shall be deemed, by reason of their employment by the Board to be employed by the City or the Authority or, by reason of their employment by the Board, to be subject to any of the requirements of the Members.

Section 3.7. Assistant Officers. The Board may by resolution appoint such assistants to act in the place of the Secretary or other officers of the Authority (other than any Director), and may by resolution provide for the appointment of additional officers of the Authority who may or may not be directors, as the Board shall from time to time deem appropriate.

## ARTICLE IV

### POWERS

Section 4.1. General Powers. The Authority shall exercise, in the manner herein provided, the powers which are common to each of the Members, or as otherwise permitted under the Act, and necessary to the accomplishment of the purposes of this Agreement, subject to the restrictions set forth in Section 4.4.

As provided in the Act, the Authority shall be a public entity separate from the Members. The Authority shall have the power to acquire and to finance the acquisition of Public Capital Improvements necessary or convenient for the operation of any local agency and to acquire Bonds of a Member.

Section 4.2. Power to Issue Bonds. The Authority shall have all of the powers provided in the Act, including but not limited to Article 4 of the Act (commencing with Section 6584), and the power to issue Bonds thereunder.

Section 4.3. Specific Powers. The Authority is hereby authorized, in its own name, to do all acts necessary for the exercise of the foregoing powers, including but not limited to, any or all of the following:

- (a) to make and enter into contracts;
- (b) to employ agents or employees;
- (c) to acquire, construct, manage, maintain or operate any Public Capital Improvement including the common powers of the Members to acquire any Public Capital Improvement by the power of eminent domain;
- (d) to sue and be sued in its own name;
- (e) to issue Bonds and otherwise to incur debts, liabilities or obligations, provided that no such Bond, debt, liability or obligation shall constitute a debt, liability or obligation of the Members;
- (f) to apply for, accept, receive and disburse grants, loans and other aids from any agency of the United States of America or of the State;
- (g) to invest any money in the treasury pursuant to Section 6505.5 of the Act which is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code;
- (h) to apply for letters of credit or other form of financial guarantees in order to secure the repayment of Bonds and enter into agreements in connection therewith;
- (i) to carry out and enforce all the provisions of this Agreement;
- (j) to make and enter into Bond Purchase Agreements;
- (k) to purchase Obligations; and
- (l) to exercise any and all other powers as may be provided in the Act or in the Bond Law.

Section 4.4. Restrictions on Exercise of Powers. The powers of the Authority shall be exercised in the manner provided in the Act and in the Bond Law, and, except for those powers set forth in the Bond Law, shall be subject (in accordance with Section 6509 of the Act) to the restrictions upon the manner of exercising such powers that are imposed upon the City in the exercise of similar powers.

Section 4.5. Obligations of Authority. The debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of the Members.

## ARTICLE V

### METHODS OF PROCEDURE; CREDIT TO MEMBERS

Section 5.1. Assumption of Responsibilities by the Authority. As soon as practicable after the date of execution of this Agreement, the Directors shall hold the organizational meeting of the Board. At said meeting the Board shall provide for its regular meetings as required by Section 2.4 and elect a Chairman and Vice Chairman, and appoint the Secretary.

Section 5.2. Delegation of Powers. The Members hereby delegate to the Authority the power and duty to acquire, by lease, lease-purchase, installment sale agreements, or otherwise, such Public Capital Improvements as may be necessary or convenient for the operation of any Member.

Section 5.3. Credit to Members. All accounts or funds created and established pursuant to any instrument or agreement to which the Authority is a party, and any interest earned or accrued thereon, shall inure to the benefit of the Members in the respective proportions for which such funds or accounts were created.

## ARTICLE VI

### CONTRIBUTION; ACCOUNTS AND REPORTS; FUNDS

Section 6.1. Contributions. The Members may in the appropriate circumstance, when required hereunder: (a) make contributions from their treasuries for the purposes set forth herein, (b) make payments of public funds to defray the cost of such purposes, (c) make advances of public funds for such purposes, such advances to be repaid as provided herein, or (d) use its personnel, equipment or property in lieu of other contributions or advances. The provisions of Section 6513 of the Act are hereby incorporated into this Agreement by reference.

Section 6.2. Accounts and Reports. To the extent not covered by the duties assigned to a trustee chosen by the Authority, the Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any trust indenture or trust agreement entered into with respect to the proceeds of any Bonds issued by the Authority. The books and records of the Authority in the hands of a trustee or the Treasurer shall be open to inspection at all reasonable times by representatives of the Members. The Treasurer, within 180 days after the close of each Fiscal Year, shall give a complete written report of all financial activities for such Fiscal Year to the Members to the extent such activities are not covered by the report of such trustee. The trustee appointed under any trust indenture or trust agreement shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said trust indenture or trust agreement. Said trustee may be given such duties in said trust indenture or trust agreement as may be desirable to carry out this Agreement.

