

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by the Orange County Local Transportation Authority (the "Authority") in connection with the issuance 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"). The Bonds are being issued pursuant to a Master Indenture of Trust, dated as of December 1, 2010, as supplemented and amended from time to time pursuant to its terms, including as supplemented by a Third Supplemental Indenture thereto, 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"). The Authority covenants and agrees as follows:

SECTION 1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Authority for the benefit of the Holders and Beneficial Owners of the Bonds (as such term is defined herein) and in order to assist the Participating Underwriters (as such term is defined herein) in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report shall mean any Annual Report provided by the Authority pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

Beneficial Owner shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

Listed Events shall mean any of the events listed in Section 5(a) or Section 5(b) of this Disclosure Certificate.

Participating Underwriter shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

Repository shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule.

Rule shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SEC shall mean the Securities and Exchange Commission or any successor agency thereto.

State shall mean the State of California.

SECTION 3. Provision of Annual Reports.

(a) The Authority shall not later than six (6) months after the end of the Authority's Fiscal Year (presently June 30), commencing with the Annual Report for the Fiscal Year ending June 30, 2019, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Each Annual Report must be submitted in electronic format,

accompanied by such identifying information as is prescribed by the Repository, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Authority may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Authority's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5, such notice to be provided in accordance with the provisions set forth in Section 6.

(b) In the event that an Annual Report for any Fiscal Year has not been provided to the Repository by the date required in Section 3(a) above, the Authority shall send a notice, in electronic format, to the Repository; such notice to be in substantially the form attached as Exhibit A to this Disclosure Certificate and to be provided in accordance with the provisions set forth in Section 6.

SECTION 4. Content of Annual Reports. The Authority's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the Authority for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, dated [Official Statement Date] relating to the Bonds (the "Official Statement") and the audited financial statements shall be filed in the same manner as the Annual Report when such audited financial statements become available.

(b) The debt service schedule for the Bonds, if there have been any unscheduled redemptions, retirements or defeasances, and the debt service on any additional parity bonds issued, in each case during the prior Fiscal Year.

(c) The actual Sales Tax Revenues for the prior Fiscal Year calculated in a manner consistent with the Indenture and as described in the Official Statement under the caption "Security and Source of Payment for the Bonds – Pledge of Sales Tax Revenues."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Authority or related public entities, which have been filed with the Repository or the SEC. If the document included by reference is a final official statement, it must be available from the Repository. The Authority shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, the Authority shall give notice of the occurrence of any of the following events with respect to the Bonds not later than ten (10) Business Days after the occurrence of the event, such notice to be provided in accordance with the provisions set forth in Section 6:

1. principal and interest payment delinquencies;
2. unscheduled draws on the debt service reserves reflecting financial difficulties;

3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. adverse tax opinions or issuance by the Internal Revenue Service of a proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);
6. tender offers;
7. defeasances;
8. rating changes; or
9. bankruptcy, insolvency, receivership or similar event of the Authority.

Note: for the purposes of the event identified in Section 5(a)(9) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority.

(b) The Authority shall give notice of the occurrence of any of the following events with respect to the Bonds, if material, not later than ten (10) Business Days after the occurrence of the event, such notice to be provided in accordance with the provisions set forth in Section 6:

1. unless described in Section 5(a)(5) above, other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. modifications to rights of Holders;
3. optional, unscheduled or contingent Bond calls;
4. release, substitution, or sale of property securing repayment of the Bonds;
5. non-payment related defaults;
6. consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; or
7. appointment of a successor or additional trustee or a change of name of a trustee.

(c) Upon the occurrence of a Listed Event described in Section 5(a), or upon the occurrence of a Listed Event described in Section 5(b) which the Authority determines would be material under applicable federal securities laws, the Authority shall within ten (10) Business Days of occurrence file a notice of such occurrence with the Repository. Notwithstanding the foregoing, notice of the Listed Event described in Section 5(b)(3) above need not be given under this Section any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Indenture.

SECTION 6. Format for Filings with the Repository. Any notice, report or filing with the Repository pursuant to this Disclosure Certificate must be submitted in electronic format, in word searchable pdf format, accompanied by such identifying information as is prescribed by the Repository. Until otherwise designated by the Repository or the SEC, filings with the Repository are to be made through the Electronic Municipal Market Access (EMMA) website of the Municipal Securities Rulemaking Board, currently located at <http://emma.msrb.org>.

SECTION 7. Termination of Reporting Obligation. The obligations of the Authority under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Authority may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), Section 4, or Section 5(a) or (b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Authority shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Authority. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in a filing with the Repository, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that

which is required by this Disclosure Certificate. If the Authority chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Authority shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Authority to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Authority to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Authority the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: [Closing Date].

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 _____

Exhibit A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of Authority: Orange County Local Transportation Authority (the "Authority")

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

Date of Issuance: [Closing Date]

NOTICE IS HEREBY GIVEN that the Authority has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate, dated _____, executed and delivered by the Authority. [The Authority anticipates that the Annual Report will be filed by _____.]

Dated: _____

ORANGE COUNTY LOCAL
TRANSPORTATION AUTHORITY