

SECOND SUPPLEMENTAL INDENTURE

between

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

Dated as of _____ 1, 2017

Relating to

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
BANK OF AMERICA, N.A. CREDIT AGREEMENTS

(Supplementing the Indenture
Dated as of December 1, 2010)

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SECOND SUPPLEMENTAL INDENTURE

THIS SECOND SUPPLEMENTAL INDENTURE, dated as of _____ 1, 2017 (this “Second Supplemental Indenture”), between the ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY, a public entity duly established and existing under the laws of the State of California (the “Authority”) and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as trustee (the “Trustee”):

WITNESSETH:

WHEREAS, this Second Supplemental Indenture is supplemental to the Indenture, dated as of December 1, 2010 (as supplemented and amended from time to time pursuant to its terms, the “Indenture”), between the Authority and the Trustee;

WHEREAS, the Indenture provides that the Authority may from time to time incur obligations payable from and secured by a pledge of Revenues subordinate to the pledge of Revenues in favor of the Authority’s senior sales tax revenue bonds; and

WHEREAS, Section 5.02 of the Indenture establishes a Subordinate Obligations Fund to be applied as provided in Section 5.06 of the Indenture to the payment of principal and interest and other obligations with respect to obligations payable from and secured by a pledge of Revenues subordinate to the Authority’s senior sales tax revenue bonds; and

WHEREAS, the Authority desires to enter into a 2019 Credit Agreement and a 2021 Credit Agreement, each dated as of _____ 1, 2017 (collectively, the “Credit Agreement”), by and between the Authority and Bank of America, N.A. (“Credit Bank”); and

WHEREAS, pursuant to the Credit Agreement, the Authority is obligated to repay advances, including interest thereon, as well as other obligations owed to the Credit Bank from Revenues deposited to the Subordinate Obligations Fund;

WHEREAS, the Authority has determined that entering into the Credit Agreement will require certain amendments be made to the Indenture pursuant hereto;

WHEREAS, the Authority has determined that, pursuant to Section 9.01(B)(15) of the Indenture, the Authority and the Trustee are authorized to modify and amend the Indenture by this Second Supplemental Indenture to facilitate the execution and delivery of the Credit Agreement, provided that no such provision shall materially and adversely affect the interests of the Owners of the Bonds;

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE XVII
DEFINITIONS; AMENDMENT TO INDENTURE

Section 17.01. Definitions; Amendments to Definitions.

Definitions. Unless the context otherwise requires, or as otherwise provided in the recitals above, all terms that are defined in Section 1.02 of the Indenture shall have the same meanings in this Second Supplemental Indenture.

ARTICLE XVIII
FINDINGS, DETERMINATIONS AND DIRECTIONS

Section 18.01 Findings and Determinations. The Authority hereby finds and determines that the Credit Agreement, and each of them, constitute Subordinate Obligations, that payment of advances, including interest thereon, and other amounts owed by the Authority under the Credit Agreement are payable from the Subordinate Obligations Fund, and upon the execution and delivery of the Credit Agreement, any and all acts, conditions and things required to exist, to happen and to be performed, precedent to the execution and delivery thereof, will exist, will have happened and will have been performed, in due time, form and manner, as required by the Constitution and statutes of the State.

ARTICLE XIX
APPLICATION OF REVENUES DEPOSITED IN THE SUBORDINATE
OBLIGATIONS FUND; SECURITY

Section 19.01. Subordinate Obligations Fund. Revenues deposited in the Subordinate Obligations Fund will be used by the Trustee to repay amounts advanced to the Authority under and pursuant to the Credit Agreement, including interest thereon and other amounts owed to the Credit Bank as provided in the Credit Agreement. The Trustee will pay such amounts upon the receipt of an invoice therefor from the Credit Bank identifying the amounts then due and owing, including instructions for making a wire transfer of funds from the Subordinate Obligations Fund to the Credit Bank.

Section 19.02. Security. Amounts advanced to the Authority under and pursuant to the Credit Agreement, including interest thereon and other amounts owed to the Credit Bank as provided in the Credit Agreement, are special limited obligations of the Authority, shall be payable as to both principal and interest from, and shall be secured by a pledge of, lien on and security interest in the Sales Tax Revenues (including Revenues) deposited to the Subordinate Obligations Fund, including earnings on such amounts, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein, which pledge, lien and security interest shall be junior and subordinate only to the pledge of Sales Tax Revenues (including Revenues) in favor of the Bonds and the obligation to fund the reserves relating thereto pursuant to the express terms of the Indenture. Subject to the provisions of the Indenture, the Authority hereby secures the payment of the amounts owed by the Authority to the Credit Bank under and pursuant to the Credit Agreement and grants a pledge of and lien on the Sales Tax Revenues (including Revenues) deposited into the Subordinate Obligations Fund and the Subordinate Obligations Fund. Such Revenues and the other moneys

hereby pledged to the payment of the Authority's obligations under the Credit Agreement shall immediately be subject to the Lien of this pledge without any physical delivery thereof or further act, and the Lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof.

ARTICLE XX MISCELLANEOUS

Section 20.01 Severability. If any covenant, agreement or provision, or any portion thereof, contained in this First Supplemental Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this First Supplemental Indenture, and the application of any such covenant, agreement or provision, or portion thereof, to other Persons or circumstances, shall be deemed severable and shall not be affected thereby, and this First Supplemental Indenture and the 2010 Bonds issued pursuant hereto shall remain valid, and the Holders of the 2010 Bonds shall retain all valid rights and benefits accorded to them under this Indenture, the Act, and the Constitution and statutes of the State.

Section 20.02 Parties Interested Herein. Nothing in this First Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Authority, the Trustee and the Holders of the 2010 Bonds, any right, remedy or claim under or by reason of this First Supplemental Indenture or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this First Supplemental Indenture contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee and the Holders of the 2010 Bonds.

Section 20.03 Headings Not Binding. The headings in this Second Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Second Supplemental Indenture.

Section 20.04 Indenture to Remain in Effect. Save and except as amended and supplemented by this Second Supplemental Indenture, the Indenture shall remain in full force and effect.

Section 20.05 Effective Date of Second Supplemental Indenture. This Second Supplemental Indenture shall take effect upon its execution and delivery.

Section 20.06 Execution in Counterparts. This Second Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Second Supplemental Indenture by their officers thereunto duly authorized as of the day and year first written above.

ORANGE COUNTY LOCAL
TRANSPORTATION AUTHORITY

By: _____
Executive Director of Finance and
Administration

(Seal)

ATTEST:

Secretary

APPROVED AS TO FORM:

By: _____
General Counsel

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

By: _____
Authorized Officer