
VISTANCIA NORTH COMMUNITY FACILITIES DISTRICT

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Depository

SERIES 2024 LETTER OF CREDIT DEPOSITORY AGREEMENT

Dated as of July 1, 2024

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SERIES 2024 LETTER OF CREDIT DEPOSITORY AGREEMENT

THIS SERIES 2024 LETTER OF CREDIT DEPOSITORY AGREEMENT, dated as of July 1, 2024 (hereinafter referred to as this “*Agreement*”), by and between Vistancia North Community Facilities District, a community facilities district duly organized and validly existing pursuant to the laws of the State of Arizona (hereinafter together with its successors referred to as the “*Issuer*”), and U.S. Bank Trust Company, National Association, a national banking association with trust powers having a corporate trust office in the City of Phoenix, Maricopa County, Arizona, as depository (hereinafter together with any successor to the trust herein granted referred to as the “*Depository*”),

W I T N E S S E T H:

WHEREAS, pursuant to the Bond Resolution (as such term and all other initially capitalized, undefined terms used in these recitals are defined in the hereinafter defined Series 2024 Indenture), the Board has authorized, among other things, the sale and issuance of the Series 2024 Bonds and, in order to provide terms for, to secure, and to provide for authentication and delivery of the Series 2024 Bonds, has duly authorized the execution and delivery of a Series 2024 Indenture of Trust and Security Agreement, dated as of even date herewith (hereinafter referred to as the “*Series 2024 Indenture*”), from the Issuer to U.S. Bank Trust Company, National Association, as trustee; and

WHEREAS, in consideration for the issuance of the Series 2024 Bonds, and the actions taken and to be taken in the Series 2024 Indenture, by the Issuer and as a condition precedent to the execution and delivery of this Agreement and the issuance of the Series 2024 Bonds, Vistancia Development has had established by _____ in favor of the Depository an irrevocable standby letter of credit in the amount of \$_____; and

WHEREAS, the Issuer may enter into, and expend moneys pursuant to, this Agreement for the public infrastructure purposes provided for by this Agreement with respect to the Issuer;

NOW, THEREFORE, in the joint and mutual exercise of their powers, and in consideration of the above premises and of the mutual covenants herein contained and for other valuable consideration, the parties hereto recite and agree that:

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 1.01. *Definitions.*

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

1. The terms defined hereinabove, hereinafter and in the Series 2024 Indenture have the meanings assigned to them hereinabove, hereinafter and in the recitals or Article One of the Series 2024 Indenture and include the plural as well as the singular.

2. All references in this instrument to designated “Articles,” “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this Agreement as originally executed.

3. The words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other subdivision.

SECTION 1.02. *Notices, etc.*

A. Unless otherwise specifically provided herein, any request, demand, authorization, direction, notice, consent, waiver, payment or other document provided or permitted by this Agreement by the Issuer or the Depository to be made upon, given or furnished to, or filed with,

1. the Depository shall be sufficient for every purpose hereunder if made, given, furnished, or filed in writing to or with the Depository at its corporate trust office in Phoenix, Arizona, or if in writing and mailed, first-class postage prepaid, to the Depository addressed to it at 2222 East Camelback Road, Suite 110, Phoenix, Arizona 85016, Attention: Global Corporate Trust, or at any other address furnished in writing to such Person by the Depository, or

2. the Issuer shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid, to the Issuer addressed to it at c/o City of Peoria, Arizona, 8401 West Monroe Street, Peoria, Arizona 85345, Attention: District Clerk, or at any other address previously furnished in writing to such Person by the Issuer, or

3. Vistancia Development shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid to Vistancia Development addressed to Vistancia Development LLC, 100 Bayview Circle #2000, Newport Beach, CA 92660, Attention: Richard S. Whiteley, Telephone:

949.851.2121, Email: rwhiteley@ihpinc.com, with a copy to Land Resources, LLC, 8080 East Gelding Drive, Suite 108, Scottsdale, AZ 85260, Attention: Chris Reed, Telephone: 480.305.2174, E-Mail: creed@landresourcesinc.com, with an additional copy to: IHP Capital Partners, 100 Bayview Circle #2000, Newport Beach, CA 92660, Attention: Legal Department, Telephone: 949.851.2121, Email: legalnotices@ihpinc.com, and with an additional copy to Berens Blonstein PLC, 7033 East Greenway Parkway, Suite 210, Scottsdale, Arizona 85254, Attention: Marc. D Blonstein, Telephone: 480-624-2703, Email: mblonstein@berensblonstein.com, or at any other address furnished previously in writing to such Person by Vistancia Development.

