

On Company Letterhead

City of Los Angeles
c/o Industrial Development Authority
Community Development Department
1200 West Seventh Street, 6th Floor,
Los Angeles, CA 90017

Ladies and Gentlemen:

_____ (the "Non-Profit") intends to submit an application to the City of Los Angeles (the "City"), c/o Industrial Development Authority (the "IDA") requesting the City to issue its 501c3 non-profit Certificates of Participation (the "COPs") to assist _____ in financing the:

1. Acquisition of real property and construction of _____ at _____, Los Angeles, California, (the "Project Site")
2. Refinance of existing taxable debt which was incurred when the facilities were acquired, and
3. Payment of capitalized interest and certain costs of issuance in connection with the construction of a _____ by the _____ (the "Project").

The purpose of this letter is to set forth certain terms and conditions that the Authority requires before considering providing its assistance.

_____ understands that the City and/or the IDA may enter into one or more contracts with certain individuals and firms to assist the City in the sale and issuance of the COPs, including bond counsel, financial advisors, investment bankers, trustee and any other experts the City may deem necessary (collectively, the "Finance Team").

By virtue of this letter, and in consideration of the foregoing, _____ hereby covenants and agrees as follows:

1. _____ agrees to pay all applicable costs involved in the issuance of the COPs, including, but not limited to, issuance fees and expenses of the City, the Finance Team, printing costs and fees of rating agencies, from the proceeds of the sale of the COPs or from other available sources. If the COPs are not issued for any reason, _____ agrees to pay all fees and expenses involved with the COPs, including, but not limited to, those referred to above and a reasonable amount for the time and costs of the City Attorney and the Community Development Department.

2. _____ agrees to pay any and all costs incurred by the City in any legal or administrative action challenging the validity of any COPs issued or

contemplated to be issued as set forth herein or any action in which the issuance of any such COPs is challenged.

3. _____ understands that the City may, in sole discretion, determine not to proceed with the issuance of the COPs for the Project. In contemplation of such understanding, _____ agrees to indemnify, defend and hold harmless the City, the IDA, the members of its Board of Directors, the officers and employees of the City, from any and all claims, demands, causes of action, and liabilities arising or alleged to arise out of the issuance of the COPs, the adoption of the resolution, or the determination in the sole discretion of either or both such entities not to proceed with the issuance of the COPs. This indemnity shall extend to any such claims which may be raised by _____ or by any other person or party whatsoever.

4. _____ understands that any money it pays to the City is at its own risk and that the decision to pay such money is at its sole discretion and represents an independent decision to proceed with the issuance of the COPs and that neither the IDA nor the City is responsible for _____ decision in connection with the disposition of amounts paid to such parties.

5. None of the rights, liabilities, or obligations of _____ as described herein is assignable by _____ to any third party.

Sincerely,

(Non-Profit Name here)

By:

Title:

Date: