

LEASE AGREEMENT

between

STEEL VALLEY AREA SCHOOL AUTHORITY,
As Lessor

and

STEEL CENTER FOR CAREER AND TECHNICAL EDUCATION JOINT BOARD,
BALDWIN-WHITEHALL SCHOOL DISTRICT,
BETHEL PARK SCHOOL DISTRICT,
BRENTWOOD BOROUGH SCHOOL DISTRICT,
CLAIRTON CITY SCHOOL DISTRICT,
DUQUESNE CITY SCHOOL DISTRICT,
ELIZABETH FORWARD SCHOOL DISTRICT
SOUTH ALLEGHENY SCHOOL DISTRICT
SOUTH PARK SCHOOL DISTRICT
STEEL VALLEY SCHOOL DISTRICT
WEST JEFFERSON HILLS SCHOOL DISTRICT
AND WEST MIFFLIN SCHOOL DISTRICT,
As Lessee

(and Assignment of the Authority's Interest Herein
To _____, as Trustee)

Dated as of _____, 2022

Relating to Steel Valley Area School Authority
School Lease Revenue Bonds, Series of 2022
(Steel Center for Career and Technical Education Project)

TABLE OF CONTENTS

ARTICLE I	DEFINITIONS	3
ARTICLE II	REPRESENTATIONS, WARRANTIES AND COVENANTS	4
ARTICLE III	LEASED PROPERTY, TERM OF LEASE.....	6
ARTICLE IV	THE FUNDING	9
ARTICLE V	RENTAL PAYMENTS AND ADDITIONAL SUMS	9
ARTICLE VI	ADDITIONAL COVENANTS OF THE JOINT BOARD	12
ARTICLE VII	EVENTS OF DEFAULT AND REMEDIES.....	17
ARTICLE VIII	BOND INSURANCE.....	19
ARTICLE IX	MISCELLANEOUS.....	21
Exhibit A	Description of Capital Project	A-1
Exhibit B	Legal Description of Premises	B-1
Exhibit C-1	Requisition - Direct Payment of Related Costs.....	C-1
Exhibit C-2	Requisition - Reimbursement of Related Costs	C-2
Exhibit D	Debt Service and Base Rental Schedule.....	D-1
Exhibit E	Form of Assignment.....	E-1

THIS LEASE AGREEMENT dated as of _____, 2022 (“Lease”), by and between the Steel Valley Area School Authority (the “Authority” or "Lessor"), and the Steel Center for Career and Technical Education Joint Board, Baldwin-Whitehall School District, Bethel Park School District, Brentwood Borough School District, Clairton City School District, Duquesne City School District, Elizabeth Forward School District, South Allegheny School District, South Park School District, Steel Valley School District, West Jefferson Hills School District and West Mifflin School District (collectively, the “Lessee”),

WITNESSETH:

WHEREAS, the Authority is a body corporate and politic organized and existing under the Municipality Authorities Act, as amended, 53 Pa.C.S.A. §5601, *et seq.* (the “Act”); and

WHEREAS, pursuant to the Act of March 10, 1949, Art. XVIII, 24 P.S. § 18-1801, *et seq.* (the “Vocational Education Act”), and a Jointure Agreement originally dated January 24, 1966, as thereafter amended and supplemented including most recently by the Seventh Amendment to Jointure Agreement dated June 13, 2018 among each of the Participating Districts (collectively, the "Joint Agreement"), Baldwin-Whitehall School District, Bethel Park School District, Brentwood Borough School District, Clairton City School District, Duquesne City School District, Elizabeth Forward School District, South Allegheny School District, South Park School District, Steel Valley School District, West Jefferson Hills School District and West Mifflin School District (each, a "Participating District" and collectively, the "Participating Districts") through their respective Boards of Directors (collectively, the "Steel Center for Career and Technical Education Joint Board" or the "Joint Board") established the Steel Center for Career and Technical Education (the "School" or the "Facilities") to be operated by the Steel Center for Career and Technical Education Joint Operating Committee (the "Joint Operating Committee") composed of representatives of each of the Participating Districts; and

WHEREAS, the Authority is the owner of certain real property and the improvements thereon, located at 565 N. Lewis Run Road, Clairton, Allegheny County, Pennsylvania, as described in Exhibit “A” attached hereto and made a part hereof (the “Premises”); and

WHEREAS, the Joint Board is undertaking renovations, additions and improvements to the Facilities (the “Capital Project”) by the issuance of School Lease Revenue Bonds, Series of 2022 (Steel Center for Career and Technical Education Project) (the “Bonds”) by the Authority in a principal amount equal to \$ _____ to finance the costs of the Capital Project and the costs of issuing the Bonds (collectively, the "Project"), the Bonds to be secured under and pursuant to a Trust Indenture of even date (the “Indenture”) between the Authority and _____, as Trustee (the “Trustee”); and

WHEREAS, the Premises, together with the Facilities as the same are renovated (collectively, the “Leased Property”), will be leased by the Authority to the Joint Board and the Participating Districts under this Lease, providing for the payment of rentals adequate to meet the debt service payments on the Bonds and providing for this Lease to be assigned by the Authority to the Trustee as security under the Indenture; and

WHEREAS, the Joint Board and the Participating Districts are authorized by law to enter into rental agreements with the Authority and to make rental payments under such rental agreements and to include in its annual budget amounts sufficient to meet such payments; and

WHEREAS, the Authority wishes to assist the Joint Board and the Participating Districts in financing the Project in accordance with the financing plan described above, including entering into this Lease.

WHEREAS, to provide for the payment of debt service on the Bonds as the same comes due, the Joint Board and the Participating Districts (referred to herein as the “Lessee”), does execute and deliver this Lease to the Authority (referred to herein as the “Lessor”), pursuant to which the Joint Board and the Participating Districts will Lease the Leased Property from the Authority, and the Joint Board will make payments, from amounts received from the Participating Districts, to the Trustee (as assignee of the Authority) in the amounts and at the times set forth herein, sufficient for the payment by the Authority of the principal of and interest on the Bonds issued under the Indenture (the “Rental Payments”); and

WHEREAS, the Authority will assign all of its rights hereunder, except those unassigned rights hereinafter described, to the Trustee as security for the Bonds; and

WHEREAS, the Authority has purchased a Municipal Bond Insurance Policy (the “Bond Insurance Policy”) from _____ (the “Bond Insurer”) insuring the Bonds as to the scheduled payment of principal and interest, and the Bond Insurer has imposed certain requirements on the Authority, the Joint Board and the Participating Districts as conditions for the issuance of such Bond Insurance Policy; and

WHEREAS, the execution and delivery of this Lease has been duly approved by the Secretary of education of the Commonwealth, in accordance with Section 790 of the Public School Code of 1949, 24 P.S. §7-790, as amended.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

ARTICLE I DEFINITIONS

1.1 Terms Defined in Recitals.

The following terms shall have the meanings set forth in the foregoing recitals and clauses:

Act	Lease
Authority	Leased Property
Bonds	Lessee
Bonds Insurance Policy	Lessor
Bond Insurer	Participating Districts
Capital Project	Premises
Commonwealth	Project
Facilities	Rental Payments
Indenture	School
Joint Agreement	Trustee
Joint Board	Vocational Education Act
Joint Operating Committee	

1.2 Definition of Other Terms.

Unless otherwise defined herein, capitalized terms used but not defined herein shall have the respective meanings given such terms in the Indenture and the following term shall have the meaning specified as follows, unless the context otherwise requires.