B. Where this Agreement provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice.

C. Unless otherwise specifically provided herein, any request, demand, authorization, direction, notice, consent, waiver, payment or other document provided or permitted by this Agreement to be made upon, given or furnished to, or filed with the Depository hereunder must be in writing in English and must be in the form of a document that is signed manually or by way of an electronic signature (including electronic images of handwritten signatures and digital signatures provided by DocuSign, Orbit, Adobe Sign or any other electronic signature provider acceptable to the Depository). Electronic signatures believed by the Depository to comply with the E-SIGN ACT of 2000 or other applicable law shall be deemed original signatures for all purposes. If the Issuer chooses to use electronic signatures to sign documents delivered to the Depository, the Issuer agrees to assume all risks arising out of its use of electronic signatures, including without limitation the risk of the Depository acting on an unauthorized document and the risk of interception or misuse by third parties. Notwithstanding the foregoing, the Depository may in any instance and in its sole discretion require that an original document bearing a manual signature be delivered to the Depository in lieu of, or in addition to, any document signed via electronic signature.

SECTION 1.03. *Effect of Headings and Table of Contents.*

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.04. *Successors and Assigns.*

All covenants and agreements in this Agreement by the Issuer and the Depository shall bind their successors and assigns, whether so expressed or not.

SECTION 1.05. *Severability Clause.*

In case any provision in this Agreement or any application thereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby.

SECTION 1.06. *Benefits of Agreement.*

Nothing in this Agreement, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Agreement. The role of the Depository hereunder is administrative only, and the Depository is a party to this Agreement only to hold the Letter of Credit or proceeds thereof in trust for the benefit of the Issuer and the Holders of the Series 2024 Bonds and to carry out the instructions given to the Depository hereunder.

SECTION 1.07. *Governing Law.*

This Agreement shall be construed in accordance with and governed by the laws of the State and the federal laws of the United States of America.

SECTION 1.08. *Incorporation of State Statutes.*

A. The Issuer may, within three (3) years after its execution, cancel this Agreement, without penalty(s) or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Issuer is, at any time while this Agreement is in effect, an employee or agent of the Depository in any capacity or a consultant to the Depository with respect to the subject matter of this Agreement and may recoup any fee or commission paid or due any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Issuer from the Depository arising as the result of this Agreement. The Depository has not taken and shall not take any other action which would cause any person described in the preceding sentence to be a licensee or employee or agent of the Depository in any capacity or a consultant to the Depository with respect to the subject matter of this Agreement.

B. To the extent applicable under Section 41-4401, Arizona Revised Statutes, the Depository shall comply with all federal immigration laws and regulations that relate to its employees and its compliance with the “e-verify” requirements under Section 23-214(A), Arizona Revised Statutes. The breach by the Depository of the foregoing shall be deemed a material breach of this Depository Agreement and may result in the termination of the services of the Depository. The Issuer retains the legal right to randomly inspect the papers and records of the Depository to ensure that the Depository is complying with the above-mentioned warranty. The Depository shall keep such papers and records open for random inspection during normal business hours by the Issuer. The Depository shall cooperate with the random inspections by the Issuer including granting the Issuer entry rights onto its property to perform such random inspections and waiving its respective rights to keep such papers and records confidential.

C. To the extent applicable under Section 35-393 et seq., Arizona Revised Statutes, the Depository hereby certifies it is not currently engaged in, and for the duration of this Agreement shall not engage in, a boycott of Israel. The term “boycott” has the meaning set forth in Section 35-393, Arizona Revised Statutes. If the Issuer determines that the Depository’s certification above is false or that it has breached such agreement, the Issuer may impose remedies as provided by law.

