

**\$(Par Amount)**  
**Orange County Local Transportation Authority**  
**Measure M2 Sales Tax**  
**Revenue Bonds (Limited Tax Bonds), Series 2019**

**PURCHASE CONTRACT**

[Sale Date]

Orange County Local Transportation Authority  
550 South Main Street  
Orange, California 92863-1584

Ladies and Gentlemen:

Merrill Lynch, Pierce, Fenner & Smith Incorporated (hereinafter sometimes called the "Representative"), acting on behalf of itself and as representative of each of the other underwriters identified on Schedule I hereto (each an "Underwriter," and hereinafter collectively referred to as the "Underwriters"), offers to enter into this Purchase Contract with the Orange County Local Transportation Authority (the "Authority"). The offer made hereby is subject to acceptance by the Authority by execution and delivery of this Purchase Contract (the "Purchase Contract") to the Representative at or prior to 11:59 p.m., California time, on the date first above written, and if not so accepted will be subject to withdrawal by the Representative upon notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. Upon acceptance of this offer by the Authority in accordance with the terms hereof, this Purchase Contract will be binding upon the Authority and upon each of the Underwriters.

Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Master Indenture of Trust, dated as of December 1, 2010 (the "Master Indenture"), as amended and supplemented, including as amended and supplemented by the Third Supplemental Indenture, dated as of February 1, 2019 (the "Supplemental Indenture," and together with the Master Indenture, hereinafter collectively referred to as the "Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

The Representative represents and warrants to the Authority that it has been duly authorized to act hereunder on behalf of itself and on behalf of each of the other Underwriters.

The Authority acknowledges and agrees that: (i) the Underwriters are not acting as a municipal advisor within the meaning of Section 15B of the Securities Exchange Act, as amended; (ii) the primary role of the Underwriters, as underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction between the Authority and the Underwriters and the Underwriters have financial and other interests that differ from those of the Authority; (iii) the Underwriters are acting solely as principals and are not acting as municipal advisors, financial advisors or fiduciaries to the Authority and have not assumed any advisory or fiduciary responsibility to the Authority with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the

Underwriters have provided other services or are currently providing other services to the Authority on other matters); (iv) the only obligations the Underwriters have to the Authority with respect to the transaction contemplated hereby expressly are set forth in this Purchase Contract; and (v) the Authority has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

**1. Purchase and Sale of the Bonds.** Upon the terms and conditions and in reliance upon the representations, warranties, covenants and agreements hereinafter set forth, the Underwriters jointly and severally hereby agree to purchase from the Authority, and the Authority hereby agrees to sell to the Underwriters, all (but not less than all) of the \$[Par Amount] aggregate principal amount of the Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2019 (the "Bonds").

The purchase price for the Bonds shall be \$[Purchase Price] (which purchase price is equal to the aggregate principal amount of the Bonds, \$[Par Amount], plus an original issue premium of \$[OIP Amount] less an underwriters' discount of \$[UD]).

The Bonds, the Indenture and the Continuing Disclosure Certificate, dated [Closing Date] (the "Continuing Disclosure Certificate"), executed and delivered by the Authority, have been approved by a resolution adopted by the Board of Directors of the Authority on [Resolution Adoption Date] (the "Bond Resolution"). The Indenture and the Continuing Disclosure Certificate are hereinafter collectively referred to as the "Authority Documents."

**2. The Bonds.** The Bonds shall be issued pursuant to and in accordance with the provisions of the Local Transportation Authority and Improvement Act, Division 19 of the Public Utilities Code of the State of California (the "Act"), the Renewed Measure M Transportation Ordinance and Investment Plan, adopted by the Board of Directors of the Authority on July 24, 2006 (as amended and supplemented to the date hereof, the "Ordinance") and approved by more than two-thirds of the electors voting on the ballot measure set forth therein at the general election held in Orange County (the "County") on November 7, 2006, the Bond Resolution and the Indenture.

The Bonds shall be dated their date of delivery, shall bear interest at the rates and shall mature in such amounts and on such dates as are set forth in Attachment I. Commencing August 15, 2019, the Bonds shall pay interest semiannually on each August 15 and February 15.

The proceeds of the Bonds will be applied: (i) to finance improvements to the Interstate 405 general purpose lanes [and to defease a portion of the Orange County Transportation Authority Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds), 2010 Series A (Taxable Build America Bonds, which financed certain other transportation projects identified in the Ordinance]; and (ii) to pay certain expenses incurred in connection with the issuance of the Bonds. The Bonds are being issued for such purposes and shall otherwise be as described in the Indenture and in the hereinafter referred to Official Statement.

**3. Preliminary Official Statement; Official Statement.** The Authority has prepared and delivered or caused to be delivered to the Underwriters a Preliminary Official

Statement, dated [POS Date] (together with the Appendices thereto and any documents incorporated therein by reference, the "Preliminary Official Statement") with respect to the Bonds. The Authority represents and warrants that the Preliminary Official Statement was deemed final by the Authority as of the date of the Preliminary Official Statement and as of the date hereof for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), except for any information which is permitted to be omitted therefrom in accordance with paragraph (b)(1) of Rule 15c2-12. The Authority hereby ratifies, approves and confirms the distribution by the Underwriters of the Preliminary Official Statement in connection with the offering and sale of the Bonds. The Authority hereby confirms that it did not object to distribution of the Preliminary Official Statement in electronic form.

Concurrently with its acceptance hereof, or as soon thereafter as practicable, the Authority shall deliver or cause to be delivered to the Underwriters, at such addresses as the Underwriters shall specify, as many copies of a final official statement (together with the Appendices thereto and any documents incorporated therein by reference, the "Official Statement") as the Underwriters shall reasonably request and in "designated electronic format" as necessary to comply with paragraph (b)(4) of Rule 15c2-12 and Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board, such copies to be delivered no later than two (2) Business Days prior to the Closing Date (but in no event later than seven (7) Business Days after acceptance of this Purchase Contract). The Official Statement shall contain all information previously permitted to be omitted by Rule 15c2-12 and any other changes from the Preliminary Official Statement as shall have been approved by the Representative.

#### **4. Public Offering of the Bonds; Establishment of Issue Price.**

(a) The Underwriters agree to make a bona fide public offering of all the Bonds initially at prices set forth on Attachment I hereto. After such initial public offering, the Underwriters reserve the right to change such offering prices from time to time as they deem necessary.

(b) The Representative, on behalf of itself and the other Underwriters, agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an "issue price" or similar certificate, substantially in the form attached hereto as Attachment II, together with the supporting pricing wires or equivalent communications, with such modifications as may be deemed appropriate or necessary, in the reasonable judgment of the Representative, the Authority and Nossaman LLP (hereinafter referred to as "Bond Counsel") to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(c) [Except for the maturities set forth in Schedule II to Attachment II that are subject to the hold-the-offering-price rule (as hereinafter defined),] the Authority represents that it will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

(d) The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth on Attachment I hereto. Schedule II to Attachment II attached hereto sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and the Authority and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply (the "hold-the-offering-price rule") to such maturities. So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriters will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following: (1) the close of the fifth (5th) business day after the sale date; or (2) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative shall promptly advise the Authority when the Underwriters have sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the fifth (5<sup>th</sup>) business day after the sale date.