"Proportionate Share(s)" shall, notwithstanding anything herein to the contrary, be fixed over the term of the Lease as provided in the following table:

	Proportionate Share
Baldwin-Whitehall School District	18.88%
Bethel Park School District	25.17
Brentwood Borough School District	3.73
Clairton City School District	1.36
Duquesne City School District	0.00
Elizabeth Forward School District	8.32
South Allegheny School District	3.29
South Park School District	7.72
Steel Valley School District	6.87
West Jefferson Hills School District	15.16
West Mifflin School District	9.80

such Proportionate Share representing (a) with respect to Duquesne City School District, 0.00%, and (b) with respect to each other Participating District, (i) such Participating District's percentage share of the Rental Payments as calculated pursuant to Article III, Section 1 of the Joint Agreement for the initial year, plus (ii) a pro-rata portion of Duquesne City School District's percentage share of the Rental Payments as calculated pursuant to Article III, Section 1 of the Joint Agreement for the initial year; such initial year's calculation to be used/fixed over the term of the Lease.

1.3 Interpretation.

The words "hereof," "herein," "hereto," "hereby" and "hereunder" refer to this Agreement. All words importing persons include firms, associations and corporations, and all words importing the singular number include the plural number and vice versa.

ARTICLE II REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1. Representations, Warranties and Covenants of the Joint Board.

The Joint Board represents, warrants and covenants to the Authority as follows:

(a) Existence and Authority. The School, acting through the Joint Board, is a vocational school duly organized pursuant to the Vocational Education Act and the Joint Agreement, is presently existing and in good standing under the laws of the Commonwealth with full power and legal right to enter into this Lease, and to perform its obligations hereunder and to undertake the Project. The execution, delivery and performance of this Lease by the Joint Board by its Joint Operating Committee and the undertaking of the Project have been duly authorized by all necessary action.

(b) Enforceability. This Lease constitutes a legal, valid and binding obligation of the Joint Board, enforceable in accordance with its respective terms (subject as to enforcement of remedies, to any bankruptcy, insolvency, reorganization, or similar laws and to equitable principles affecting creditors' rights generally).

(c) No Conflict. Neither the execution and delivery of this Lease, the consummation of the transactions contemplated hereby or the undertaking by the Joint Board of the Capital Project, nor

the fulfillment of or compliance with the terms and conditions of this Lease will conflict with or constitute a breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, mortgage, lease, contract, agreement or any other instrument, or any existing law, rule or regulation, or decree or order of any court, to which the Joint Board is subject or by which its property (including the Leased Property) is bound.

(d) Litigation. There is no action, suit, proceeding, inquiry or, to the best of the knowledge of the Joint Board, any investigation, at law or in equity, pending or to the best of the knowledge of the Joint Board, threatened against the Joint Board, before or by any court, public body, agency or administrator, seeking to enjoin and prevent the issuance or use of the proceeds of Bonds for the Capital Project, the execution and delivery by the Joint Board of this Lease, or wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition or operations of the Joint Board, or the validity or enforceability of the Bonds, the Indenture, or this Lease.

(e) The Joint Board and School Information. The information relating to the Joint Board and the School contained in the Official Statement of the Authority does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances in which they were made, not misleading. The financial information relating to the School contained in the Official Statement fairly presents the financial condition of the School as of the dates indicated and the results of its operations for the periods specified therein, and since such dates there has not been any material adverse change in the financial position or results of operations of the School, nor has it incurred any material liabilities (except as set forth in or contemplated by the Official Statement) which would have a material adverse effect upon its ability to make the payments required to be made by it under this Lease.

(f) Conditions Precedent. All approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the Joint Board of its obligations hereunder have been duly obtained.

2.2. Representations and Warranties of the Authority.

The Authority represents, warrants and covenants to the Joint Board as follows:

(a) Organization. The Authority is a body corporate and politic duly organized by and existing under the laws of the Commonwealth with full power and authority to enter into the transactions contemplated by this Lease and to carry out its obligations hereunder and has duly authorized the execution and delivery of this Lease, the Bonds and the Indenture;

(b) Authorization and Enforceability. The construction, renovation and improvement of the Facilities, the issuance and sale of the Bonds to finance the Project, the execution and delivery of this Lease and the Indenture, and the performance of the covenants and agreements of the Authority contained in this Lease and the Indenture have been duly authorized by all necessary action, and all other acts and things required under the laws of the Commonwealth to make this Lease, the Bonds and the Indenture, the valid and legally binding obligations of the Authority enforceable in accordance with their respective terms (subject, as to enforcement of remedies, to any bankruptcy, insolvency, reorganization, or similar laws or equitable principles affecting the enforcement of creditors' rights generally) have been completed;

(c) Conditions Precedent. All approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the Authority of its obligations hereunder or under the Bonds or the Indenture have

been duly obtained; and

(d) Litigation. There is no action, suit or proceeding at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the Authority, threatened against the Authority, affecting the existence of the Authority, or in any way contesting or affecting the validity or enforceability of this Lease, the Bonds or the Indenture, or contesting the power of the Authority to undertake or finance the Project.

2.3. Representations and Warranties of the Participating Districts.

Each of the Participating Districts, for itself only, represents, warrants and covenants to the Joint Board and the Authority as follows:

(a) Organization. Each Participating District is a school district duly organized and existing under the laws of the Commonwealth of Pennsylvania, including the Public School Code of 1949, as amended.

(b) Authorization and Enforceability. The execution and delivery of this Lease has been duly authorized by all necessary action to make this Lease the valid and legally binding obligation of the Participating District in accordance with its term.

(c) Condition Precedent. All approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by such Participating District of its obligations hereunder has been duly obtained.

(d) Payment of Proportionate Share of Rental Payments. Each Participating District will annually budget, appropriate and pay from its current general revenues, its Proportionate Share of the Rental Payments due in each year and will pay over such amount to the Joint Board without delay, diminution or offset for any cause or reason whatsoever, including, without limitation, damage to or destruction of the Facilities.

ARTICLE III
LEASED PROPERTY, TERM OF LEASE

3.1. Leased Property.

Subject to the terms and conditions herein stated, the Lessor leases to the Lessee, the “Leased Property” as more fully described in **Exhibit B** attached hereto, including the Facilities, together with all improvements thereon erected or to be erected as part of the Facilities and constituting the Capital Project.

3.2. Term.

This Lease shall be for a term of approximately ____ () years, beginning _____, and ending _____. However, the initial term shall end fifteen (15) days following the earlier discharge of the Indenture, and shall not under any circumstances end prior to discharge of the Indenture (including upon any failure of a Participating District to appropriate amounts payable hereunder). Notwithstanding anything in this Lease to the contrary, this Lease will not terminate until (i) the payment in full of the Bonds, and (ii) all amounts due to the Bond Insurer pursuant to the Indenture or this Lease have been paid. Notwithstanding the foregoing, this Lease shall continue after the end of the initial term for an indefinite period of time until either party terminates this Lease by giving notice in accordance with this section. This Lease may be

terminated after the initial term by either party giving to the other party thirty (30) days advance written notice, in which case this Lease shall terminate on the date specified in the written notice, provided the date is at least thirty (30) days after the giving of the notice.

ARTICLE IV THE FUNDING

4.1. Application of Bond Proceeds.

Upon the terms and conditions set forth in this Lease, the Authority shall deposit the net proceeds of the Bonds with the Trustee in the Settlement Fund for application as provided in Section 2.01 of the Indenture.