D. To the extent applicable under Section 35-394, Arizona Revised Statutes, as amended, the Depository hereby certifies it does not currently, and for the duration of this Agreement shall not use: (i) the forced labor of ethnic Uyghurs in the People's Republic of China, (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China, and (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. The foregoing certification is made to the best knowledge of the Depository without any current independent investigation or without any future independent investigation for the duration of this Agreement. If the Depository becomes aware during the duration of this Agreement that it is not in compliance with such certification, the Depository shall take such actions as provided by law, including providing the required notice to the Issuer. If the Issuer determines that the Depository is not in compliance with the foregoing certification and has not taken remedial action, the Issuer shall terminate the Depository's role as the Depository hereunder pursuant to Section 3.06.

SECTION 1.09. *Further Assurances.*

The Issuer shall do, execute, acknowledge and deliver all and every such further acts, conveyances, mortgages, financing statements and assurances as shall be reasonably required for accomplishing the purposes of this Agreement. The Issuer shall provide the Depository with copies of all such filings.

SECTION 1.10. *Amendments.*

Pursuant to the conditions established in the Series 2024 Indenture, this Agreement may be amended by an instrument in writing executed and delivered by each of the Depository and the Issuer.

SECTION 1.11. *Business Days.*

For purposes of this Agreement, if any date for any payment or determination is not a Business Day, the applicable payment or determination shall be made or done on the next succeeding day which is a Business Day.

SECTION 1.12. *Termination.*

Subject to the last sentence of this Section, this Agreement shall terminate upon the earlier of (A) termination of the Standby Contribution Agreement or (B) the payment of all of the Draw pursuant to Section 2.02(A). After receipt of proof of satisfaction of such condition, the Board shall approve in writing such termination, such approval not to be withheld unreasonably, and notice thereof shall be provided to the Trustee.

SECTION 1.13. *Integration.*

This Agreement, when executed and delivered by the parties hereto, shall constitute the entire agreement among them with respect to the matters provided herein and supersedes all

prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

* * *

ARTICLE TWO

THE LETTER OF CREDIT

SECTION 2.01. *Beneficiary; Authority to Draw; Draws; Alternates.*

A. The Letter of Credit shall be held by the Depository for the benefit of the Issuer and shall be the subject of the Draw upon the occurrence of any one of the following events so long as the Issuer has levied the tax rates required by Section 2.01(D) of the Standby Contribution Agreement:

1. The failure of Vistancia Development to pay any amount due on the applicable date due pursuant to the Series 2024 Standby Contribution Agreement.

2. The failure by Vistancia Development to obtain and deliver to the Depository an Alternate Letter of Credit pursuant to Section 2.01(C).

3. The Letter of Credit Bank (i) commences a proceeding under any federal or state insolvency, reorganization or similar law, or has such a proceeding commenced against it and either has an order of insolvency or reorganization entered against it or has the proceeding remain undismissed and unstayed for ninety (90) days, or (ii) has a receiver, conservator, liquidator or trustee appointed for it or for the whole or any substantial part of its property, and Vistancia Development fails to obtain and deliver to the Depository an Alternate Letter of Credit pursuant to Section 2.01(C) within the ninety (90) day period in clause (i).

The Depository shall present a sight draft to the Letter of Credit Bank (together with any required certificates under the Letter of Credit) so as to permit the transfer of funds from the Letter of Credit Bank to the Depository for the Draw by noon, Arizona time, and shall follow such other procedures so as to comply with the Letter of Credit in order to make the Draw. The Depository shall promptly notify Vistancia Development and the Issuer if the Letter of Credit Bank has not transferred funds in accordance with the Letter of Credit upon the presentment of such draft.

B. Upon receipt of moneys from the Letter of Credit Bank, the Depository shall deposit the amount representing the Draw in a separate account established hereby in the name of the Issuer for the purposes hereof to be called the "Series 2024 Principal Account" and apply the same as provided in Section 2.02.