The Authority acknowledges that, in making the representation set forth in this Section 4(d), the Representative will rely on (i) the agreement of each of the Underwriters to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The Authority further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(e) The Representative confirms that:

- (i) any agreement among Underwriters, any selling group agreement and each retail distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party



to such retail distribution agreement, as applicable, to (A)(1) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Representative that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (2) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, (B) promptly notify the Representative of any sales of the Bonds that, to its knowledge, are made to a purchaser who is a related party to an Underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (C) acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public; and

- (ii) any agreement among Underwriters and any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Representative or the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

(f) The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this Section 4. Further, for purposes of this Section 4:

- (i) "public" means any person other than an Underwriter or a related party to an Underwriter,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail

distribution agreement participating in the initial sale of the Bonds to the public),

- (iii) a purchaser of any of the Bonds is a "related party" to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the first day on which there is a binding contract in writing for the sale of the Bonds.

**5. Use of Documents.** The Authority hereby authorizes the Underwriters to use, in connection with the public offering and sale of the Bonds, this Purchase Contract, the Preliminary Official Statement, the Official Statement, the Authority Documents and the information contained herein and therein.

**6. Closing.** At 8:00 a.m., California time, on [Closing Date] (the "Closing Date"), or at such other date and time as shall have been mutually agreed upon by the Authority and the Representative, the Authority will deliver or cause to be delivered to the Representative the Bonds and the certificates, opinions and documents specified in Section 8 hereof, each of which shall be dated as of the Closing Date or as of such other date as shall be acceptable to the Representative. Such delivery is herein called the "Closing."

On the Closing Date, the Authority will deliver, or cause to be delivered, to the Representative, the Bonds, in definitive or final form, duly executed by the Authority and authenticated by the Trustee, and the Representative will accept such delivery and pay the purchase price of the Bonds set forth in Section 1 hereof by wire transfer in immediately available funds payable to the order of the Trustee. The Representative shall order CUSIP identification numbers and the Authority shall cause such CUSIP identification numbers to be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for the Bonds in accordance with the terms of this Purchase Contract. The Bonds will be in printed, lithographed, or typewritten form, will be prepared and delivered in registered form, bearing CUSIP numbers, will be delivered through the book-entry system of The Depository Trust Company ("DTC") (physical delivery of the Bonds to be made to the Trustee, as agent of DTC under the Fast Automated Securities Transfer System) and will be registered in the name of Cede & Co., as nominee of DTC. The Bonds will be made available to the Representative for checking not less than one (1) Business Day prior to the Closing Date.

Delivery of the certificates, opinions and documents set forth in Section 8 hereof as described herein shall be made at the offices of the Bond Counsel, in Irvine, California, or at such other place as shall have been mutually agreed upon by the Authority and the Representative.

**7. Representations, Warranties, Covenants and Agreements of the Authority.** The Authority represents and warrants to and covenants and agrees with the Underwriters that as of the date hereof:

(a) The Authority has been duly created and is validly existing under the Act and all other applicable laws of the State of California (the "State") and has the power to issue the Bonds pursuant to the Act, all other applicable laws of the State, the Ordinance, the Bond Resolution and the Indenture.

(b) The Authority has full legal right, power and authority under the Constitution, the Act, all other applicable laws of the State and the Ordinance to levy and cause the collection of the Sales Tax, to adopt the Bond Resolution, to enter into the Authority Documents and this Purchase Contract and to sell, issue and deliver the Bonds to the Underwriters as provided herein; the Authority has full legal right, power and authority to perform its obligations under the Ordinance, the Bond Resolution, the Authority Documents and this Purchase Contract, and to carry out and consummate the transactions contemplated thereby and hereby and by the Official Statement; the Authority has complied with, or will at the Closing Date be in compliance with, in all respects material to this transaction, the Constitution, the Act, all other applicable laws of the State, the Ordinance, the terms of the Bond Resolution, the Bonds, the Authority Documents and this Purchase Contract.

(c) By all necessary official action, the Authority has duly adopted the Ordinance, which was approved by more than two-thirds of the electors in the County voting on such Ordinance on November 7, 2006.

(d) By all necessary official action, the Authority has duly adopted the Bond Resolution, has duly authorized and ratified the preparation and delivery of the Preliminary Official Statement and the preparation, execution and delivery of the Official Statement, has duly authorized and approved the execution and delivery of, and the performance of its obligations under, the Bonds, this Purchase Contract and the Authority Documents, and the consummation by it of all other transactions contemplated by this Purchase Contract, the Bond Resolution, the Authority Documents, the Preliminary Official Statement and the Official Statement. When executed and delivered by their respective parties, the Authority Documents and this Purchase Contract (assuming due authorization, execution and delivery by and enforceability against the other parties thereto) will be in full force and effect and each will constitute a legal, valid and binding agreement or obligation of the Authority, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State.

(e) The Bonds, when issued, authenticated and delivered in accordance with the Bond Resolution and the Indenture, and sold to the Underwriters as provided herein, will constitute legal, valid and binding obligations of the Authority, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State, and will be entitled to the benefits of the laws of the State, the Indenture and the Bond Resolution.

(f) All approvals, authorizations, consents, orders, licenses or permits of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or that would constitute a condition precedent to, or the absence of which would materially adversely affect the issuance, delivery or sale of the Bonds and the execution, delivery of and performance of the Authority Documents by the Authority, have been duly obtained (except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds, as to which no representation is made).

(g) The Authority is not in any material respect in breach of or default under any constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either or any judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or to which the Authority or any of its property or assets is otherwise subject (including, without limitation, the Bond Resolution, the Authority Documents, the 2019 Credit Agreement, dated as of July 1, 2017 (the "2019 Credit Agreement"), by and among the Authority, the Orange County Transportation Authority ("OCTA") and Bank of America, N.A. ("B of A"), the 2019 Fee Agreement, dated July 26, 2017 (the "2019 Fee Agreement"), between the Authority and B of A, the 2021 Credit Agreement, dated as of July 1, 2017 (the "2021 Credit Agreement"), by and among the Authority, OCTA and B of A and the 2021 Fee Agreement, dated July 26, 2017 (the "2021 Fee Agreement"), between the Authority and B of A) and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and the levy and collection of the Sales Tax, the adoption of the Bond Resolution, the issuance and delivery of the Bonds and the execution and delivery of this Purchase Contract and the Authority Documents and compliance with the Authority's obligations therein and herein and will not in any material respect conflict with, violate or result in a breach of or constitute a default under, any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, agreement, mortgage, lease or other instrument to which the Authority is a party or to which the Authority or any of its property or assets is otherwise subject (including, without limitation, the 2019 Credit Agreement, the 2019 Fee Agreement, the 2021 Credit Agreement and the 2021 Fee Agreement) nor will any such levy, collection, execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of

the Authority or under the terms of any such law, regulation or instruments, except as provided by the Bond Resolution and the Authority Documents.

