

STANDBY BOND PURCHASE AGREEMENT

dated as of September 1, 2021

between

ORANGE COUNTY TRANSPORTATION AUTHORITY,

and

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

relating to:

\$ _____
Orange County Transportation Authority
Bond Anticipation Notes (I-405 Improvement Project)

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STANDBY BOND PURCHASE AGREEMENT

This STANDBY BOND PURCHASE AGREEMENT (this “*Agreement*”) dated as of September 1, 2021, is between ORANGE COUNTY TRANSPORTATION AUTHORITY (together with its successors and assigns permitted hereunder, the “*Authority*”), a regional transportation authority duly established and existing under the laws of the State of California, and ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY, (together with its successors and assigns permitted hereunder, “*OCLTA*”), a local transportation authority duly established and existing under the laws of the State of California.

WITNESSETH:

WHEREAS, the Authority issued its Orange County Transportation Bond Anticipation Notes (I-405 Improvement Project) (the “*Notes*”) pursuant to the terms of the Indenture dated as of September 1, 2021 (the “*Indenture*”); and

WHEREAS, the all of the outstanding principal amount of the Notes are due and payable on October 15, 2024 (the “*Due Date*”); and

WHEREAS, the Authority has agreed in the Indenture to use its best efforts to issue its bonds to provide funds in an amount equal to the outstanding principal of and accrued interest on the Notes due and payable on the Due Date; and

WHEREAS, in order to help assure the availability of funds for the payment of all of the outstanding principal of the Notes on the Due Date, OCLTA will agree to purchase the Authority’s bonds in an amount not less than the outstanding principal amount of the Notes under the terms of this Agreement.

NOW, THEREFORE, in consideration of the respective agreements contained herein, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following capitalized terms have the meanings indicated below unless the context shall clearly indicate otherwise. Other capitalized terms used in this Agreement and not defined in this Agreement shall have the meaning given those terms in the Indenture.

“*Act*” means the means the Local Transportation Authority and Improvement Act, Division 19 (Section 180000 *et seq.*) of the Public Utilities Code of the State of California, as now in effect and as it may from time to time hereafter be amended or supplemented.

“Affiliate” means any other Person controlling or controlled by, or under common control with, the Authority or OCLTA, as applicable. For purposes of this definition, “control,” when used with respect to any specified Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting rights, membership, the power to appoint members, trustees or directors, by contract or otherwise.

“Agreement” means this Standby Bond Purchase Agreement, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms hereof.

“Amortization End Date” means, with respect to any Authority Refunding Bond the fifth anniversary of the OCLTA Purchase Date related to such Authority Refunding Bonds.

“Amortization Payment Date” means, with respect to any Authority Refunding Bond, (a) the Amortization Start Date (or if the Amortization Start Date is not a Business Day, then the immediately following Business Day) and each first Business Day of each three month period thereafter occurring prior to the Amortization End Date or such other period as agreed to between the Authority and OCLTA, and (b) the Amortization End Date.

“Amortization Start Date” means, with respect to any Authority Refunding Bond, the one hundred and eightieth (180th) day following the related OCLTA Purchase Date on which such Notes are purchased under this Agreement.

“Authority” has the meaning assigned to that term in the recitals to this Agreement and shall include all permitted successors and assigns.

“Authorized Denominations” has the meaning given that term in the Indenture.

“Authority Refunding Bonds” means the bonds, notes or other evidence of indebtedness purchased by OCLTA pursuant to Section 2.02 hereof.

“Authority Refunding Bondholder” means OCLTA (but only in its capacity as owner (which as used herein shall mean the beneficial owner if at the relevant time Authority Refunding Bonds are held in book entry form) of the Authority Refunding Bonds acquired pursuant to this Agreement) and any other Person to whom OCLTA has sold Authority Refunding Bonds pursuant to Sections 2.04(a), 5.01(f) or 8.02.

“Authorized Representative” has the meaning given that term in the Indenture.

“Available Commitment” means on any day the outstanding principal amount of and accrued but unpaid interest on the Notes which are initially issued in the principal amount of \$_____.