C. Vistancia Development may, at its option, provide for the delivery to the Depository of an Alternate Letter of Credit to take effect on the Letter of Credit Termination Date of the then effective Letter of Credit. For an Alternate Letter of Credit to be effective, sixty (60) Business Days prior to the Letter of Credit Termination Date, the Depository and the Issuer shall have received the following, in form and substance acceptable to the Issuer Representative:

1. evidence that the rating of the issuer of the Alternate Letter of Credit is as indicated in the definition of "Alternate Letter of Credit";

2. an opinion of counsel for the issuer of the Alternate Letter of Credit that it constitutes a legal, valid and binding obligation of the issuer in accordance with its terms;

3. an opinion of nationally recognized bond counsel that such replacement is authorized hereunder and will not cause interest on the Series 2024 Bonds to become includable in gross income for federal income tax purposes; and

4. the Alternate Letter of Credit, meeting all of the other requirements provided in the definition of “Alternate Letter of Credit” and being unconditionally binding and effective as of the Letter of Credit Termination Date.

D. The Depository shall not sell, assign or transfer the Letter of Credit except to a successor Depository under this Agreement.

E. If the Draw has occurred because of the event described in Section 2.01(A)(2) or (3), the Issuer Representative may, in his sole and absolute discretion and pursuant to the same terms and conditions described in Section 2.01(C) and whatever additional terms and conditions the Issuer Representative deems appropriate, instruct the Depository to pay an amount equal to the Draw to the issuer of a new letter of credit meeting the qualifications in the definition of “Alternate Letter of Credit” in exchange for such new letter of credit and thereafter such new letter of credit shall be treated as the Letter of Credit for all purposes of this Agreement.

SECTION 2.02. *Application.*

A. After the Draw, the Depository shall pay to the Trustee from amounts on deposit in the Series 2024 Principal Account the amounts requested pursuant to Section 5.02(C)(1)(c) of the Series 2024 Indenture.

B. Upon the written consent of the District Chief Financial Officer, the Depository shall pay to Vistancia Development all amounts held by the Depository hereunder upon the termination of this Agreement.

C. The Depository shall return the Letter of Credit to Vistancia Development upon the earlier of the termination thereof or of this Agreement.

SECTION 2.03. *Investment of and Security for Account.*

A. Amounts on deposit in the Series 2024 Principal Account shall be invested in the Permitted Investments described in clause A of the definition thereof and indicated in writing by the Issuer Representative. The Issuer acknowledges that the yield, calculated for federal income tax purposes, of such Permitted Investments cannot be materially higher than the yield, calculated on the same basis, for the Series 2024 Bonds, and the Issuer shall take all actions necessary with regard to any Permitted Investment to assure that the investment directions provided by it to the Depository take such restrictions into account and such that amounts are available therefrom for the purposes hereof; provided, however, that such amounts may be invested at a higher yield upon receipt from the Issuer of an opinion of nationally recognized bond counsel, addressed to the Issuer and the Depository, to the effect that such amounts may be so invested. The Depository shall rely

on the written investment directions of the Issuer Representative as to the suitability and legality of such directed investments and such written investment direction shall be deemed to be a certification that such directed investments constitute Permitted Investments described in clause A of the definition thereof and comply with any yield restrictions applicable thereto. The Depository has no duty or obligation to monitor the yield on such investments. Absent written direction the Depository shall hold amounts uninvested in cash, with no liability for interest.

B. The earnings accruing on amounts deposited hereunder and any profit realized from such investment shall be added to the amount held hereunder, and any loss resulting from such investment shall be subtracted from the amount held hereunder.

C. The Depository shall not be liable for any loss resulting from any such investment excepting only such losses as may have resulted from disregarded or negligent implementation of any written direction by the Issuer.

D. The Depository shall have no claim on amounts held hereunder for any purpose.

E. The Depository may elect, but shall not be obligated, to credit the Series 2024 Principal Account with moneys representing income or principal payments due on, or sales proceeds due in respect of, the investments in such account, or to credit to investments intended to be purchased with such moneys, in each case before actually receiving the requisite moneys from the payment source, or to otherwise advance funds for account transactions. The Issuer acknowledges that the legal obligation to pay the purchase price of an investment arises at the time of purchase, any such crediting of funds or assets shall be provisional in nature, and the Depository shall be authorized to reverse any such transactions or advances of funds in the event that it does not receive good funds with respect thereto.