(h) As of the date hereof, no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, government agency, public board or body, is pending or, to the best of the Authority's knowledge, threatened against the Authority: (i) in any way affecting the existence of the Authority or in any way challenging the respective powers of the several offices or the titles of the officials of the Authority to such offices; or (ii) affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, the proceedings authorizing and approving the Sales Tax, the levy or collection of the Sales Tax, or in any way contesting or affecting, as to the Authority, the validity or enforceability of the Act, the proceedings authorizing the Sales Tax, the Bond Resolution, the Bonds, the Authority Documents or this Purchase Contract, or contesting the powers of the Authority or its authority with respect to issuance of the Bonds, the adoption of the Bond Resolution, or the execution and delivery of the Authority Documents or this Purchase Contract, or contesting the power or authority to levy the Sales Tax or contesting the completeness or accuracy of the Official Statement, or in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby or which might materially adversely affect the ability of the Authority to perform and satisfy its obligations under this Purchase Contract, the Authority Documents or the Bonds; nor to the best of the Authority's knowledge is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the Act, the proceedings authorizing the Sales Tax, the Bond Resolution, the Authority Documents or this Purchase Contract or the performance by the Authority of its obligations thereunder, or the authorization, execution, delivery or performance by the Authority of the Bonds, the Bond Resolution, the Authority Documents or this Purchase Contract.

(i) Between the date hereof and the Closing Date, the Authority will not, without the prior written consent of the Representative, offer or issue in any material amount any bonds, notes or other obligations for borrowed money, or in any material amount incur any material liabilities, direct or contingent, except in the course of normal business operations of the Authority or except for such borrowings as may be described in or contemplated by the Preliminary Official Statement and the Official Statement.

(j) The Authority will furnish such information, execute such instruments, and take such other action not inconsistent with law in cooperation with the Underwriters as the Representative may reasonably request in order to: (i) qualify the Bonds for offer and sale under the Blue Sky or other securities laws of such states and other jurisdictions of the United States as the Underwriters may designate; and (ii) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions; provided that in no event shall the Authority be required to execute a general or special consent to service of process in any state in which it is not already so subject.

(k) In the Preliminary Official Statement and Official Statement, the Authority has described any instances in the previous five years in which the Authority



has failed to comply in all material respects with any previous undertaking relating to continuing disclosure of information pursuant to Rule 15c2-12.

(l) Except for information permitted to be omitted therefrom by Rule 15c2-12 and excluding the information set forth in the Preliminary Official Statement under the caption "Underwriting," under the caption "Relationship of Certain Parties," the information set forth in Appendix A – Economic and Demographic Data Pertaining to the County of Orange," the information set forth in Appendix C – Summary of Principal Documents," the information set forth in Appendix E – Proposed Form of Opinion of Bond Counsel," and the information set forth in Appendix G - "Book-Entry Only System" (such information being hereinafter referred to as the "Excluded Information"), as to which no representations or warranties are made, the Preliminary Official Statement, as of its date did not, and as of the date hereof does not, contain, to the best of the Authority's knowledge, any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made in the Preliminary Official Statement, in the light of the circumstances under which they were made, not misleading.

(m) As of the date hereof, and (unless an event of the nature described in paragraph (n) of this Section 7 occurs) at all times subsequent to the date hereof, up to and including the Closing Date, the Official Statement, excluding the Excluded Information as it appears in the Official Statement, as to which no representations or warranties are made, did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made in the Official Statement, in the light of the circumstances under which they were made, not misleading.

(n) If the Official Statement is supplemented or amended pursuant to paragraph (o) of this Section 7, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing, the Official Statement as so supplemented or amended will not contain, to the best of the Authority's knowledge, any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no representations or warranties are made with respect to the Excluded Information.

(o) The Authority shall not amend or supplement the Official Statement without the prior written consent of the Representative. If between the date hereof and the date which is the earlier of (a) twenty-five (25) days after the End of the Underwriting Period (as hereinafter defined) or (b) the date when all Bonds have been sold by the Underwriters (but in either case, no earlier than the Closing Date), (i) any event shall occur which might or would cause the statements contained in the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, the Authority shall notify the Representative thereof; and (ii) if, in the

reasonable opinion of the Representative, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority shall forthwith prepare and furnish (at the expense of the Authority) a reasonable number of copies of an amendment of or supplement to the Official Statement in form and substance satisfactory to the Representative.

As used in this Purchase Contract, "End of the Underwriting Period" shall mean the date on which the "end of the underwriting period" for the Bonds has occurred under Rule 15c2-12; provided, however that the Authority may assume that the End of the Underwriting Period for the Bonds will occur on the Closing Date unless the Authority is otherwise notified in writing by the Representative on or prior to the Closing Date.

(p) Except as described in the Official Statement, the Authority has not granted a lien on or made a pledge of the Revenues or any other money received under the Authority Documents, except as provided or permitted in the Authority Documents.

(q) The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority is a bond issuer whose arbitrage certificates may not be relied upon.

(r) The Authority is not in default, and at no time has defaulted in any material respect, on any bond, note or other obligation for borrowed money or any agreement under which any such obligation is or was outstanding.

(s) The audited financial statements set forth as Appendix B to the Official Statement relating to the fiscal year of the Authority ended June 30, 2018 fairly present the financial position of the Authority as of the date indicated and the results of its operations, the sources and uses of its cash and the changes in its fund balances for the periods therein specified to the extent included therein, and are in conformity with generally accepted accounting principles applied on a consistent basis, and there has been no material adverse change in the financial condition of the Authority or in its operations since the date thereof and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(t) The Authority will undertake, pursuant to the Continuing Disclosure Certificate to provide certain annual financial information and notices of the occurrence of specified events. A correct and complete form of the undertaking is set forth as Appendix D to the Preliminary Official Statement and will also be set forth in the Official Statement.

(u) Any certificate signed by any official of the Authority and delivered to the Underwriters shall be deemed to be a representation and warranty by the Authority to the Underwriters as to the statements made therein.

(v) The Authority shall apply the proceeds of the Bonds as provided in the Indenture.

**8. Closing Conditions.** The Representative has entered into this Purchase Contract in reliance upon the representations, warranties, and obligations of the Authority contained herein and upon the documents and instruments to be delivered at Closing. Accordingly, the Underwriters' obligations under this Purchase Contract shall be subject to the following conditions:

(a) The representations and warranties of the Authority contained herein shall be true, complete and correct in all material respects at the date hereof and on and as of the Closing as if made on the Closing Date, and will be confirmed by a certificate or certificates of the appropriate Authority official or officials dated the Closing Date, and the Authority shall be in compliance with each of the agreements and covenants made by it in this Purchase Contract.

(b) At the time of the Closing: (i) the Ordinance, the Bond Resolution and the Authority Documents shall be in full force and effect, and shall not have been amended, modified or supplemented since the date hereof, except as shall have been agreed to in writing by the Representative; and (ii) the Authority shall perform or have performed all its obligations required under or specified in the Bond Resolution, the Authority Documents and this Purchase Contract and the Official Statement to be performed at or prior to the Closing.

(c) As of the date hereof and at the Closing, all necessary official action of the Authority relating to the Authority Documents, this Purchase Contract, the Preliminary Official Statement and the Official Statement shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect.

(d) Subsequent to the date hereof, up to and including the Closing, there shall not have occurred any change in or particularly affecting the Authority, the Act, the Ordinance, the Sales Tax, the Revenues or the Bonds as the foregoing matters are described in the Official Statement, which in the reasonable professional judgment of the Representative materially impairs the investment quality of the Bonds.

(e) At or prior to the Closing, the Representative shall receive the following documents, in each case satisfactory in form and substance to the Representative and to counsel to the Underwriters, Orrick, Herrington & Sutcliffe LLP ("Underwriters' Counsel"):

(1) A certificate of the Authority, dated the Closing Date, executed by the Chief Executive Officer or other authorized officer of the Authority, to the effect that: (a) the representations, warranties and covenants of the Authority contained herein are true, complete and correct in all material respects on and as of the Closing with the same effect as if made at the Closing; (b) the Bond Resolution is in full force and effect at the Closing and has not been amended, modified or supplemented, except as agreed to by the Authority and the Representative; (c) the Authority has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the

Closing; (d) subsequent to the date of the Preliminary Official Statement and on or prior to the date of such certificate, there has been no material adverse change in the condition (financial or otherwise) of the Authority, whether or not arising in the ordinary course of the Authority's operations, as described in the Preliminary Official Statement; (e) the Preliminary Official Statement (excluding the Excluded Information, as to which no representations and warranties need be made) did not as of its date and does not as of the date hereof contain any untrue or misleading statement of a material fact and did not as of its date does not as of the date hereof omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (f) the Official Statement (excluding the Excluded Information, as to which no representations and warranties need be made) did not as of its date and does not as of the date hereof contain any untrue or misleading statement of a material fact and did not as of its date and does not as of the date hereof omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading;

- (2) A certified copy of the Bond Resolution;
- (3) A duly executed original of the Indenture;
- (4) A duly executed original of the Continuing Disclosure Certificate;
- (5) A duly executed tax certificate of the Authority in form satisfactory to Bond Counsel;
- (6) An approving opinion of Bond Counsel, dated the Closing Date, substantially in the form attached as Appendix E to the Official Statement, and a reliance letter with respect thereto addressed to the Underwriters;
- (7) A supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriters, substantially in the form attached hereto as Exhibit A;
- (8) An opinion of Woodruff, Spradlin & Smart, counsel to the Authority ("Authority Counsel"), dated the Closing Date and addressed to the Underwriters and the Trustee, in substantially the form attached hereto as Exhibit B;
- (9) An opinion of Underwriters' Counsel, dated the Closing Date and addressed to the Underwriters, in substantially the form attached hereto as Exhibit C;
- (10) An opinion of counsel to the Trustee, dated the Closing Date and addressed to the Authority and the Underwriters, to the effect that:

- (i) the Trustee is a national banking association duly organized and validly existing under the laws of the jurisdiction of its organization and has the corporate power to execute and deliver the Indenture and to perform its obligations under the Indenture;
  - (ii) the execution and delivery by the Trustee of the Indenture and its performance of its obligations under the Indenture, have been and are as of the Closing Date duly authorized by all necessary corporate action;
  - (iii) no approval, authorization or other action by, or filing with, any governmental body or regulatory authority (which has not been obtained) is required in connection with the due execution, delivery and performance by the Trustee of its duties and obligations under the Indenture;
  - (iv) the Indenture has been duly executed and delivered and constitutes the valid and legally binding obligation of the Trustee enforceable against it in accordance with its terms except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought as a proceeding in equity or at law); and
  - (v) the Bonds have been validly authenticated and delivered in accordance with the provisions of the Indenture.
- (11) Evidence satisfactory to the Representative that Fitch Ratings and S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, have assigned ratings of " \_\_," and " \_\_," respectively, to the Bonds and that such ratings have not been revoked or downgraded;
- (12) Two copies of the Official Statement, delivered in accordance with Section 3 hereof, executed by the Chief Executive Officer or other authorized officer of the Authority;
- (13) A certified copy of the proceedings relating to authorization and approval of the Sales Tax, including: (i) a certified copy of the Ordinance; and (ii) a certification from the Registrar of Voters in the County of Orange concerning results of the November 7, 2006 election;
- (14) A certificate, dated the Closing Date, of an authorized officer of the Trustee, substantially in the form attached as Exhibit D hereto, and a certificate evidencing signature authority and incumbency;
- (15) A certificate, dated the Closing Date, of an authorized representative of Sperry Capital Inc., municipal advisor to the Authority, to the



effect that no information came to such authorized representative's attention which gives such authorized representative reason to believe that any of the information set forth in Appendix A - Economic and Demographic Data pertaining to the County of Orange" in the Preliminary Official Statement and in the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made not misleading;

(16) California Debt and Investment Advisory Commission filings;

(17) Internal Revenue Service Form 8038-G relating to the Bonds; and

(18) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Representative, Underwriters' Counsel or Bond Counsel may reasonably deem necessary to evidence the truth and accuracy as of the time of the Closing of the representations and warranties of the Authority contained in this Purchase Contract and the due performance or satisfaction by the Authority at or prior to such time of all covenants and agreements then to be performed and all conditions then to be satisfied by the Authority pursuant to this Purchase Contract.

**9. Termination.** If the Authority shall be unable to satisfy the conditions of the Underwriters' obligations contained in this Purchase Contract or if the Underwriters' obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be cancelled by the Representative at, or at any time prior to, the Closing. Notice of such cancellation shall be given to the Authority in writing, or by telephone confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the Authority hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Representative in its sole discretion.

The Underwriters shall also have the right, prior to the Closing, to cancel their obligation to purchase the Bonds, by written notice to the Authority, if between the date hereof and the Closing:

(a) any event occurs or information becomes known, which, in the reasonable professional judgment of the Representative, makes untrue any statement of a material fact set forth in the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(b) the market for the Bonds or the market prices of the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds shall have been materially and adversely affected, in the reasonable professional judgment of the Representative, by:

(1) legislation enacted by the Congress of the United States, or passed by either house of the Congress, or favorably reported for passage to either house

of the Congress by any Committee of such house to which such legislation has been referred for consideration, or by the legislature of the State; or a decision rendered by a court of the United States or the State or by the United States Tax Court, or a ruling, order, or regulation (final or temporary) made by the Treasury Department of the United States or the Internal Revenue Service or other federal or State authority, would have the effect of changing, directly or indirectly, the federal income tax consequences or state income tax consequences of interest on obligations of the general character of the Bonds in the hands of the owners thereof; or

(2) legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission (the "SEC") or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Bonds or the Authority Documents, or any comparable securities of the Authority, are not exempt from the registration, qualification or other requirements of the Securities Act of 1933 (the "1933 Act") or the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act") or otherwise, or would be in violation of any provision of the federal securities laws; or

(3) decision by a court of the United States shall be rendered, or a stop order, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds as contemplated by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Securities Exchange Act of 1934, as amended, and the Trust Indenture Act; or

(4) the outbreak or escalation of hostilities involving the United States, or the declaration by the United States of a national emergency or war, or the occurrence of any other calamity or crisis affecting the financial markets; or

(5) a general suspension of trading on the New York Stock Exchange, or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority; or

(6) a general banking moratorium declared by federal, State or New York authorities having jurisdiction or a material disruption in securities settlement, payment or clearance services in the United States;

(7) or additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

(c) an event described in paragraph (o) of Section 7 hereof shall have occurred which, in the reasonable professional judgment of the Representative, requires the preparation and publication of a supplement or amendment to the Official Statement; or

(d) any litigation shall be instituted or be pending at the Closing to restrain or enjoin the issuance, sale or delivery of the Bonds, or in any way contesting or affecting any authority for or the validity of the proceedings authorizing and approving the Sales Tax or the rates, levy or collection thereof, the Bonds, the Act, the Ordinance, the Bond Resolution, the Authority Documents or the existence or powers of the Authority with respect to its obligations under the Authority Documents or the Bonds; or

(e) any rating of the Bonds by a national rating agency shall have been withdrawn or downgraded.

If the Representative terminates its obligation to purchase the Bonds because any of the conditions specified in Section 6, Section 8 or this Section 9 shall not have been fulfilled at or before the Closing, such termination shall not result in any liability on the part of the Underwriters.

**10. Conditions to Obligations of the Authority.** The performance by the Authority of its obligations is conditioned upon (i) the performance by the Underwriters of their obligations hereunder and (ii) receipt by the Authority and the Representative of the opinions and certificates being delivered at the Closing by persons and entities other than the Authority.

**11. Indemnification.** The Authority shall indemnify and hold harmless, to the extent permitted by law, each of the Underwriters and its employees and agents and each person who controls any Underwriter within the meaning of Section 15 of the Securities Act of 1933 (the "1933 Act") (any such person being therein sometimes called an "Indemnified Party"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject under any statute or at law or in equity or otherwise, and shall promptly reimburse any such Indemnified Party for any reasonable legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, insofar as such losses, claims, damages, liabilities or actions arise out of or are based upon (i) any untrue statement of a material fact contained in the Preliminary Official Statement (other than with respect to the Excluded Information) or any amendment or supplement thereof, or in the Official Statement (other than with respect to the Excluded Information) or any amendment or supplement thereof, or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or which is necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading. This indemnity agreement shall not be construed as a limitation on any other liability which the Authority may

otherwise have to any Indemnified Party, provided that in no event shall the Authority be obligated for double indemnification.

An Indemnified Party shall, promptly after the receipt of notice of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against the Authority, notify the Authority in writing of the commencement thereof, but the omission to notify the Authority of any such action shall not relieve the Authority from any liability which it may have to such Indemnified Party otherwise than under the indemnity agreement contained herein. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify the Authority of the commencement thereof, the Authority may, or if so requested by such Indemnified Party shall, participate therein or assume the defense thereof, with counsel satisfactory to such Indemnified Party, and after notice from the Authority to such Indemnified Party of an election so to assume the defense thereof, the Authority will not be liable to such Indemnified Party under this paragraph for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation. If the Authority shall not have employed counsel to have charge of the defense of any such action or if the Indemnified Party shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to those available to the Authority (in which case the Authority shall not have the right to direct the defense of such action on behalf of such Indemnified Party), such Indemnified Party shall have the right to retain legal counsel of its own choosing and reasonable legal and other expenses incurred by such Indemnified Party shall be borne by the Authority.

The Authority shall not be liable for any settlement of any such action effected without its consent by any Indemnified Party, which consent shall not be unreasonably withheld, but if settled with the consent of the Authority or if there be a final judgment for the plaintiff in any such action against the Authority or any Indemnified Party, with or without the consent of the Authority, the Authority agrees to indemnify and hold harmless such Indemnified Party to the extent provided herein.

In order to provide for just and equitable contribution in circumstances in which indemnification hereunder is for any reason held to be unavailable from the Authority, to the extent permitted by law, the Authority and each of the Underwriters shall contribute to the aggregate losses, claims, damages and liabilities (including any investigation, legal and other expenses incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claims asserted, to which the Authority and the Underwriters may be subject) in such proportion so that each of the Underwriters is responsible for that portion represented by the percentage that the underwriting discount set forth in the Official Statement bears to the public offering price appearing thereon and the Authority is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. In no case shall any Underwriter be responsible for any amount in excess of the underwriter's discount applicable to the Bonds purchased by such Underwriter hereunder. For purposes of this paragraph, each person, if any, who controls an Underwriter within the meaning of the 1933 Act shall have the same rights to contribution as such Underwriter. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim



for contribution may be made against another party or parties under this paragraph, notify such party or parties from whom contribution may be sought, but the omission so to notify shall not relieve that party or parties from whom contribution may be sought from any other obligation it or they may have hereunder or otherwise than under this paragraph. No party shall be liable for contribution with respect to any action or claim settled without its consent.

Each of the Underwriters agrees, severally and not jointly, to indemnify and hold harmless the Authority, its officers and its employees, but only with reference to statements and information furnished to the Authority by such Underwriter for use in the Preliminary Official Statement or any amendment or supplement thereto and in the Official Statement or any amendment or supplement thereto under the caption "Underwriting" and under the caption "Relationship of Certain Parties."

**12. Expenses.** All expenses and costs incident to the authorization, execution, delivery and sale of the Bonds to the Underwriters, including the costs of printing of the Bonds, the cost of posting and printing the Preliminary Official Statement and the Official Statement, the cost of duplicating the Authority Documents, the fees of accountants, financial or municipal advisors, consultants and rating agencies, the initial fee of the Trustee and its counsel in connection with the issuance of the Bonds and the fees and expenses of Bond Counsel shall be paid from the proceeds of the Bonds. In the event that the Bonds for any reason are not issued, or to the extent proceeds of the Bonds are insufficient or unavailable therefor, any fees, costs and expenses owed by the Authority, which otherwise would have been paid from the proceeds of the Bonds, shall be paid by the Authority.

All out-of-pocket expenses of the Underwriters, including traveling and other expenses and California Debt and Investment Advisory Commission fees, shall be paid by the Underwriters. The Authority shall pay for any expenses (included in the expense component of the Underwriters' discount) incurred by the Underwriters on behalf of the Authority's employees which are incidental to implementing this Purchase Contract, including, but not limited to, meals, transportation and lodging of those employees.

**13. Notices.** Any notice or other communication to be given to the Authority under this Purchase Contract (other than the acceptance hereof as specified in Section 1 hereof) may be given by delivering the same in writing to the Chief Executive Officer, Orange County Local Transportation Authority, 550 South Main Street, Orange, California 92863; any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to Merrill Lynch, Pierce, Fenner & Smith Incorporated, 333 South Hope Street, Suite 2310, Los Angeles, California 90071, Attention: Kevin O'Brien, Managing Director.

**14. Governing Law.** The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of California.

**15. Parties in Interest.** This Purchase Contract when accepted by the Authority in writing as heretofore specified shall constitute the entire agreement between the Authority and the Underwriters and is solely for the benefit of the Authority and the Underwriters. No other person shall acquire or have any right hereunder or by virtue hereof. All



representations, warranties and agreements of the Authority in this Purchase Contract shall remain operative and in full force and effect, regardless of (a) any investigation made by or on behalf of the Underwriters, (b) delivery of and payment for the Bonds hereunder, and (c) any termination of this Purchase Contract.

**16. Headings.** The headings of the paragraphs of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

**17. Effectiveness.** This Purchase Contract shall become effective upon the execution of the acceptance hereof by the Authority and shall be valid and enforceable at the time of such acceptance.

**18. Counterparts.** This Purchase Contract may be executed in several counterparts, which together shall constitute one and the same instrument.