4.2 Disbursements from Project Fund.

(a) The Trustee shall disburse the monies on deposit in the Project Fund established under Section 4.03 of the Indenture for the payment of the costs of the Project upon receipt of a written requisition of the Joint Board substantially in one of the forms attached hereto as **Exhibits C-1** or **C-2**, as appropriate, describing (i) the Facilities; (ii) the particular Project costs paid or to be paid by the Joint Board; (iii) the name and address of the person or persons to whom such payment has been made or is to be made (which may be the Joint Board in the case of the reimbursement of costs previously incurred by the Joint Board), and the amount of such payment; and (iv) the certifications of the Joint Board with respect to such Project costs and payment as set forth in **Exhibits C-1** or **C-2** hereof. In addition, the Joint Board may request the Trustee to transfer money from the Project Fund to the Debt Service and Sinking Fund to pay capitalized interest on any Bonds.

(b) Upon the completion of the Capital Project, the Joint Board shall deliver to the Trustee a Certificate stating that the Capital Project has been completed, the date of completion, and that all obligations of the Joint Board in connection with the Capital Project have been paid and discharged in full or provision made for their payment and discharge. Upon receipt of such Lease Certificate, the balance of the proceeds of the Bonds (and interest thereon) remaining in the Project Fund shall, upon the written order of the Joint Board, be transferred to the Revenue Fund established under the Indenture and applied to the payment of the principal of Bonds, or may be applied pursuant to such written direction to the purchase of Bonds if available in the open market.

ARTICLE V RENTAL PAYMENTS AND ADDITIONAL SUMS

5.1. Payments with respect to the Bonds.

Each of the Participating Districts covenants and agrees to pay to the Joint Board not less than thirty (30) days prior to the date the same becomes due in accordance with the Debt Service and Base Rental Schedule attached hereto as **Exhibit D**, its Proportionate Share of the Rental Payments set forth on such Schedule. Such share of the Rental Payments shall be an annual appropriation obligation of each Participating District payable from its general revenues. Such Participating District's Proportionate Share of Rental Payments shall be payable by each Participating District from its current revenues and not as debt

of such Participating District as such term is used in the Pennsylvania Local Government Unit Debt Act. The Joint Board covenants to pay or cause to be paid directly to the Trustee, as assignee of the Authority, as Rental Payments under this Lease, for deposit into the Revenue Fund created under Article IV of the Indenture, the Rental Payments it receives with respect to the Bonds from the Participating Districts in accordance with Section 5.1 hereof. Such Rental Payments will be paid to the Trustee at least fifteen (15) days prior to the date of any required Debt Service payment as set forth on the Debt Service and Base Rental Schedule.

5.2. Participating Districts.

(a) (i) The amount to be paid by each Participating District as its Proportionate Share of Rental Payments for each series of bonds and in the aggregate issued under the Indenture shall be determined in the manner set forth herein and shall take into consideration any funds held by the Trustee and available under the Indenture to be credited to the Lessee as an offset against rentals and additional sums due under this Lease. The provisions of the Joint Agreement are incorporated herein by reference. The Joint Board will cause the Vocational Administrative Director or Business Manager of the School to notify each Participating District of its respective Proportionate Share of Rental Payments obligation, and additional rentals under Section 5.3 below, no later than thirty (30) and no more than sixty (60) days prior to each Rental Payments due date hereunder and under any supplemental Lease.

(ii) In the event a Participating District shall determine to withdraw from participation in the School while the Bonds are outstanding, it shall notify in writing the remaining Participating Districts of its intention, requesting that the remaining Participating Districts approve of such withdrawal, which approval may, in the sole discretion of the remaining Participating Districts, be granted, but only if the withdrawing Participating District (hereinafter referred to as the "Withdrawing District") shall cause to be deposited with the Trustee in a separate account, apart from the General Account of the Debt Service and Sinking Fund, cash in an amount equal to the Withdrawing District's Proportional Share of the total outstanding principal balance of the Bonds, plus, if the Bonds cannot then be redeemed in part, in addition to the foregoing Withdrawing District's portion of the principal balance outstanding of the Bonds, an amount equal to the present value of interest payments on the Bonds until their first call date at par. Such present value shall be determined by discounting all future interest payments to the withdrawal date using the average interest rate on such debt obligations as the discount rate. The amount to be deposited by a Withdrawing District pursuant to this provision shall be verified by an independent certified public accountant.

(iii) The foregoing provision (ii) may not be amended while the Bonds are outstanding.

(b) The Joint Board and the Authority agree that payments received from the Participating Districts as their Proportionate Shares of the Rental Payments will be paid to the Trustee, as assignee of the Authority, to be applied solely to pay debt service on the Bonds, as further described in Section 5.1 hereof; and, in furtherance thereof, the Joint Board and the Authority hereby assign all of its right, title and interest in the payments received from the Participating Districts as their Proportionate Shares of the Rental Payments to the Trustee, as assignee of the Authority, to secure the Bonds.

(c) The Joint Board and the Authority agree that any state intercept moneys received by the Joint Board or the Authority from the Department of Education pursuant to Section 7-790 of the Public School Code, as amended (the "State Intercept Statute") arising from a failure of one or more Participating Districts to make their payments as their Proportionate Shares of the Rental Payments with respect to the Bonds, will be treated as Rental Payments hereunder and will be paid promptly to the Trustee, as assignee of the Authority, and applied solely to pay debt service on the Bonds, as further described in

Section 5.1 hereof.

(d) The Authority views the payments due from the Participating Districts as their shares of the lease amortization and debt service payments to be payments subject to the State Intercept Statute, and the Authority agrees that it will take all necessary action to implement and enforce the State Intercept Statute with respect to any failure of a Participating District to make such a payment, (including upon any failure to appropriate such amounts) and will apply any such moneys as described in Section 5.2(c) above.

5.3. Covenant to Include Payments in the Budget.

Each of the Participating Districts hereby covenants and agrees with the Authority for the benefit of the holders of the Bonds to include in its budget for each fiscal year of the Participating District during the term of this Lease its Proportionate Share of the Rental Payments payable hereunder in each such fiscal year and to pay such amounts from its general revenues from whatever source derived. The payments due hereunder by the Participating Districts shall constitute general obligations of each Participating District as to its Proportionate Share of Rental Payments and a current obligation of each Participating Districts payable from annually appropriated revenues and shall not constitute “debt” of the Participating Districts or the Joint Board as defined in the Local Government Unit Debt Act of the Commonwealth. The Rental Payments shall be due in all events, and without delay or diminution for any reason whatsoever, including damage to or destruction of the Facilities.

5.4. Administrative Expenses.

The Joint Board covenants to pay on behalf of the Authority reasonable compensation to the Trustee for services rendered by it under the Indenture and hereunder and all of the Trustee’s reasonable expenses and charges for those of its attorneys, agents and employees in the administration and execution of the trusts and the performance of its powers and duties hereunder. The Joint Board covenants to pay the Authority, as required, the reasonable administrative expenses of the Authority, including reasonable attorneys fees incurred in relation to the Indenture, this Lease, or any supplements thereto. The Joint Board and the Participating Districts covenant to pay the Bond Insurer, as required, a pro rata share of the amounts owed the Bond Insurer in connection with the Bond Insurance Policy. The Joint Board covenants to indemnify and hold the Trustee harmless against any losses, liabilities or expenses which it may incur in the performance of its powers and duties hereunder or under the Indenture and not due to its gross negligence or bad faith, including the costs of defending against any claim of liability. The Joint Board covenants to reimburse the Trustee with interest at the then Prime Rate as published in the *Wall Street Journal*, until paid, for all advances made by the Trustee in accordance with any provisions of the Indenture or this Lease.