F. Although the Issuer recognizes that it may obtain brokerage confirmations or written statements containing comparable information at no additional cost, the Issuer agrees that brokerage confirmations are not required to be issued by the Depository for each month in which a monthly statement of investments is provided by the Depository. No statement needs to be provided, however, for any month in which no investment activity occurred during such month in such account.

SECTION 2.04. *Annual Reports.*

As soon as possible after July 15 of each Fiscal Year and more often as requested in writing by the Issuer Representative, the Depository shall provide to the Issuer a report indicating the balance in the Series 2024 Principal Account as well as all deposits to, and payments from, the Series 2024 Principal Account during the prior Fiscal Year.

* * *

ARTICLE THREE

DEPOSITORY

SECTION 3.01. *Certain Duties and Responsibilities of Depository.*

A. The Depository undertakes to perform such duties and only such duties as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Depository. In the absence of bad faith on its part, the Depository may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Depository and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Depository, the Depository shall be under a duty to examine the same to determine whether or not they conform on their face to the requirements of this Agreement.

B. No provision of this Agreement shall be construed to relieve the Depository from liability for its own negligent action, its own negligent failure to act, its own willful misconduct or its breach of this Agreement, except that:

1. this Subsection shall not be construed to limit the effect of Subsection (A) of this Section;

2. the Depository shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Depository was negligent; and

3. no provision of this Agreement shall require the Depository to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, unless it is provided indemnity in connection therewith as provided in Section 3.04(A)(3).

C. Whether or not therein expressly so provided, every provision of this Agreement relating to the conduct, affecting the liability of or affording protection to the Depository shall be subject to the provisions of this Section.

SECTION 3.02. *Certain Rights of Depository.*

Except as otherwise provided in Section 3.01 hereof:

A. the Depository may rely and shall be protected in acting or refraining from acting upon:

1. any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, telex or other paper, document or

communication reasonably believed by it to be genuine and to have been signed or presented by the proper Persons; and

2. failure of the Depository to receive any such paper, document, or communication, if prior receipt thereof is required by this Agreement before the Depository is to take or refrain from taking any action;

B. any request or direction of the Issuer mentioned herein shall be sufficiently evidenced by an Issuer Request, and any order or resolution of the Board may be sufficiently evidenced by a Board Resolution;

C. whenever in the administration of this Agreement the Depository shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Depository (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

D. the Depository may consult with legal counsel and the written advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Depository hereunder in good faith and in reliance thereon;

E. the Depository shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond or other paper or document, but the Depository, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Depository shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records, and premises of the Issuer, personally or by agent or attorney;

F. the Depository may perform any duties hereunder either directly or by or through agents or attorneys, and the Depository shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed, with due care by it hereunder; and

G. the Depository shall not be responsible for monitoring yields on investments held hereunder or determining whether the yield on any investments made in accordance with this Agreement would cause, or whether any other facts exist which would cause, any of the Bonds to become arbitrage bonds under Section 148 of the Code.

SECTION 3.03. *Not Responsible for Recitals or Application of Proceeds.*

The recitals contained herein shall be taken as the statements of the other parties hereto, and the Depository assumes no responsibility for their correctness. The Depository makes no representations as to the amounts held hereunder or as to the security afforded thereby or hereby, or as to the validity or genuineness of any securities at any time pledged and deposited with the Depository hereunder, or as to the validity or sufficiency of this Agreement.

SECTION 3.04. *Compensation and Reimbursement.*

A. The Issuer shall:

1. pay to the Depository from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

2. except as otherwise expressly provided herein, reimburse the Depository upon its request for all reasonable expenses, disbursements and advances incurred or made by the Depository in accordance with any provisions of this Agreement (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to the Depository's negligence or bad faith; and

3. indemnify, to the extent permitted by applicable law, the Depository for, and to hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith or breach of its obligations hereunder on its part, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

B. The Depository shall not have the right to set off against or to appropriate or apply any of the amount deposited pursuant to Section 2.01 or any of the investment income therefrom to any unpaid obligation of the Issuer to the Depository hereunder or as a result of any other matter between the Issuer and the Depository.