MERRILL LYNCH, PIERCE, FENNER &  
SMITH INCORPORATED  
CITIGROUP GLOBAL MARKETS INC.  
BARCLAYS CAPITAL INC.  
GOLDMAN SACHS & CO. LLC  
J.P. MORGAN SECURITIES LLC  
STIFEL, NICOLAUS & COMPANY,  
INCORPORATED

By: MERRILL LYNCH, PIERCE, FENNER &  
SMITH INCORPORATED

By: \_\_\_\_\_  
Managing Director

Accepted by:

ORANGE COUNTY LOCAL  
TRANSPORTATION AUTHORITY

By: \_\_\_\_\_  
Executive Director, Finance and Administration

Approved as to form:

WOODRUFF, SPRADLIN & SMART,  
General Counsel to the Orange County  
Local Transportation Authority

By \_\_\_\_\_

## **SCHEDULE I**

### **List of Underwriters**

Merrill Lynch, Pierce, Fenner & Smith Incorporated  
Citigroup Global Markets Inc.  
Barclays Capital Inc.  
Goldman Sachs & Co. LLC  
J.P. Morgan Securities LLC  
Stifel, Nicolaus & Company, Incorporated

## ATTACHMENT I

[\$Par Amount]

Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Bonds  
(Limited Tax Bonds), Series 2019

Maturity Date (February 15)	Principal Amount	Interest Rate	Yield	Price
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\$\_\_\_\_\_ Term Bonds due February 15, \_\_\_\_ – Price \_\_\_\_%

### Terms of Redemption

**Optional Redemption:** [Copy to Come]

**Mandatory Redemption:** [Copy to Come]

## ATTACHMENT II

### Form of Issue Price Certificate

\$[Par Amount]

**Orange County Local Transportation Authority  
Measure M2 Sales Tax  
Revenue Bonds (Limited Tax Bonds), Series 2019**

The undersigned, on behalf of Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), acting on behalf of itself and as representative (the "Representative") of Citigroup Global Markets Inc., Barclays Capital Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC and Stifel, Nicolaus & Company, Incorporated (together, the "Underwriting Group"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

[1. **Sale of the General Rule Maturities.** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule I.

[2. **Initial Offering Price of the Hold-the-Offering-Price Maturities.**

(a) The Underwriting Group offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule II (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule III.

(b) As set forth in the Purchase Contract, the members of the Underwriting Group have agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. [Pursuant to such agreements, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.] [Merrill Lynch has not offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period and the other Underwriters who were allotted Bonds are \_\_\_\_\_.]

3. **Defined Terms.**

(a) **General Rule Maturities** means those Maturities of the Bonds listed in Schedule I hereto as the "General Rule Maturities."



(b) **Hold-the-Offering-Price Maturities** means those Maturities of the Bonds listed in Schedule II hereto as the "Hold-the-Offering-Price Maturities."

(c) **Holding Period** means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (February \_\_, 2019), or (ii) the date on which the Underwriters have sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) **Issuer** means the Orange County Local Transportation Authority.

(e) **Maturity** means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) **Public** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) **Sale Date** means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is February \_\_, 2019.

(h) **Underwriter** means (i) any person that agrees pursuant to a written contract with the Issuer (or with Merrill Lynch to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Nossaman LLP, as bond counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. The representations set forth herein are not necessarily based on personal knowledge and, in certain cases, the undersigned is relying on representations made by the other members of the Underwriting Group.

Dated: [Closing Date].

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: \_\_\_\_\_  
Managing Director

## **SCHEDULE I TO ATTACHMENT II**

### **General Rule Maturities**

[Attach Bond Pricing]

## **SCHEDULE II TO ATTACHMENT II**

### **Hold-The-Price Maturities**

[Attach Bond Pricing]

## EXHIBIT A

### Proposed Form of Supplemental Opinion of Bond Counsel

[Closing Date]

Merrill Lynch, Pierce, Fenner & Smith Incorporated,  
as Representative of the Underwriters  
Los Angeles, California

Re:    \$[Par Amount] Orange County Local Transportation Authority  
Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds),  
Series 2019

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#### Supplemental Opinion

Ladies and Gentlemen:

This letter is addressed to you, as the representative of the Underwriters, pursuant to Section 8(e)(7) of the Purchase Contract, dated [Sale Date] (the "Purchase Contract"), among yourselves and the Orange County Local Transportation Authority (the "Authority"), providing for the purchase of \$[Par Amount]] aggregate principal amount of Orange County Local Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2019 (Tax-Exempt Bonds) (the "Bonds"). The Bonds are being issued pursuant to a Master Indenture of Trust, dated as of December 1, 2010, as amended and supplemented from time to time pursuant to its terms, including as amended and supplemented by a Third Supplemental Indenture, dated as of February 1, 2019 (hereinafter collectively referred to as the "Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture or, if not defined in the Indenture, in the Purchase Contract.

We have delivered our final legal opinion as bond counsel concerning the validity of the Bonds and certain other matters, dated the date hereof and addressed to the Authority. You may rely on such opinion as though the same were addressed to you.

In connection with our role as bond counsel, we have reviewed the Purchase Contract, the Indenture, opinions of counsel to the Authority and the Trustee, certificates of the Authority, the Trustee and others and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. We have assumed the genuineness of all documents and signatures presented to us. We have not undertaken to verify independently, and we have assumed, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the third paragraph hereof.



Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

2. The Purchase Contract has been duly approved by, and is a valid and binding obligation of, the Authority.

3. The statements contained in the Official Statement, dated [Sale Date], with respect to the Bonds (the "Official Statement"), under the captions "Description of the Series 2019 Bonds," "Security and Source of Payment for the Bonds," "The Sales Tax – Authorization, Collection and Application of the Sales Tax," "Tax Matters," Appendix C – "Summary of Principal Documents," and Appendix E – Proposed Form of Opinion of Bond Counsel," insofar as such statements summarize certain provisions of the Bonds, the Indenture, the Act, the Ordinance, federal tax law and our opinion concerning the Bonds, are accurate for purposes of inclusion in the Official Statement; provided, however, no opinion is expressed with respect to any statements relating to The Depository Trust Company or its operations.

This letter is delivered to you as representative of the Underwriters of the Bonds, is solely for the benefit of the Underwriters and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person.

Respectfully submitted,

## **EXHIBIT B**

### **Proposed Form of Opinion of Authority General Counsel**

[Closing Date]

To Each of the Parties Listed in  
Schedule A Attached Hereto

Re:     \$[Par Amount] Orange County Local Transportation Authority  
Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds),  
Series 2019

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Ladies and Gentlemen:

This opinion is furnished in connection with the issuance by the Orange County Local Transportation Authority (the "Authority") of [Par Amount] aggregate principal amount of Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2019 (the "Bonds"), under and by authority of Sections 180000 through 180264, inclusive, of the Public Utilities Code of the State of California, as amended from time to time (hereinafter collectively referred to as the "Act"), and pursuant to Ordinance No. 3 of the Authority, known as the Renewed Measure M Transportation Ordinance and Investment Plan, adopted by the governing body of the Authority on July 24, 2006 (as amended and supplemented from time to time pursuant to its terms, the "Ordinance") and effective November 7, 2006 by approval of the voters, as amended, and pursuant to the provisions of the Master Indenture of Trust, dated as of December 1, 2010, as amended and supplemented, including as amended and supplemented by the Third Supplemental Indenture, dated as of February 1, 2019 (hereinafter collectively referred to as the "Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). Capitalized terms used herein have the meaning ascribed to such terms in the Indenture.