“Book-Entry Notes” means the Notes so long as the book-entry system with the Depository is used for determining beneficial ownership of the Notes.

“Business Day” means any day other than (i) a Saturday, Sunday, or a day on which banking institutions in the State or the State of California or the jurisdiction in which the corporate trust office of the Trustee is located are authorized or obligated by law or executive order to be closed; (ii) a day upon which commercial banks in the city in which the office of OCLTA at which demands for payment under this Agreement are to be presented is located are authorized or obligated by law or executive order to be closed; (iii) a day on which the New York Stock Exchange is closed; or (iv) a day on which the payment system of the Federal Reserve System is not operational.

“Closing Date” means September __, 2021.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, and all rules and temporary, proposed or final regulations from time to time promulgated thereunder.

“Collateral” (a) proceeds from draws under the TIFIA Loan Agreement so long as the TIFIA Loan Agreement is in full force and effect; (b) any legally available funds of the Authority except (i) LTF Revenue, (ii) federal grant funds, (iii) any revenues and assets with respect to the SR 91 Express Lanes, and (iv) any revenues received from operation of the freeway callbox system in Orange County and the freeway service patrol; and (c) all revenues, assets or amounts held by the Trustee in the funds and accounts established under the indenture or trust agreement securing the Authority Refunding Bonds, including investment earnings thereon, excluding amounts deposited to the Rebate Fund.

“Covenant Failure” has the meaning given that term in Section 7.01(d).

“Depository” means The Depository Trust Company, California, California.

“Dollar,” and *“\$”* means the lawful currency of the United States of America.

“Environmental Law” means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, or rules, and all judgments, orders, decrees, permits, concessions, grants, franchises, licenses, permits, agreements or governmental restrictions relating to air, water or land pollution, wetlands, or the protection of the environment or the release of any materials into the environment, including air, water or land and those related to Hazardous Materials, air emissions and discharges to waste or public systems.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Authority directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Event of Default” has the meaning given that term in the lead-in paragraph to Article VII.

“Event of Insolvency” means the occurrence of one or more of the following events:

(a) the Authority shall (i) commence a voluntary case or other proceeding seeking liquidation, reorganization, arrangement, adjustment, winding-up, dissolution, composition or other similar relief with respect to itself or its indebtedness under any bankruptcy, insolvency, reorganization or other similar law for the relief of debtors now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official for it or a substantial part of its property (other than pledging all of the Collateral to the Trustee under the Indenture or any acknowledgement thereof or consent thereto), (ii) consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, (iii) make a general assignment for the benefit of creditors, (iv) admit in writing its inability to pay its indebtedness as it becomes due, or (v) take any official action through its governing board to authorize any of the foregoing; or

(b) any of the following shall occur with respect to the Authority: (i) an involuntary case or other proceeding shall be commenced in a court of competent jurisdiction against the Authority seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property (other than pledging all of the Collateral to the Trustee under the Indenture or any acknowledgement thereof or consent thereto) and either (A) the Authority shall consent in writing to such action or (B) such case shall not be dismissed within sixty (60) days, (ii) an order for relief shall be entered against the Authority under the federal bankruptcy laws as now or hereafter in effect or pursuant to any other State or federal laws concerning insolvency or of similar purpose, (iii) a final and non-appealable debt moratorium, debt adjustment, debt restructuring or comparable extraordinary restriction with respect to the payment of principal or interest on the Notes or the Authority Refunding Bonds shall be declared or imposed pursuant to a finding or ruling by the Authority, the United States of America, the State, any instrumentality thereof or any other Governmental Authority of competent jurisdiction over the Authority, or (iv) the issuance, under any bankruptcy, insolvency, reorganization or other similar law of any state or of the United States of America for the relief of debtors now or hereafter in effect, of an order of rehabilitation, liquidation or dissolution of the Authority.

“Extended OCLTA Purchase Period” has the meaning given that term in Section 8.05.

“Final Payment Date” means, with respect to any Authority Refunding Bond, the earliest to occur of (i) the Amortization End Date, and (ii) the date that the Available Commitment of OCLTA is permanently reduced to zero or this Agreement is otherwise terminated prior to its Stated Expiration Date.