5.5. Payment with Bonds in Lieu of Cash.

In lieu of the payment of any portion of the payments required by Section 5.1 hereof, the Lessee or, at the request of the Joint Board, the Authority with funds provided by the Lessee, may purchase on the open market Bonds next becoming due at maturity or by reason of mandatory redemption and not less than forty-five (45) days prior to the scheduled principal payment or mandatory redemption date present such Bonds to the Trustee for cancellation. The principal amount of Bonds so presented to the Trustee shall be credited against the amounts payable by the Lessee on the next principal payment date relating to the Bonds.

5.6. Optional Prepayment of Rental Payments and Redemption of Bonds.

Rental Payments under this Lease shall be subject to prepayment in whole or in part, at the option of the Joint Board, on the dates, in the principal amounts and at the redemption prices at which the Bonds of the appropriate series are subject to Optional Redemption by the Authority under Section 3.01(b) of the Indenture and, at the request of the Joint Board, the Authority shall apply the amount of such prepayment to the redemption of a corresponding principal amount of Bonds, as herein provided. Rental Payments under this Lease shall be subject to prepayment in part at the option of the Joint Board, at the direction of a Withdrawing District which has deposited with the Trustee its portion of the Bonds as determined in accordance with Section 5.2 (ii) hereof, on the first date following the deposit of the amount required by such Section 5.2(ii) at which the Bonds may be redeemed at par under the Indenture and, at the request of the Joint Board, the Authority shall apply the amount of such prepayment to the redemption of a corresponding principal amount of Bonds of the appropriate series as herein provided. The Joint Board shall give the Authority and the Trustee notice of its intention to prepay hereunder, and the principal amounts and maturities of Bonds of the appropriate series, if any, which the Joint Board wishes the Authority to redeem in accordance with the Indenture (“Designated Bonds”), not less than forty- five (45) days nor more than ninety (90) days prior to the date on which the Bonds will be prepaid. Following receipt of such notice, the Trustee will provide notice to the Holders of the Bonds in accordance with Section 3.04 of the Indenture. Upon receipt of such notice and the deposit with the Trustee of the amount which, together with other funds on deposit with the Trustee and available for such purpose, will be sufficient for the payment of the principal and redemption premium, if any, of and interest on the Designated Bonds, accompanied by (i) if requested by the Authority or the Trustee, a verification report of an independent certified public accountant, not unacceptable to the Authority and the Trustee, to the effect that the amount of such deposit, together with other available monies on deposit with the Trustee, will be sufficient for the payment of the principal and redemption premium, if any, of and interest on the Designated Bonds, and (ii) an opinion of nationally recognized bond counsel not unacceptable to the Authority and the Trustee to the effect (A) that the prepayment of this Lease, the redemption of the Designated Bonds, and the other actions to be taken in connection with such prepayment and redemption pursuant to this Section 5.4 will not have any adverse effect upon the excludability from gross income for federal income tax purposes of interest paid or accrued under any of the Bonds, and (B) if all of the outstanding Bonds are to be redeemed by the Authority at the request of the Lessee, on behalf of the Participating Districts, that all conditions precedent to the release, cancellation and discharge of the Indenture as provided in Section 9.1 of the Indenture have been satisfied, the Authority shall redeem the Designated Bonds in the manner and on the terms provided under the Indenture, in the principal amounts, with the maturities, on the dates and at the prices specified in the Joint Board’s notice.

The Authority shall exercise its option to redeem Bonds only at the prior written direction of the Joint Board.

Following the redemption of a portion of the Bonds pursuant to this Section, as a result of the actions of a Withdrawing District as permitted by Section 5.2 (ii), the Bonds remaining outstanding shall be the sole responsibility of the remaining Participating Districts.

5.7. No Set-Off.

The obligation of the Lessee to make the payments required by this Lease shall be absolute and unconditional. The Lessee shall pay without abatement, diminution or deduction all such amounts regardless of any cause or circumstance whatsoever, which may now exist or may hereafter arise, including without limitation, any defense, set-off, recoupment or counterclaim which the Lessee may have or assert against the Authority, the Trustee, any Holder of Bonds or any other person. Except to the extent provided in this Section 5.6, nothing contained herein shall be construed to prevent or restrict the Lessee from asserting any rights it may have under this Lease or under any provision of law, against the Authority or the Trustee or any other person.

5.8. Termination of Rental Payments; Excess Funds.

When the principal or redemption price of, and interest on, all Bonds for which the payments due hereunder have been pledged by the Authority, shall have been paid or duly provided for in accordance with the Indenture and all other obligations to the Authority and the Trustee under the Indenture shall have been paid or duly provided for (including any amounts owed the Bond Insurer), no further amounts shall be payable hereunder, this Lease shall be terminated, and the Authority shall cause the Trustee (i) to return this Lease to the Lessee marked "Paid" and (ii) to pay over to the Joint Board any monies then remaining in any funds created under the Indenture, except monies held in the Rebate Fund (as defined in the Indenture) and any monies being held for the payment of the Bonds, and except as otherwise provided in the Indenture, as an adjustment of the amounts payable hereunder. This paragraph shall survive the termination or expiration of this Lease for any reason.

5.9. Assignment to Trustee.

The Authority, immediately upon the execution and delivery of this Lease, shall transfer, pledge and assign this Lease and all amounts payable hereunder and thereunder (except the amounts payable to the Authority (the "Unassigned Issuer's Rights") pursuant to the Assignment in the form attached hereto) to be held in trust and applied by the Trustee pursuant to the provisions of the Indenture. The Lessee hereby (1) consents to such assignment to the Trustee and accepts notice thereof; (2) agrees to pay directly to the Trustee all sums payable under this Lease, (except amounts payable to Authority as the Unassigned Issuer's Rights) without any defense, set-off or counterclaim arising out of any default on the part of the Authority under this Lease or any transaction between the Lessee and the Authority; and (3) agrees that the Trustee may exercise all rights granted the Authority hereunder.

ARTICLE VI
ADDITIONAL COVENANTS OF THE JOINT BOARD

6.1. Absolute Net Lease.

This shall be an absolute net lease, and the Joint Board shall be responsible for all expenses incurred in connection with the Facilities.

6.2. Utilities, Taxes, Other Changes

Specifically, and without limiting the foregoing, the Joint Board shall pay: (a) all charges for light, heat, fuel, power, water, sewage and all other utilities and services furnished and supplied to any parts of the Facilities; and (b) all levies, taxes, assessments, or other charges to which the Facilities or rentals payable hereunder any time may be subject or to which the Authority may be subject as Lessor of the

Facilities.

6.3. Maintenance and Operation of Facilities.

The Joint Board will: (a) provide for the operation of the Facilities; (b) maintain and keep the Leased Property in good repair and condition; (c) pay all costs necessary for such maintenance and repair; and (d) replace all equipment and furnishings as may be necessary. These provisions as to maintenance and repair shall apply to all maintenance and repairs, major and minor, without exception.

The Joint Board will comply with all valid laws, rules, regulations, orders, and directions of any legislative, executive, administrative or judicial body applicable to the Facilities.

6.4. Completion of the Facilities with Due Diligence/Ownership/Responsibilities.

The Joint Board covenants it will proceed with due diligence to complete the Capital Project. The Facilities shall at all times be operated and maintained as a vocational-technical school pursuant to the Vocational Education Act.

The reasonable fees and expenses of the financial advisor, bond counsel, legal counsel to the Joint Board, the investment banker and the Trustee, and the Bond Insurer's premium, will be paid from the proceeds of the Bonds.

In addition, the Participating Districts and/or Joint Board, as applicable, shall apply for reimbursement from the Department of Education, in accordance with the Public School Code, for such portion of the Rental Payments as are subject to reimbursement. The failure of the Joint Board and/or the Participating Districts to apply for such reimbursement or the failure of the Participating Districts to receive reimbursement shall not, however, relieve the Lessee of any obligations for Rental Payments under this Lease.