In my capacity as general counsel to the Authority, I have examined the Bonds, the Indenture, the Purchase Contract, dated [Sale Date], between the Authority and Merrill Lynch, Pierce, Fenner & Smith Incorporated, acting on behalf of itself and as representative of the other underwriters identified therein, as underwriters of the Bonds, the Continuing Disclosure Certificate, dated the date hereof, executed and delivered by the Authority, and the Tax Certificate, dated the date hereof, delivered by the Authority (hereinafter collectively referred to as the "Authority Documents"), the Act, certifications of the Authority and others as to certain factual matters, and such other documents, opinions and matters as I deemed necessary to render the opinions set forth herein. In reviewing the documents and matters referred to above, I have assumed the genuineness of all signatures (other than signatures of officials of the Authority) thereto and I have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified therein. In addition, I call attention to the fact that the rights and obligations under the Bonds and the other Authority Documents and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the

application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public entities in the State of California.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, I am of the following opinions:

1. The Authority is duly organized and validly existing under the Constitution and laws of the State of California, and has all requisite power and authority thereunder: (a) to adopt the Resolution of the Authority adopted on \_\_\_\_\_ (the "Bond Resolution"), and to enter into and perform its covenants and agreements under the Bonds and the other Authority Documents; (b) to approve and authorize the use and distribution of the Preliminary Official Statement, dated \_\_\_\_\_ (the "Preliminary Official Statement") and the Official Statement, dated [Sale Date] (the "Official Statement"); (c) to issue the Bonds; (d) to cause the Sales Tax to be levied and collected as described in the Official Statement; (e) to pledge the Revenues as contemplated by the Indenture; and (f) to carry on its business as currently conducted.

2. The Authority has taken all actions it is required to take prior to the date hereof material to the transactions contemplated by the Authority Documents, the Preliminary Official Statement and the Official Statement, and the Authority has duly authorized the execution and delivery of, and the due performance of its obligations under, the Authority Documents and the Bonds.

3. The Bond Resolution was duly adopted at a meeting of the governing body of the Authority which was called and held pursuant to law and with all required notice and in accordance with all applicable open meetings laws and at which a quorum was present and acting at the time of the adoption of such Bond Resolution, which Bond Resolution was adopted by at least a two-thirds vote of all members of the Authority.

4. Assuming due authorization, execution and delivery by the other parties thereto, the Bonds and the Authority Documents have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms.

5. The adoption of the Bond Resolution and the execution and delivery by the Authority of the Bonds and the Authority Documents, and compliance with the provisions thereof, do not to any material extent conflict with or constitute on the part of the Authority a violation of any California constitutional, statutory or regulatory provision or conflict with or constitute on the part of the Authority a material breach of or default under any indenture, agreement or instrument to which the Authority is a party or by which it is bound.

6. No litigation is pending or, to the best of my knowledge after due inquiry, threatened against the Authority in any court in any way affecting the title of the officials of the Authority to their respective positions, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection of Revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting the validity or enforceability of the Bonds, the Bond Resolution or the Authority Documents, or contesting in any way the completeness or

accuracy of the Preliminary Official Statement of the Official Statement, or contesting the powers of the Authority or its authority with respect to the Bonds, the Bond Resolution or the Authority Documents .

7. The statements contained in the Preliminary Official Statement and in the Official Statement under the captions "The Authority" and "Absence of Material Litigation" do not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

8. No authorization, approval, consent or other order of the State of California or any local agency of the State of California, other than such authorizations, approvals and consents which have been obtained, is required for the valid authorization, execution and delivery by the Authority of the Authority Documents and the authorization and distribution of the Preliminary Official Statement and the Official Statement.

9. The Authority is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, which breach or default would materially adversely affect the Authority's ability to enter into or perform its obligations under the Authority Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument and which would materially adversely affect the Authority's ability to enter into or perform its obligations under the Authority Documents.

10. Without having undertaken to determine independently the accuracy, completeness or fairness of the information or statements contained in the Preliminary Official Statement and in the Official Statement, to my knowledge, (a) the information contained in the Preliminary Official Statement as of its date and as of the date of the Purchase Contract (excluding therefrom information under the captions "Underwriting" "Tax Matters" and Appendices C, E and G, as to which no opinion is expressed) did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstance under which they were made, not misleading, and (b) the information contained in the Official Statement as of its date and as of the date hereof (excluding therefrom information under the captions "Underwriting" "Tax Matters" and Appendices C, E and G, as to which no opinion is expressed) does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstance under which they were made, not misleading. No responsibility is undertaken or view expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Official Statement or the Official Statement.

I express no opinion as to any matter other than as expressly set forth above. Without limiting the generality of the foregoing, I specifically express no opinion as to the status of the Bonds or the interest thereon or the Authority Documents under any federal securities laws

or any state securities or "Blue Sky" law or any federal, state or local tax law. Further, I express no opinion with respect to any indemnification, contribution, choice of law, choice of forum or waiver provisions contained in the Authority Documents and I express no opinion on the laws of any jurisdiction other than the State of California and the United States of America.

This opinion is delivered to each of the parties listed in Schedule A attached hereto and is solely for the benefit of each of such parties and is not to be used, circulated, quoted, or otherwise referred to or relied upon by any other person or for any other purpose.

Very truly yours,



## **Schedule A**

Orange County Local Transportation Authority  
Orange, California

Merrill Lynch, Pierce, Fenner & Smith Incorporated  
Los Angeles, California

Citigroup Global Markets Inc.  
Los Angeles, California

Barclays Capital Inc.  
San Francisco, California

Goldman Sachs & Co. LLC  
San Francisco, California

J.P. Morgan Securities LLC  
San Francisco, California

Stifel, Nicolaus & Company, Incorporated  
Los Angeles, California

The Bank of New York Mellon Trust Company, N.A.  
Los Angeles, California

## EXHIBIT C

### Proposed Form of Opinion of Underwriters' Counsel

[Closing Date]

To Each of the Parties Listed on Schedule A Attached Hereto

Re:    \$[Par Amount] Orange County Local Transportation Authority  
Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds),  
Series 2019

Ladies and Gentlemen:

We have acted as counsel for you as Underwriters in connection with your purchase from the Orange County Local Transportation Authority (the "Issuer") of \$[Par Amount] aggregate principal amount of Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2019 (the "Bonds") pursuant to the Purchase Contract, dated [Sale Date] (the "Purchase Contract"), executed and delivered by you, acting on behalf of yourself and as representative of the other underwriters identified in the Purchase Contract (collectively, the "Underwriters"), and accepted by the Issuer. The Bonds are to be issued pursuant to a Master Indenture of Trust, dated as of December 1, 2010, as amended and supplemented, including as amended and supplemented by a Third Supplemental Indenture, dated as of February 1, 2019 (hereinafter collectively referred to as the "Indenture"), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Purchase Contract.