“GAAP” means generally accepted accounting principles in the United States of America as in effect from time to time, applied by the Authority on a basis consistent with the Authority’s most recent financial statements.

“Governmental Authority” means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, tribunal, agency, bureau, court or entity (including the Federal Deposit Insurance Corporation or the Federal Reserve Board, any central bank or any comparable authority).

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“Indebtedness” means and includes all items that would be classified as a liability of the Authority in accordance with GAAP, including, without limitation, (a) indebtedness or liability for borrowed money, or for the deferred purchase price of property or services (excluding trade accounts payable in the ordinary course of business); (b) obligations as lessee under leases which should have been, or should be, recorded as capital leases in accordance with generally accepted accounting principles; (c) all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any other Person or otherwise to assure a creditor against loss; and (d) obligations secured by any mortgage, lien, pledge, security interest or other charge or encumbrance on property, whether or not the obligations have been assumed.

“Indenture” has the meaning set forth in the recitals hereof.

“Lien” means any mortgage, lien, security interest, pledge, charge or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale, capital lease or other title retention arrangement.

“M2 Revenues” shall mean the “Sales Tax Revenues” as defined in that certain Master Indenture of Trust between OCLTA and The Bank of New York Mellon Trust Company, N.A., as Trustee, dated as of December 1, 2010.

“Maximum Authority Refunding Bond Interest Rate” means the lesser of (i) the Maximum Lawful Rate and (ii) eighteen percent (18%) per annum.

“Maximum Lawful Rate” means the maximum rate of interest on the relevant obligation permitted by applicable law without regard to any filing made by a lender with respect to notice of rates in excess of any statutory or regulatory threshold interest rate.

“Moody’s” means Moody’s Investors Service, Inc. and its successors and assigns.

“Notes” has the meaning assigned to that term in the recitals to this Agreement.

“Notice of OCLTA Purchase” means a notice in the form of Exhibit A.

“*OCLTA*” has the meaning assigned to that term in the recitals to this Agreement and shall include all permitted successors and assigns.

“*OCLTA Purchase Date*” means the 5th Business Day prior to the Expiration Date during OCLTA Purchase Period on which OCLTA is required to advance funds for the purchase of Notes pursuant to Section 2.02.

“*OCLTA Purchase Period*” means the period from the Closing Date to and including the earliest of (i) the Stated Expiration Date then in effect, (ii) the date on which no Notes (including Authority Refunding Bonds) are Outstanding, or (iii) the close of business on the date the Available Commitment is reduced to zero or terminated pursuant to Section 2.03.

“*OCLTA Rate*” means, with respect to any Authority Refunding Bond, except as otherwise provided in Section 3.01(b) hereof, the interest rate determined as of the date of purchase of the Authority Refunding Bonds and on each 12 month anniversary thereof equal to the greater of (i) the total interest cost payable by OCLTA with respect to any bonds issued by OCLTA to fund its purchase of the Authority Refunding Bonds on the OCLTA Purchase Date, and (ii) the trailing 12-month total return for the Authority’s short term portfolio as reported annually on the June 30th preceding the Purchase Date, via the Authority’s investment management software.

“*OCLTA Sale Date*” has the meaning given that term in Section 2.04(b).

“*Official Statement*” means the Official Statement (and any documents incorporated therein by reference and any exhibits or attachments thereto and any amendments thereof or supplements thereto) dated August __, 2021, relating to the Notes.

“*Payment Office*” means the wire transfer instructions of OCLTA as described in Section 8.07 hereof.

“*Person*” means an individual, a corporation, a partnership, an association, a trust or any other entity or organization, including a government or a political subdivision or an agency or instrumentality thereof.

“*Potential Default*” means the occurrence of any event which, with the passage of time, the giving of notice, or both, would become an Event of Default.

“*Property*” means any and all rights, titles and interests in and to any and all property, whether real or personal, tangible (including cash) or intangible, wherever situated and whether now owned or hereafter acquired.