Section 6.3. Funds. Subject to the applicable provisions of any instruments or agreement which the Authority may enter into, which may provide for a trustee to receive, have custody of and disburse Authority funds, the Treasurer of the Authority shall receive, have custody of and disburse Authority funds as nearly as possible in accordance with generally accepted accounting practices, and shall make the disbursements required by this Agreement or to carry out any of the provisions or purposes of this Agreement.

Section 6.4. Annual Budget and Administrative Expenses. The Board shall adopt a budget for administrative expenses, which shall include all expenses not included in any financing issue of the Authority, annually prior to July 1st of each year. The estimated annual administrative expenses of the Authority shall be allocated by the Authority to the Members equally.

## ARTICLE VII

### TERM

Section 7.1. Term. This Agreement shall become effective, and the Authority shall come into existence, on the date hereof, and this Agreement and the Authority shall thereafter continue in full force and effect so long as either (a) any Bonds remain outstanding, or (b) the Authority shall own or hold any interest in a Public Capital Improvement.

Section 7.2. Disposition of Assets. Upon termination of this Agreement, all property of the Authority, both real and personal, shall be divided among the Members in such manner as shall be agreed upon by the Members.

## ARTICLE VIII

### MISCELLANEOUS PROVISIONS

Section 8.1. Notices. Notices hereunder shall be in writing and shall be sufficient if delivered to:

City of Imperial Beach  
825 Imperial Beach Blvd.  
Imperial Beach, CA 91932  
Attention: City Manager

Imperial Beach Redevelopment Agency  
825 Imperial Beach Blvd.  
Imperial Beach, CA 91932  
Attention: Executive Director

Section 8.2. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing the language in the section referred to or to define or limit the scope of any provision of this Agreement.

Section 8.3. Consent. Whenever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

Section 8.4. Law Governing. This Agreement is made in the State under the constitution and laws of the State, and is to be so construed.

Section 8.5. Amendments. This Agreement may be amended at any time, or from time to time, except as limited by contract with the owners of Bonds issued by the Authority or certificates of participation in payments to be made by the Authority or a Member or by applicable regulations or laws of any jurisdiction having authority, by one or more supplemental agreements executed by both of the parties to this Agreement either as required in order to carry out any of the provisions of this

Agreement or for any other purpose, including, without limitation, addition of new parties (including any legal entities or taxing areas heretofore or hereafter created) in pursuance of the purposes of this Agreement.

Section 8.6. Enforcement by Authority. The Authority is hereby authorized to take any or all legal or equitable actions, including, but not limited to, injunction and specific performance, necessary or permitted by law to enforce this Agreement.

Section 8.7. Severability. Should any part, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any law of the State, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Section 8.8. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the Members, respectively. Neither Member may assign any right or obligation hereunder without the written consent of the other.



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized and their official seals to be hereto affixed.

CITY OF IMPERIAL BEACH

By: *Diano Rose*  
Its: Mayor

ATTEST:

*August M. Hald*  
City Clerk  
(SEAL)

IMPERIAL BEACH REDEVELOPMENT AGENCY

By: *Diano Rose*  
Its: Chairman

ATTEST:

*August M. Hald*  
Secretary  
(SEAL)

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Imperial Beach Redevelopment Agency (the "Issuer") in connection with the issuance of the Imperial Beach Public Financing Authority Tax Allocation Revenue Bonds, 2003 Series A (the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust dated as of November 1, 2003 (the "Indenture") by and among the Imperial Beach Public Financing Authority (the "Authority"), the Imperial Beach Redevelopment Agency (the "Agency") and Wells Fargo Bank, National Association, as trustee (the "Trustee"). The Agency covenants and agrees as follows:

1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Agency, as an obligated party, for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (as defined below).

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise specified or defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Fiscal Year" shall mean the one-year period ending on the last day of June of each year.

"Holder" means a registered owner of the Bonds.

"Loan Agreement No. 1" means Loan Agreement No. 1 (Original Area), by and between the Agency and the Authority.

"Loan Agreement No. 2" means Loan Agreement No. 2 (Amendment Area), by and between the Agency and the Authority.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"National Repository" shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are included in a list which is maintained on the Internet at <http://www.sec.gov/consumer/nrmsir.htm>.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each National Repository and each State Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Repository” shall mean any public or private repository or entity designated by the State of California as a state repository for the purpose of the Rule. As of the date of this Agreement, there is no State Repository.

3. Provision of Annual Reports.

(a) The Agency shall provide not later than 270 days following the end of its Fiscal Year (commencing with the Fiscal Year 2003-04) to each Repository an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Certificate, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the Agency is unable to provide to each Repository an Annual Report by the date required in subsection (a), the Issuer shall send to each Repository a notice in substantially the form attached hereto as Exhibit A.

4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) The audited financial statements of the Agency for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 4(1), the Annual Report shall contain unaudited financing statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they come available.

(b) Principal amount of the Bonds outstanding.