In that connection, we have reviewed certain portions of the Indenture, the Preliminary Official Statement of the Issuer, dated \_\_\_\_\_, with respect to the Bonds (the "Preliminary Official Statement"), the Official Statement of the Issuer, dated \_\_\_\_\_, with respect to the Bonds (the "Official Statement"), the Continuing Disclosure Certificate, dated the date hereof, with respect to the Bonds (the "Continuing Disclosure Certificate"), executed by the Issuer, the Purchase Contract, certificates of the Issuer, the Trustee and others, the opinions referred to in Section 8(e) of the Purchase Contract and such other records and documents, and we have made such investigations of law, as we have deemed appropriate as a basis for the opinions and conclusions hereinafter expressed. We do not assume any responsibility for any electronic version of the Preliminary Official Statement or the Official Statement and assume that any such version is identical in all respects to the printed version.

In arriving at the opinions and conclusions hereinafter expressed, we are not expressing any opinion or view on, and with your permission are assuming and relying on, without independent assessment or inquiry, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above, including the accuracy of all factual matters represented and legal conclusions contained therein, including (without limitation) any representations and legal conclusions regarding the valid existence of the Authority, the due authorization, issuance, delivery, validity and enforceability of the Bonds and the exclusion of interest thereon from gross income for federal and state income tax purposes, and the legality,

validity and enforceability of the Indenture and the Continuing Disclosure Certificate and any laws, proceedings, documents and instruments that may be related to the authorization, issuance, payment or security of the Bonds, including, without limitation, the election measure and Ordinance authorizing and levying the retail transactions and use tax, a portion of which is pledged to secure the Bonds. We have assumed that all records, documents, certificates and opinions that we have reviewed, and the signatures thereto, are genuine.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

2. We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as your counsel, to assist you in part of your responsibility with respect to the Preliminary Official Statement and the Official Statement, we participated in conferences with your representatives and representatives of the Authority, Sperry Capital Inc., municipal advisor to the Issuer, Nossaman LLP, Bond Counsel, and others, during which the contents of the Preliminary Official Statement or the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the Issuer and others and on the records, documents, certificates, opinions and matters herein mentioned, we advise you as a matter of fact and not opinion that, during the course of our representation of you on this matter, (a) as of the date of the Preliminary Official Statement and as of [the date of execution of the Purchase Contract] no facts had come to the attention of the attorneys in our firm rendering legal services to you in connection with the Preliminary Official Statement which caused us to believe that the Preliminary Official Statement contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made not misleading, and (b) as of the date of the Official Statement and as of the date hereof, no facts had come to the attention of the attorneys in our firm rendering legal services to you in connection with the Official Statement which caused us to believe that the Official Statement contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, we expressly exclude from the scope of this paragraph and express no view or opinion about (i) with respect to the Preliminary Official Statement, any difference in information contained therein compared to what is contained in the Official Statement, whether or not related to pricing or sale of the Bonds, and whether any such difference is material and should have been included in the Preliminary Official Statement, and (ii) with respect to both the Preliminary Official Statement and the Official Statement, any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about verification or relationship among the parties, any management discussion and analysis, Appendices A through

G inclusive, or any information about book-entry, The Depository Trust Company, ratings, rating agencies, tax exemption, underwriters or underwriting, included or referred to therein or omitted therefrom. No responsibility is undertaken or view expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Official Statement or the Official Statement.

3. The Continuing Disclosure Certificate, together with Section 7(t) of the Purchase Contract and Section 25.01 of the Indenture, satisfies the requirements contained in Securities and Exchange Commission Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide information at the times and in the manner required by said Rule; provided that, for purposes of this opinion, we are not expressing any view regarding the content of the Official Statement that is not expressly stated in numbered paragraph 2 of this letter.

We are furnishing this letter to you pursuant to Section 8(e)(9) of the Purchase Contract solely for your benefit as Underwriters in connection with the original issuance of the Bonds on the date hereof. We disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

## **Schedule A**

Merrill Lynch, Pierce, Fenner & Smith Incorporated  
Los Angeles, California

Citigroup Global Markets Inc.  
Los Angeles, California

Barclays Capital Inc.  
San Francisco, California

Goldman Sachs & Co. LLC  
San Francisco, California

J.P. Morgan Securities LLC  
San Francisco, California

Stifel, Nicolaus & Company, Incorporated  
Los Angeles, California

## **EXHIBIT D**

### **Proposed Form of Certificate of Trustee**

#### **CERTIFICATE OF THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**

The undersigned, The Bank of New York Mellon Trust Company, N.A., (the "Bank"), as trustee, does hereby certify that:

1. This Certificate is being provided in connection with the issuance and delivery of the Orange County Local Transportation Authority Measure M2 Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2019 (the "Bonds"), being issued and delivered in the aggregate principal amount of \$[Par Amount] pursuant to the Master Indenture of Trust, dated as of December 1, 2010, as amended and supplemented, including as amended and supplemented by the Third Supplemental Indenture, dated as of February 1, 2019 (hereinafter collectively referred to as the "Indenture"), between the Orange County Local Transportation Authority (the "Authority") and the Bank.

2. The Bank is a national banking association duly organized and validly existing under and by virtue of the laws of the United States of America, has all requisite power, including trust powers, and authority: (a) to accept, execute, deliver, and perform all of its obligations as trustee under and pursuant to the Indenture; and (b) to take all actions required of it under the Indenture and the Bonds.

3. The Indenture has been duly authorized, executed and delivered by the Bank.

4. Pursuant to Section 2.04 of the Indenture, the Bonds were authenticated in the name and on behalf of the undersigned by authorized signatories of the undersigned, duly authorized to so authenticate the Bonds, were registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), the depository for the Bonds, and are being held by the Trustee as FAST Agent for DTC pursuant to the Indenture and the Order of the Authority, dated the date hereof, and as directed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, acting on behalf of itself and as representative of the other underwriters of the Bonds.

5. The Bank has duly accepted the trusts created pursuant to the Indenture and such acceptance and performance by the Bank of its obligations in accordance with the Indenture will not contravene the articles of incorporation or bylaws of the Bank or, to the best knowledge of the Bank, conflict with or constitute a breach of or a default under any law, administrative or governmental regulation, consent, decree, order, indenture, contract or other agreement or instrument to which the Bank is subject or bound or by which any of its assets is bound, and the performance of the obligations of the Bank under the Indenture has been duly authorized by all necessary corporate action.

6. To the best knowledge of the Bank, all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter, receipt of which would



constitute a condition precedent to the performance by the Bank of its obligations under the Indenture (other than with respect to compliance with federal and state securities laws as to which no certification is provided) have been obtained and are in full force and effect.

7. To the best knowledge of the Bank, no litigation has been served on the Bank or is threatened (either in state or federal courts): (a) in any way contesting the existence or powers of the Bank or the Bank's ability to fulfill its obligations under the Indenture; or (b) to restrain or enjoin the authentication or delivery of any of the Bonds by the Bank.

IN WITNESS WHEREOF, The Bank of New York Mellon Trust Company, N.A., as trustee, has caused this Certificate to be executed by its officer thereunto duly authorized this \_\_\_\_ day of February, 2019.

The Bank of New York Mellon Trust  
Company, N.A., as Trustee

By: \_\_\_\_\_  
Authorized Officer