“*Purchase Price*” with respect to any Note or portion thereof on an OCLTA Purchase Date therefor, means the unpaid principal amount thereof, without premium.

“*Purchase Termination Date*” means the close of business on the date on which OCLTA is no longer required to purchase Notes pursuant to Section 7.04(a), (b) or (c).

“*RATING AGENCY*” means _____ and its successors and assigns.

“*Rating Agencies*” means (i) RATING AGENCY (to the extent RATING AGENCY is then rating the Notes or the Authority Refunding Bonds, as the context may require), (ii) Moody’s (to the extent Moody’s is then rating the Notes or the Authority Refunding Bonds, as the context may require), or (iii) any successor or additional rating agency (to the extent such successor or additional rating agency is then rating the Notes or the Authority Refunding Bonds, as the context may require at the written request of the Authority with the written consent of OCLTA).

“*Related Documents*” means the Indenture, the Notes, and this Agreement, as the same may be amended or modified from time to time in accordance with their respective terms and the terms hereof.

“*Sale Price*” has the meaning given that term in Section 2.04(b).

“*Security*” means the pledge of the Collateral by the Authority pursuant to the Indenture, together with all other amounts held on deposit in the funds and accounts established thereunder subject to the terms of the Indenture.

“*State*” means the State of California.

“*Stated Expiration Date*” means October 15, 2024.

“*Trustee*” means U.S. Bank National Association and shall include all permitted successors and assigns, and shall further include any trustee appointed for the Notes.

“*Written*” or “*in writing*” means any form of written communication or a communication by means of telex, telecopier or facsimile device, telegraph or cable.

Section 1.02. Interpretation. In this Agreement, the singular includes the plural and the plural the singular; words importing any gender include the other genders; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; the word “including” shall be deemed to be followed by the words “without limitation.” All references to Sections and Exhibits shall be deemed references to Sections of and Exhibits to this Agreement unless the context shall otherwise require.

Section 1.03. Accounting Matters. All accounting terms used herein without definition shall be interpreted in accordance with GAAP, and except as otherwise expressly provided herein all accounting determinations required to be made pursuant to this Agreement shall be made in accordance with GAAP.

ARTICLE II

THE COMMITMENT

Section 2.01. Commitment to Purchase Authority Refunding Bonds. OCLTA agrees, on the terms and conditions contained in this Agreement, to purchase Authority Refunding Bonds, on behalf of and for OCLTA's own account, during OCLTA Purchase Period at the Purchase Price. The aggregate principal amount (or portion thereof) of any Authority Refunding Bond purchased on behalf of OCLTA on any OCLTA Purchase Date shall be an Authorized Denomination applicable to the Authority Refunding Bonds, and in any case the aggregate principal amount of all Authority Refunding Bonds purchased on behalf of OCLTA on any OCLTA Purchase Date shall not exceed the Available Principal Commitment on such date. Any Authority Refunding Bonds so purchased shall thereupon shall, from the date of such purchase bear interest at OCLTA Rate subject to the provisions of Section 2.04(c) and have other characteristics of Authority Refunding Bonds as set forth herein and in the indenture or trust agreement relating to the Authority Refunding Bonds.

Section 2.02. Method of Purchasing. If on the 75th day prior to the maturity of the Notes the Trustee has given notice to the Authority pursuant to the Indenture that it does not have sufficient funds to repay all of the principal of and accrued but unpaid interest on the Notes on their due date, OCTA shall submit to OCLTA a notice substantially in the form of Exhibit A, as the case may be (any such notice to be referred to as a "*Notice of OCLTA Purchase*"), OCLTA will, during the OCLTA Purchase Period, subject to the satisfaction of the conditions set forth in Section 6.02 hereof, transfer not later than 2:30 p.m. (California City time) on OCLTA Purchase Date to the Trustee, in funds to be available as specified in such Notice of OCLTA Purchase, an amount equal to the aggregate Purchase Price of the Authority Refunding Bonds as set forth in the applicable Notice of OCLTA Purchase. OCLTA shall not have any responsibility for, or incur any liability in respect of, any act, or any failure to act, by the Trustee which results in the failure of the Trustee to credit the appropriate account with funds made available by OCLTA pursuant to this Section 2.02. OCLTA shall purchase any Authority Refunding Bonds it is required to purchase with its own funds and purchase payments shall be made in immediately available funds. Amounts made available hereunder which are not so used to purchase Authority Refunding Bonds will be returned to OCLTA by the Trustee no later than 4:30 p.m. (California City time) on the OCLTA Purchase Date. Amounts held by the Trustee and not returned by the Trustee to OCLTA pursuant to the preceding sentence shall accrue interest, commencing on the OCLTA Purchase Date, equal to the Alternate Base Rate until such date as such amounts shall be returned to OCLTA. Payments by the Authority pursuant to the preceding sentence shall be made upon demand by OCLTA therefor.