6.5. Alterations.

The Joint Board shall be free to make any alterations, additions, or improvements to the Facilities which the Joint Board deems appropriate.

6.6. Subletting.

The Lessee shall be free to sublet any part of the Facilities as it deems appropriate, provided however that any such subleasing shall not conflict with or be prohibited by the Public School Code of 1949, as amended (the "Public School Code"), the Act, the Vocational Education Act, or the Internal Revenue Code of 1986, as amended (the "Code").

6.7. Insurance.

(a) The Joint Board covenants and agrees to maintain, or cause to be maintained, fire and casualty insurance with extended coverage on all the buildings, structures and equipment constituting the Facilities except only during the period and to the extent that contractors shall carry builders' risk insurance on any of said property. Said insurance shall be in an aggregate amount not less than 80% of the insurable value of such buildings, structures and equipment, an amount sufficient to meet all co-insurance requirements, or the par amount of the outstanding Bonds, whichever is higher. Said insurance shall be written in the name of the Joint Board, with the Trustee, and the Authority as additional insureds, as their interests may appear, with loss payable to the Trustee, except that where the loss is not in excess of \$50,000,

such loss shall be payable to the Joint Board.

(b) If any or all of the buildings, structures and equipment constituting the Facilities shall be wholly or partially destroyed by fire or other casualty covered by insurance, the Joint Board agrees that it will take all action and do all things which may be necessary to enable recovery to be made upon the policies of insurance covering the risk to the end that the insurance moneys may be duly collected. If any or all of such buildings, structures and equipment shall be wholly or partially destroyed by fire or other casualty covered by insurance and the Joint Board has received the proceeds of insurance, the Joint Board agrees that it will cause the proceeds of insurance to be applied to the reconstruction, restoration, replacement or repair of the destroyed property or make it available within sixty (60) days of such casualty to the Authority for the replacement or repair of the destroyed property or for the construction or acquisition of capital additions or to the purchase or redemption of Bonds, all as the Joint Board shall direct and all as more specifically provided in the Indenture.

(c) If any or all of such buildings, structures and equipment shall be wholly or partially destroyed by fire or other casualty covered by insurance and the Trustee has received the proceeds of insurance, the Authority agrees that it will apply the proceeds of insurance to the construction, restoration, replacement or repair of the destroyed property or to the construction or acquisition of capital additions or to the purchase or redemption of Bonds, all as the Joint Board shall direct within sixty (60) days of such casualty and all as more specifically provided in the Indenture.

(d) The Joint Board covenants and agrees that it will remain in possession of the Facilities during the period of reconstruction, restoration, replacement or repair. It is understood and agreed that the Rental Payments payable hereunder shall continue to be payable at the time and in the amounts herein specified, irrespective of whether or not any or all of the buildings, structures and equipment on the Leased Property shall have been wholly or partially destroyed.

(e) The Joint Board covenants and agrees to maintain, or cause to be maintained, such other insurance with respect to the Leased Property, including the Facilities, in such amounts and against such hazards as are ordinarily insured against by persons owning properties of a similar nature in the same or similar localities except and only to the extent that the contractors shall carry such insurance. Such insurance shall include liability insurance in which the Authority is named as an additional insured as protection against any claim or loss for injury or damage to any person or to any property at any time of the Leased Property. In the event such insurance proves inadequate, the Joint Board shall indemnify and save the Participating Districts and the Authority harmless from all liability in relation to said claim for injury or damage.

(f) The Joint Board covenants and agrees to keep the Authority fully informed of any construction work on the Premises, the extent of any insurance carried by the contractors and the date or dates upon which each policy shall terminate. The Joint Board further covenants and agrees that if it shall fail to maintain, or cause to be maintained, insurance in the amounts and at the times required under this Lease, the Authority or the Trustee is hereby authorized to contract for the required insurance in the amounts and at the times necessary and the Joint Board hereby agrees to pay the premiums for such insurance. The Lessee further covenants and agrees that it will not do any act or take any action which might cause any insurance coverage to terminate.

(g) The insurance policies required hereby shall be issued by a responsible insurance company or companies, authorized and qualified to do business in the Commonwealth of Pennsylvania, not unsatisfactory to the Authority. If requested by the Authority, the Joint Board covenants and agrees to file, or cause to be filed, with the Authority the policies of insurance as they are issued, or memoranda of insurance, or endorsements of existing policies, and as such insurance shall from time to time expire, to

renew, or cause to be renewed, such insurance and to file promptly with the Authority new insurance policies, or memoranda of insurance or renewal endorsements and generally to take all such steps as may be necessary to maintain such insurance to the extent required hereby.

(h) The costs of such maintenance and repair and such insurance, shall be borne by the Joint Board and shall be provided for in its budget. In the event the entire amount of such costs for any year is not paid out of the current revenues of the Joint Board for such year, the balance of such costs shall be paid out of the current revenues of the next succeeding year and the Joint Board covenants to include the amount not paid in its budget for such year. The Authority shall not be liable for any injury or damage to any person or to any property at any time on said Leased Property or building from any cause whatever which may arise from the use or condition of said premises or building or from ice thereon, or from water, rain or snow which may leak into, issue or flow from any part of said building, or from the pipes or plumbing of the same, or from any other place or quarter, or from any other cause, during the term of this Lease.

6.8. Books, Records and Financial Reports.

(a) The Joint Board covenants to keep accurate records and books of account with respect to the Facilities and shall furnish to the Authority and the Trustee a copy of its annual audited financial statements within thirty (30) days of the availability of such statements, but no later than 180 days after the close of the Joint Board's fiscal year, and copies of all financial statements required to be submitted by the Lessee to the Department of Education under the laws of the Commonwealth.

(b) The Lessee shall file with the Municipal Securities rulemaking Board, the annual financial statements of the Lessee furnished to the Authority under paragraph (a) above, and any and all other information or notices required to be filed under the Continuing Disclosure Certificate with respect to the Bonds or any additional bonds issued by the Authority on behalf of the Lessee, and shall pay all costs incidental to any such filing.

6.9. Compliance with Code.

(a) The Lessee covenants not to make or permit any use, application, investment or reinvestment of the proceeds of the Bonds in connection with the Capital Project which would cause the interest on the Bonds to be subject to or included in gross income for Federal income tax purposes or would cause the Bonds to be arbitrage bonds within the meaning of Section 148 of the Code, nor will the Lessee take or permit any other action which will result in the Bonds becoming "private activity bonds" as defined in Section 141 of the Code.

(b) The Lessee further covenants that:

(1) Not more than ten percent (10%) of the proceeds of the Bonds ("Allowable Portion") will be used directly or indirectly in any trade or business carried on by any person other than a governmental unit;

(2) If the Allowable Portion is used directly or indirectly in any trade or business carried on by any person other than a governmental unit, the amount used (i) for purposes that are not related to the purposes for which the Bonds are being issued, and (ii) for purposes that are disproportionate but related to the purposes for which the Bonds are being issued will not exceed five percent (5%) of the proceeds of the Bonds. For purposes of this subsection (2), the terms "related" and "disproportionate" shall have the meanings given thereto in Section 141(b)(3) of the Code;

(3) If proceeds of the Bonds are used directly or indirectly to make finance loans to any person other than a governmental unit, the amount so used will not exceed five percent (5%) of the proceeds of the Bonds;

(4) It shall take such action as shall be necessary, or as the Authority may reasonably request, and shall cooperate with the Authority, to enable the Authority to comply with the provisions of the Code to the extent that such compliance is required to maintain the exclusion of interest on the Bonds from gross income for Federal income tax purposes.