SECTION 3.05. *Corporate Depository Required; Eligibility.*

There shall at all times be a Depository hereunder which shall be a bank or trust company organized and doing business under the laws of the United States or of any state, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$50,000,000, subject to supervision or examination by federal or State authority, and having a corporate trust office in the City of Phoenix, Arizona. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of such supervising or examining authority, then for the purposes of this Section the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Depository shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 3.06. *Resignation and Removal; Appointment of Successor.*

A. No resignation or removal of the Depository and no appointment of a successor Depository pursuant to this Article shall become effective until the acceptance of appointment by the successor Depository under Section 3.07.

B. The Depository may resign at any time by giving written notice thereof to the Issuer. If an instrument of acceptance by a successor Depository shall not have been delivered to the Depository within thirty (30) days after the giving of such notice of resignation, the resigning Depository may petition any court of competent jurisdiction for the appointment of a successor Depository.

C. The Depository may be removed at any time by the Issuer by Board Resolution if no event of default by the Issuer hereunder or under the Series 2024 Indenture or the Series 2024 Standby Contribution Agreement has occurred or, with passage of time or giving of notice, shall occur.

D. If at any time:

1. the Depository shall cease to be eligible under Section 3.05 and shall fail to resign after written request therefor by the Issuer; or

2. the Depository shall become incapable of acting or shall be adjudged insolvent or a receiver of the Depository or of its property shall be appointed or any public officer shall take charge or control of the Depository or of its property or affairs for the purpose of rehabilitation, conservation, or liquidation,

then, in any such case, the Issuer by Board Resolution may remove the Depository.

E. If the Depository shall resign, be removed, or become incapable of acting, or if a vacancy shall occur in the office of Depository for any cause, the Issuer by Board Resolution, shall promptly appoint a successor Depository. In case all or substantially all of the amounts held hereunder shall be in the possession of a receiver or trustee lawfully appointed, such receiver or trustee, by written instrument, may similarly appoint a successor to fill such vacancy until a new Depository shall be so appointed. If, within one year after such resignation, removal, or incapability, or the occurrence of such vacancy, a successor Depository shall be so appointed, then the successor Depository so appointed shall, forthwith upon its acceptance of such appointment, become the successor Depository and supersede the successor Depository appointed by the Issuer or by such receiver or trustee. If no successor Depository shall have been so appointed and accepted appointment in the manner hereinafter provided, the Issuer may petition any court of competent jurisdiction for the appointment of a successor Depository.

SECTION 3.07. *Acceptance of Appointment by Successor.*

A. Every successor Depository appointed hereunder shall execute, acknowledge and deliver to the Issuer and the retiring Depository an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Depository shall become effective and such successor Depository, without any further act, deed or conveyance, shall become vested with all the estates, properties, rights, powers, trusts and duties of the retiring Depository; but, on request of the Issuer or the successor Depository, such retiring Depository shall, upon payment of its charges, execute and deliver an instrument conveying and transferring to such successor Depository upon the trusts herein expressed all the estates, properties, rights, powers and trusts of the retiring Depository, and shall duly assign, transfer and deliver to such

successor Depository all property and money held by such retiring Depository hereunder, subject nevertheless to its lien, if any, provided for in Section 3.04. Upon request of any such successor Depository, the Issuer shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Depository all such estates, properties, rights, powers and trusts.

B. No successor Depository shall accept its appointment unless at the time of such acceptance such successor Depository shall be qualified and eligible under this Article.

SECTION 3.08. *Merger, Conversion, Consolidation or Succession to Business.*

Any corporation into which the Depository may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Depository shall be a party, or any corporation succeeding to all or substantially all of the municipal corporate trust business of the Depository, shall be the successor of the Depository hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

* * *

[Signature page follows.]

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, and to be effective as of the day and year first above written, which date shall be deemed the date hereof for all purposes.

VISTANCIA NORTH COMMUNITY
FACILITIES DISTRICT

By.....
District Chief Financial Officer

ATTEST:

.....
District Clerk

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Depository

By.....
Authorized Representative