OCLTA shall use any legally available funds to purchase the Authority Refunding Bonds, including M2 Revenues, on the OCLTA Purchase Date and shall use its best efforts to issue its bonds, notes or other evidences of indebtedness secured by M2 Revenues on a subordinate basis from OCLTA's outstanding bonds secured on a senior lien basis (such subordinate lien indebtedness to be issued with substantially the same terms as set forth in Exhibit D attached hereto and incorporated herein) the proceeds of which along with other legally available funds of OCLTA shall be in an amount equal to the purchase price of the Authority Refunding Bonds. So long as

the Notes are outstanding, OCLTA will not issue bonds, notes or other evidences of indebtedness secured by M2 Revenues on a subordinate basis from OCLTA's outstanding bonds secured on a senior lien basis.

Section 2.03. Reduction of Commitment.

(a) *Mandatory Reduction of Commitment.* Upon receipt by OCLTA of notice of any redemption, repayment, defeasance or other payment or deemed payment pursuant to the Indenture of all or any portion of the principal amount of the Notes so that said Notes shall have ceased to be Outstanding under the Indenture the aggregate Available Commitment of OCLTA shall automatically be reduced by the principal amount of said Notes so redeemed, repaid, defeased or otherwise deemed paid. The Trustee shall cause written notice of such redemption, repayment, defeasance, other payment or conversion to be promptly delivered to OCLTA.

(b) *Expiration of OCLTA Purchase Period.* The Available Commitment shall automatically terminate at 5:00 p.m. (California City time) on the date of expiration of OCLTA Purchase Period.

(c) *No Other Termination.* Except as specifically provided in this Section 2.03 or otherwise in Article VII, no Person shall have the right to reduce or terminate the Available Commitment.

Section 2.04. Sale of Authority Refunding Bonds. OCLTA expressly reserves the right to sell, at any time, Authority Refunding Bonds subject, however, to the express terms of this Agreement. OCLTA agrees that such sales will be made only to institutional investors or other entities that customarily as part of their business purchase commercial paper or tax-exempt securities in large denominations. OCLTA agrees to promptly notify the Trustee and the Authority in writing of any such sale and shall provide the Trustee and the Authority with the written agreement of each transferee (A) acknowledging the terms of this Agreement relating to its purchase of Notes, (B) acknowledging that there is no short-term investment rating assigned to such Bond so long as it remains a Authority Refunding Bond, (C) agreeing not to sell such purchased Authority Refunding Bond except for sales to OCLTA and sales to institutional investors or other entities that customarily as part of their business purchase commercial paper or tax-exempt securities in large denominations which agree to be bound by the sale restrictions of this Section 2.04, (D) agreeing that such Bond is subject to sale, and may cease to be a Authority Refunding Bond, as provided in this Section 2.04, and providing instructions for how to notify such transferee of such sale, and (E) acknowledging that so long as such Bond remains an Authority Refunding Bond, OCLTA is not obligated to purchase it hereunder.

Section 2.05. Security. The Authority and OCLTA intend that the payment of principal and interest on Authority Refunding Bonds and the payment of all other obligations due and owing to OCLTA under this Agreement shall, in all events, have the benefit and security of the Indenture or such other indenture or trust agreement relating to the Authority Refunding Bonds, as provided therein. The payment of principal and interest on Authority Refunding Bonds shall be secured in accordance with and subject to the terms of the Indenture or such other indenture or trust agreement

relating to the Authority Refunding Bonds on an equal and ratable basis and are superior in all respects to any pledge and lien for Subordinate Obligations.