6.10. Rebate.

The Code provides that certain interest income earned on the investment of the proceeds of the Bonds must be rebated to the United States at the times and in the manner set forth in the Code. The Joint Board covenants that it shall cooperate with the Authority and Trustee in determining the amounts to be rebated (if any) and in paying such rebate amounts to the United States, and covenants to pay or cause to be paid all amounts due in accordance with Section 4.07 of the Indenture. In the event the Lessee receives from the Trustee any amounts which should have been rebated to the United States, the Lessee agrees, upon written request of the Authority, to return such amounts to the Trustee or Authority, as instructed, for rebate to the United States in accordance with the Indenture and the Code. Any monies remaining in the Rebate Fund, after payment in full of the Bonds and after payment of the final amount required to be rebated to the United States shall have been made or received for such purpose, shall be paid over to the Joint Board.

In order to comply with the requirements of this Section 6.10, the Joint Board shall cause an appropriate representative of the Joint Board (unless such service is provided by the Authority) to make annual calculations regarding the amount of rebatable arbitrage which will be due to the United States of America in accordance with Section 148(f) of the Code and the regulations promulgated thereunder, and shall provide a copy of such calculations to the Authority and the Trustee. After such calculations have been made, the Trustee, in accordance with the Indenture, shall set aside from the Project Fund, or if depleted, the Revenue Fund, to the Rebate Fund, the appropriate amount.

6.11. Joint Committee.

Any action to be taken, or document to be delivered, by the Lessee under this Lease, may be taken or delivered by the Joint Committee on behalf of the Lessee.

ARTICLE VII
EVENTS OF DEFAULT AND REMEDIES

7.1. Events of Default.

Any one or more of the following events shall constitute an “Event of Default” hereunder:

(a) The Joint Board or any of the Participating Districts fail to make any payment required under this Lease as required by Section 5.1 hereof; or

(b) The Joint Board shall fail or refuse to comply with its covenants set forth in Sections 6.2 and 6.3 hereof; or

(c) The Joint Board or any of the Participating Districts shall default in the due and punctual performance of any other of the covenants and agreements contained in this Lease and such default

shall continue for sixty (60) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Joint Board and the Participating Districts by the Authority; or

(d) if an Event of Default shall have occurred and be continuing under the Indenture and as a result of such Event of Default the Bonds shall have been declared due and payable by acceleration in accordance with the Indenture; or

(e) The Joint Board shall fail, discontinue or unreasonably delay in carrying out the construction, renovation and improvement of the Facilities and shall fail to remedy such failure, discontinuance or delay within thirty (30) days of notice thereof by the Authority; or

(f) Any Participating District shall fail to make any payment when due under the Joint Agreement related to payments owing by the Joint Board under this Lease.

7.2. Remedies.

Subject to the provisions of Article VI of the Indenture, if an Event of Default has occurred and is continuing, the Authority (or the Trustee as its assignee) may, in addition to its other rights and remedies as may be provided herein or may exist at the time at law or in equity, exercise any one or more of the following remedies:

(a) upon notice to the Joint Board and the Participating Districts, declare all sums due or to become due hereunder and under this Lease to be immediately due and payable; or

(b) by suit, action or proceeding at law or in equity, enforce all rights of the Authority, and require the Lessee to carry out any agreements with or for the benefit of the Holders of the Bonds and to perform its duties under the Act and this Lease;

Upon the occurrence of an Event of Default described in Paragraph 7.1 (a) or (f) the Authority shall, in addition to the exercise of any other remedy hereunder, notify the Secretary of the Department of Education of such Event of Default and request the Secretary, in accordance with the provisions of the Public School Code, 24 P.S. § 7-790, to notify the Joint Board and the applicable Participating Districts of their obligations hereunder and under the Joint Agreement and to withhold out of any appropriation due them under the Public School Code an amount equal to the sum or sums owing by the Lessee and the Participating Districts to the Authority hereunder, and shall pay over the amount so withheld to the Trustee on behalf of the Authority, if the Department of Education determines that such provisions or the provisions of 24 P.S. § 7-790, as amended, so permit or require.

7.3. Notice of Default.

If an Event of Default shall occur, the Trustee shall give written notice of the Event of Default to the Issuer, the Joint Board, each of the Participating Districts and the Bond Insurer, within five (5) days after the Trustee has received written notice or is deemed to have notice of the Event of Default. Notices shall be sent to the addresses provided in Section 8.2 and 9.7 hereof.

7.4. Waivers.

No failure by the Authority to insist upon strict performance hereof or to exercise any remedy upon the occurrence of an Event of Default shall constitute a waiver of such default, or a waiver or modification of any provision hereof upon the occurrence of an Event of Default, the Authority may exercise any one or more of the remedies available to it hereunder separately or concurrently and as often as required to enforce

the Joint Board's obligations and each of the Participating District's obligations hereunder. In addition to the other remedies provided herein, the Authority shall be entitled to restrain by injunction any violation, or attempted or threatened violation, by the Lessee of any of the covenants, conditions or provisions hereof, or to a decree compelling specific performance of any of such covenants, conditions or provisions.

7.5 Remedies not Exclusive.

All rights and remedies herein given or granted to the Authority and the Trustee are cumulative, non-exclusive and in addition to any and all rights and remedies that the Authority may have or be given by reason of any law, statute, ordinance or otherwise.

7.6. Expenses.

If the Joint Board or any of the Participating Districts shall default under any of the provisions of this Lease and the Authority or the Trustee shall employ attorneys or incur other expenses for the collection of amounts payable hereunder or for the enforcement of performance or observance of any obligation or agreement on the part of the Joint Board or Participating Districts contained in this Lease, the Joint Board or Participating Districts will on demand therefor pay or reimburse the Authority or the Trustee, as the case may be, for the reasonable fees of such attorneys, including the allocated costs of its in-house counsel and legal staff, and such other reasonable expenses so incurred.

ARTICLE VIII
BOND INSURANCE

8.1. Bond Insurer Rights.

The rights granted to the Bond Insurer under this Lease to request, consent to or direct any action are rights granted to the Bond Insurer in consideration of its issuance of the Bond Insurance Policy. Any exercise by the Bond Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the Bonds and such action does not evidence any position of the Bond Insurer, affirmative or negative, as to whether the consent of the holders of the Bonds or any other person is required in addition to the consent of the Bond Insurer.

8.2 Notices to Bond Insurer.

The notice address of the Bond Insurer is: _____, Attention: _____, Re: Policy No. _____, Telephone: _____; Telecopier: _____. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

ARTICLE IX
MISCELLANEOUS

9.1. Indenture.

Each of the Participating Districts and the Joint Board acknowledges that it has received a copy of the Indenture, and that it is familiar with its provisions, and that it will take all such actions as are required or contemplated of it under the Indenture to preserve the rights of the Trustee and of the Holders of Bonds

thereunder, and that it will not take any action which would cause a default by the Authority thereunder. The Authority will not enter into any amendment or supplement to the Indenture which would adversely affect the rights or obligations of the Lessee hereunder without first obtaining the written consent of the Lessee thereto.

9.2. Severability

If any term or provision hereof or the application thereof shall for any reason be held to be invalid or unenforceable, the remaining terms and provisions and all other applications of such term or provision shall not be affected thereby, and each term and provision hereof shall be valid and enforceable to the fullest extent permitted by law.