(c) An update of the financial information and operating data relating to the Redevelopment Project (as defined in Loan Agreement No. 1) for the most recently ended Fiscal Year of the type included in the following tables located in the Official Statement for the Bonds, as follows (to the extent not included in the Agency’s audited financial statements);

(1) Table \_\_\_ of the Official Statement entitled “Historical Assessed Valuation and Tax Increment Revenue”; and

(2) Table \_\_\_ of the Official Statement entitled “Top Ten Taxable Secured Taxpayers”.

(d) Calculation of (i) the ratio of Tax Increment Revenues available to pay debt service on the Bonds to Maximum Annual Loan Payments (as defined in Loan Agreement No. 1) using Original Area Tax Revenues for the most recently completed Fiscal Year (to the extent not included in the Agency’s audited financial statements).

(e) Information on appeals by top ten taxpayers in the Redevelopment Project (as defined in Loan Agreement No. 1), to the extent known by the Agency after inquiry to the County of San Bernardino (to the extent not included in the Agency's audited financial statements).

(f) An update of the financial information and operating data relating to the Redevelopment Project (as defined in Loan Agreement No. 2) for the most recently ended Fiscal Year of the type included in the following tables located in the Official Statement for the Bonds, as follows (to the extent not included in the Agency's audited financial statements);

- (1) Table \_\_\_ of the Official Statement entitled "Historical Assessed Valuation and Tax Increment Revenue"; and
- (2) Table \_\_\_ of the Official Statement entitled "Top Ten Taxable Secured Taxpayers".

(g) Calculation of (i) the ratio of Amendment Area Tax Revenues (as defined in Loan Agreement No. 2) available to pay debt service on the Bonds to Maximum Annual Loan Payments (as defined in Loan Agreement No. 2) using Amendment Area Tax Revenues for the most recently completed Fiscal Year (to the extent not included in the Agency's audited financial statements).

(h) Information on appeals by top ten taxpayers in the Redevelopment Project (as defined in Loan Agreement No. 2), to the extent known by the Agency after inquiry to the County of San Bernardino (to the extent not included in the Agency's audited financial statements).

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to each of the Repositories; provided, that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further, that the Agency shall clearly identify each such document so included by reference.

#### 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Agency shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- (1) principal and interest payment delinquencies.
- (2) non-payment related defaults.
- (3) modifications to rights of Bondholders.
- (4) optional, contingent or unscheduled Bond calls.
- (5) defeasances.
- (6) rating changes.

- (7) adverse tax opinions or events affecting the tax-exempt status of the Bonds.
- (8) unscheduled draws on the debt service reserves reflecting financial difficulties.
- (9) unscheduled draws on the credit enhancements reflecting financial difficulties.
- (10) substitution of the credit or liquidity providers or their failure to perform.

(b) Whenever the Agency obtains knowledge of the occurrence of a Listed Event, the Agency shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If the Agency determines that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Agency shall promptly file a notice of such occurrence with the Repositories. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(4) and (5) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Indenture.

6. Customarily Prepared and Public Information. Upon request, the Agency shall provide to any person financial information and operating data regarding the Agency which is customarily prepared by the Agency and is publicly available.

7. Termination of Obligation. The Agency's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior prepayment or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Agency may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule.

9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Agency chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Agency shall not thereby have any obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

10. Default. In the event of a failure of the Agency to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Agency to comply with its obligations under this Disclosure Certificate. A default under

this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, Loan Agreement No. 1 or Loan Agreement No. 2, and the sole remedy under this Disclosure Certificate in the event of any failure of the Agency to comply with this Disclosure Certificate shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the Agency satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the Agency shall have refused to comply therewith within a reasonable time.

11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Agency, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: 11/26/03, 2003

IMPERIAL BEACH REDEVELOPMENT  
AGENCY

By:   
Its: Executive Director

EXHIBIT A

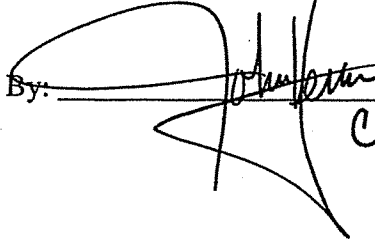
NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Obligated Party: IMPERIAL BEACH REDEVELOPMENT AGENCY  
Name of Issue: IMPERIAL BEACH PUBLIC FINANCING AUTHORITY  
Tax Allocation Revenue Bonds, 2003 Series A  
Date of Issuance \_\_\_\_\_, 2003

NOTICE IS HEREBY GIVEN that the Agency has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate approved pursuant to Resolution No. \_\_\_ adopted by the Board of Directors of the Agency on November 5, 2003. The Agency anticipates that the Annual Report will be filed by \_\_\_\_\_.

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

IMPERIAL BEACH REDEVELOPMENT AGENCY

By:  \_\_\_\_\_  
City Treasurer