9.3 Exculpation and Indemnity.

(a) In the exercise of the power of the Authority and any of its members, officers, employees and agents (the "Authority Representative") hereunder, including without limitation the application of monies and the investment of funds, the Authority shall not be accountable to the Lessee for any action taken or omitted by it or its members, officers, employees and agents in good faith and reasonably believed by it or them to be authorized or within the discretion or rights or powers conferred upon it or them hereunder or under the Indenture. The Authority and Authority Representatives shall be protected in its or their acting upon any paper or document believed by it or them to be genuine, and it or they may reasonably rely upon the advice of counsel and may but need not require further evidence of any fact or matter before taking any action. No recourse shall be had by the Lessee for any claims based on this Lease, the Indenture, the Leased Property, or the Facilities against any Authority Representative.

(b) The Lessee, to the extent not prohibited by law, will indemnify and hold harmless the Authority and each Authority Representative against any and all claims, losses, damages, liabilities or expense (including reasonable attorney's fees) (a "Loss"), to which the Authority or any Authority Representative may become subject, arising out of the Facilities or based upon any other alleged act or omission in connection with the Facilities by the Authority, unless such Loss resulted solely from the bad faith, willful misconduct, fraud or deceit of the Authority or such Authority Representative, including without limitation any Loss which arises out of or is based upon:

(i) any untrue statement of any material fact relating to the Lessee or the Facilities or the Participating Districts contained in any preliminary or final Official Statement (or amendments or supplements thereto) relating to the Bonds, or

(ii) the omission to state a material fact necessary to be stated in any preliminary or final Official Statement in order to make the statements therein relating to the Joint Board or the Capital Project or the Participating Districts not misleading, unless and to the extent the Loss arises solely from the bad faith, negligence, willful misconduct, fraud or deceit of the Authority or any of its Representatives. In the event any such claim is made or action brought against the Authority or any of its Representatives, the Authority shall give prompt written notice of such claim to the Lessee. The Authority may direct the Lessee to assume the defense of the claim and any action brought thereon and pay all reasonable expenses incurred therein; or the Authority may assume the defense of any such claim or action, the reasonable costs of which shall be paid by the Lessee; provided however, that the Lessee at its own expense may engage its own counsel to participate in the defense of any such action and, provided further, that the written consent of the Lessee shall be required prior to the settlement of any such claim or action by the Authority, which consent shall not be unreasonably withheld. The defense of any such claim or action shall include the taking of all actions necessary or appropriate thereto.

(c) The Lessee hereby agrees to indemnify and hold the Trustee and its directors, officers, agents and employees (collectively, the “Indemnitees”) harmless from and against any and all claims, liabilities, losses, damages, fines, penalties, and expenses, including out-of-pocket, incidental expenses, legal fees and expenses, and the allocated costs and expenses of in-house counsel and legal staff (“Losses”) that may be imposed on, incurred by, or asserted against, the Indemnitees or any of them for following any instruction or other direction upon which the Trustee is authorized to rely pursuant to the terms of this Indenture or other financing document. In addition to and not in limitation of the immediately preceding sentence, the Lessee also agrees to indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against the Indemnitees or any of them in connection with or arising out of the Trustee’s performance under the documents mentioned in the previous sentence, provided the Trustee has not acted with gross negligence or engaged in willful misconduct. The provisions of this Section 9.3(c) shall survive the termination of the Indenture and the resignation or removal of the Trustee for any reason.

9.4. References to Statutes, Governmental Agencies. etc.

A reference herein to a statute or to a regulation issued by a governmental agency includes the statute or regulation in force as of the date hereof, together with all amendments and supplements thereto and any statute or regulation substituted for such statute or regulation, unless the specific language or the context of the reference herein clearly includes only the statute or regulation in force as of the date hereof. A reference herein to a governmental agency, department, board, commission or other public body or to a public officer includes an entity or officer which or who succeeds to substantially the same functions as those performed by such public body or officer as of the date hereof, unless the specific language or the context of the reference herein clearly includes only such public body or public officer as of the date hereof.

9.5. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth.

9.6. Amendments and Supplements.

The parties hereto, with the consent of the Bond Insurer, from time to time may enter into any written amendments hereof (and supplements hereto which thereafter shall form a part hereof) as do not adversely affect the rights of or the security of the Holders of the Bonds, for the following purposes:

- (a) to cure any ambiguity, defect or inconsistency or omission herein or in any amendment hereto; or
- (b) to grant to or confer upon the Authority any additional rights, remedies, powers, authority or security that lawfully may be granted to or conferred upon it; or
- (c) to reflect a change in applicable law including, without limitation, any change in the Code; or
- (d) in connection with the issuance of additional bonds under the Indenture;
- (e) to provide any other terms not inconsistent with the Indenture or this Lease; provided however, that no such amendment shall reduce the security provided hereby for the benefit of the Holders of the Bonds.

All other amendments shall be approved by the Trustee and the Bond Insurer and, if the Indenture

so provides, the Holders of Bonds, as set forth in the Indenture. In giving any such approval, the Trustee shall be entitled to rely upon an opinion of Bond Counsel that any such amendment is authorized or permitted by this Lease and not inconsistent with the provisions hereof and will not adversely affect the tax-exempt status of the Bonds.

All amendments, modifications or termination of the Joint Agreement which adversely affect the Bond Insurer or the security for the Bonds shall require the consent of the Bond Insurer.

9.7. Notices.

All notices required or authorized to be given by the Lessee, the Authority, or the Trustee pursuant to this Agreement shall be in writing and shall be sent by first class mail, postage prepaid, to the following addresses:

The Joint Board:

Steel Center for Career and Technical Joint Board
565 N. Lewis Run Road
Clairton, PA 15023
Attention: Executive Director

With a copy to each of the Participating Districts:

Baldwin-Whitehall School District
--
--
Attention: [Business Manager]

Bethel Park School District
--
--
Attention:

Brentwood Borough School District
--
--
Attention:

Clairton City School District
--
--
Attention: --

Duquesne City School District
--
--
Attention:

Elizabeth Forward School District
--
--

Attention:

South Allegheny School District

--
--

Attention:

South Park School District

--
--

Attention:

Steel Valley School District

--
--

Attention:

West Jefferson Hills School District

--
--

Attention:

West Mifflin School District

--
--

Attention:

The Trustee:

or to such other addresses as may from time to time be furnished to the parties, effective upon the receipt of notice thereof given as set forth above. Each party identified above shall send a duplicate copy of all certificates, notices, correspondence, or other data and materials which it is required to give pursuant to this Lease to each of the other parties so identified.

9.8. Counterparts.

This Lease may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

9.9. Headings.

All headings herein are for convenience of reference only and shall not affect the interpretation of any provision hereof.

9.10. Binding Effect, Permitted Assigns.

This Lease shall be binding upon and shall inure to the sole benefit of the parties hereto, their respective successors and permitted assigns and, except with respect to the Reserved Rights of the Authority, to the Trustee for the benefit of the holders of the Bonds. The Bond Insurer shall be a third party beneficiary hereof. No party may assign any of its rights or delegate any of its obligations hereunder if such action would be in violation of the Indenture, without the consent of the other party and the Trustee, and any such purported assignment or delegation shall be void.

IN WITNESS WHEREOF, the STEEL VALLEY AREA SCHOOL AUTHORITY has caused this Lease to be executed in its name and in its behalf by its Chairman and its official seal to be affixed hereunto and attested by its Secretary or Assistant Secretary, and the Steel Center for Career and Technical Education Joint Board and the Participating Districts have caused this Lease to be executed in their names and in their behalf by their respective officers and their corporate seals to be affixed hereunto and attested by their respective attesting officers, all as of the day and year first above written.

Attest: STEEL VALLEY AREA SCHOOL AUTHORITY

(Assistant) Secretary BY: _____
Chairman

Attest: STEEL CENTER FOR CAREER AND TECHNICAL
EDUCATION JOINT BOARD

(Assistant) Secretary BY: _____
Chairman, Joint Operating Committee

Attest: BALDWIN-WHITEHALL SCHOOL DISTRICT

Secretary BY: _____
(Vice) President

Attest: BETHEL PARK SCHOOL DISTRICT

Secretary BY: _____
(Vice) President

Attest: BRENTWOOD BOROUGH SCHOOL DISTRICT

Secretary BY: _____
(Vice) President

Attest: CLAIRTON CITY SCHOOL DISTRICT

Secretary BY: _____
(Vice) President

Attest:

DUQUESNE CITY SCHOOL DISTRICT

Secretary

BY: _____
Receiver, acting as the Board of School Directors

Attest:

ELIZABETH FORWARD SCHOOL DISTRICT

Secretary

BY: _____
(Vice) President

Attest:

SOUTH ALLEGHENY SCHOOL DISTRICT

Secretary

BY: _____
(Vice) President

Attest:

SOUTH PARK SCHOOL DISTRICT

Secretary

BY: _____
(Vice) President

Attest:

STEEL VALLEY SCHOOL DISTRICT

Secretary

BY: _____
(Vice) President

Attest:

WEST JEFFERSON HILLS SCHOOL DISTRICT

Secretary

BY: _____
(Vice) President

Attest:

WEST MIFFLIN SCHOOL DISTRICT

Secretary

BY: _____
(Vice) President

EXHIBIT A

to Lease Agreement dated as of _____

Description of Capital Project

The construction of improvements, renovations and upgrades to, and additions to, the educational facilities of the Steel Center for Career and Technical Education located at 565 N. Lewis Run Road, Clairton, Allegheny County, Pennsylvania, including, but not limited to, 1) improvements, renovations and upgrades to the existing school facilities, including, but not limited to, _____, 2) _____, and 3) _____.

EXHIBIT B

Legal Description of Premises

EXHIBIT C-1

REQUISITION - DIRECT PAYMENT

To: _____,
as Trustee

Re: \$_____ School Lease Revenue Bonds, Series of 2022 (Steel Center for Career and Technical Education Project)

You are hereby requested and directed as Trustee under the Trust Indenture dated as of _____ (the "Indenture"), between the Steel Valley Area School Authority and you, as Trustee, to pay from moneys in the Project Fund, pursuant to Section 4.03 of the Indenture, to the following payees the following amounts for the following costs of the Project (as defined in the Indenture):

Description (e.g. HVAC, equipment, etc.)	Contractor/Vendor	Amount
Total		_____

Attached are original invoices or contractor payment requests for the above items. It is certified that all payments are duly authorized and proper expenditures for this project. There has not been filed with or served upon the borrower notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any persons, firms or corporations named on this requisition which has not been released or will not be released simultaneously with the payment of such obligation.

STEEL CENTER FOR CAREER AND TECHNICAL
EDUCATION JOINT BOARD

Date: _____

Authorized by: _____
Title: [Chairman][Treasurer], Joint Operating Committee

EXHIBIT C-2

REQUISITION - REIMBURSEMENT

To: _____,
as Trustee

Re: \$_____ School Lease Revenue Bonds, Series of 2022 (Steel Center for Career and
Technical Education Project)

You are hereby requested and directed as Trustee under the Trust Indenture dated as of _____
(the "Indenture"), between the Steel Valley Area School Authority and you, as Trustee, to reimburse us,
from moneys in the Project Fund pursuant to Section 4.03 of the Indenture, for expenditures previously
made by us to the following payees for the following amounts for the following costs of the Project (as
defined in the Indenture):

Description (e.g. HVAC, equipment, etc.)	Contractor/Vendor	Amount

Total _____

Attached are copies of invoices or contractor payment requests for the above items. It is certified that all
payments have been previously made, and are duly authorized and proper expenditures for this project.
There has not been filed with or served upon the borrower notice of any lien, right to lien or attachment
upon, or claim affecting the right to receive payment of, any of the moneys payable to any persons, firms
or corporations named on this requisition which has not been released or will not be released simultaneously
with the payment of such obligation.

STEEL CENTER FOR CAREER AND TECHNICAL
EDUCATION JOINT BOARD

Date: _____

Authorized by: _____
Title: [Chairman][Treasurer], Joint Operating Committee

EXHIBIT D

STEEL VALLEY AREA SCHOOL AUTHORITY
SCHOOL LEASE REVENUE BONDS, SERIES OF 2022
(STEEL CENTER FOR CAREER AND TECHNICAL EDUCATION PROJECT)

Debt Service and Base Rental Schedule

See Attached

EXHIBIT E

FORM OF ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS that STEEL VALLEY AREA SCHOOL AUTHORITY (the "Authority"), does hereby sell, assign, pledge, transfer, and set over to _____, having a corporate trust office in _____, Pennsylvania, as Trustee under the Trust Indenture dated as of _____ (the "Indenture") between the Authority and the Trustee, all the right, title and interest of the Authority in and to the Lease Agreement dated as of _____ (the "Lease Agreement"), between the Authority, the BALDWIN-WHITEHALL SCHOOL DISTRICT, BETHEL PARK SCHOOL DISTRICT, BRENTWOOD BOROUGH SCHOOL DISTRICT, CLAIRTON CITY SCHOOL DISTRICT, DUQUESNE CITY SCHOOL DISTRICT, ELIZABETH FORWARD SCHOOL DISTRICT, SOUTH ALLEGHENY SCHOOL DISTRICT, SOUTH PARK SCHOOL DISTRICT, STEEL VALLEY SCHOOL DISTRICT, WEST JEFFERSON HILLS SCHOOL DISTRICT AND WEST MIFFLIN SCHOOL DISTRICT (the "School Districts"), and the STEEL CENTER FOR CAREER AND TECHNICAL EDUCATION JOINT BOARD (the "Joint Board") as well as all Rental Payments (as defined in the Lease Agreement) and other amounts payable or which may become payable thereunder (except for the Authority's rights of indemnification and to the payment of its expenses by the School Districts and the Joint Board, and the right to execute documents and give consents as provided below, the "Unassigned Issuer's Rights") and all security therefor, the same to be held in trust and applied by the Trustee as provided in the Indenture; and the Authority does hereby constitute and appoint the Trustee its true and lawful attorney-in-fact for it and in its name to collect and receive payment of any and all of said Rental Payments and other payments and to give good and sufficient receipts therefor, hereby ratifying and confirming all that said attorney-in-fact may do in the premises. The Trustee may, but except as otherwise provided in the Indenture, shall not be required to, institute any proceedings or take any action in its name or in the name of the Authority to enforce payment or collection of any or all of such Rental Payments and other payments.

Notwithstanding such assignment and transfer, so long as no default or event of default shall have occurred and be continuing under the Indenture or Lease Agreement:

- (a) the Authority shall have the right to give all approvals and consents of the Authority permitted or required under the Lease Agreement;
- (b) the Authority shall have the right to execute supplements and amendments to the Lease Agreement to the extent and in the manner permitted by the Indenture and the Lease Agreement;
- (c) there shall be no responsibility on the part of the Trustee for duties or responsibilities of the Authority contained in the Lease Agreement or in any supplements or amendments thereto.

IN WITNESS WHEREOF, the STEEL VALLEY AREA SCHOOL AUTHORITY has caused this Assignment to be duly executed in its name by its Chairman and its corporate seal to be hereunto affixed, attested by its Secretary or Assistant Secretary, and this Assignment to be dated as of _____.

STEEL VALLEY AREA SCHOOL SCHOOL
AUTHORITY

By _____
Chairman

ATTEST:

_____ [SEAL]
Secretary