ARTICLE III

INTEREST RATES; PAYMENTS

Section 3.01. Notes to Bear Interest at OCLTA Rate; Other Interest Provisions.

(a) *OCLTA Rate.* Any Bond purchased by OCLTA pursuant to this Agreement shall thereupon become an Authority Refunding Bond and shall bear interest at the OCLTA Rate for the period commencing from the date that OCLTA shall have purchased said Bond and, subject to Section 2.04(c), continuing until said Bond is paid in full. Payments by the Authority pursuant to this Section 3.01(a) shall be made upon demand therefor made by OCLTA to the Authority and the Trustee. The failure of OCLTA to give any notice shall not limit or otherwise affect the obligation of the Authority to pay interest on Authority Refunding Bonds at the rates specified in this Section 3.01.

(b) *Default Rate.* If the principal or interest of any Authority Refunding Bond or any other obligation of the Authority under this Agreement (including, to the extent permitted by law, any interest payment required thereunder) is not paid when due (whether by redemption or otherwise), such overdue payment or other obligation shall bear interest from the date such amount or other obligation, as the case may be, was due until paid in full (after as well as before judgment) at the Default Rate. Payments by the Authority pursuant to this Section 3.01(b) shall be made upon demand therefor made by OCLTA to the Authority and the Trustee. If at any time an Event of Default has occurred and is continuing, the principal amount of any Authority Refunding Bond or any other obligation of the Authority under this Agreement (including, to the extent permitted by law, any interest payment required thereunder) shall bear interest from the date such principal amount or other obligation, as the case may be, was due until paid in full (after as well as before judgment) at the Default Rate, such interest to be payable on demand.

(c) *Deferred Interest.* For any period during which Authority Refunding Bonds are outstanding and as to each monthly interest period, in the event that the amount of interest which would be payable on Authority Refunding Bonds (calculated, with respect to Authority Refunding Bonds at the OCLTA Rate, but expressly disregarding for purposes of this subsection (c) the limitation contained in the definition of “OCLTA Rate” that such rate shall not exceed the Maximum Authority Refunding Bond Interest Rate, exceeds the Maximum Authority Refunding Bond Interest Rate, the amount of such excess shall not be payable on the Interest Payment Date for such monthly interest period as interest on such Authority Refunding Bonds, but shall be deferred (“Deferred Interest”). Deferred Interest shall be allocated among Authority Refunding Bonds outstanding on such Interest Payment Date based upon the principal amount thereof and the length of time such Authority Refunding Bonds were outstanding during the monthly interest period related to such Interest Payment Date. Deferred Interest arising on any Interest Payment Date shall become payable on the next succeeding Interest Payment Date or Dates to the extent the interest (including Deferred Interest) payable on Authority Refunding Bonds for the monthly interest period ending on such Interest Payment Date does not exceed the Maximum Authority

Refunding Bond Interest Rate for such monthly interest period. All amounts of interest payable on an Authority Refunding Bond, including without limitation, Deferred Interest, for so long as such Bond shall remain an Authority Refunding Bond, shall constitute interest on such Bond. To the extent Deferred Interest shall be unpaid with respect to Authority Refunding Bonds, and such Notes shall be redeemed or remarketed or shall otherwise cease to be Authority Refunding Bonds, such unpaid Deferred Interest shall be converted into a fee payable to OCLTA (herein, the “*Deferred Interest Fee Amount*”) and shall bear interest at a rate per annum equal to OCLTA Rate payable on the next succeeding Interest Payment Date. Payments by the Authority pursuant to this Section 3.01(c) shall be made upon demand therefor by OCLTA to the Authority and the Trustee, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof.

Section 3.02. Maturity; Interest. The Authority agrees that, with respect to each Authority Refunding Bond, (i) such Authority Refunding Bond shall be paid in full no later than the Final Payment Date, if not earlier required to be paid under this Agreement; (ii) the interest on the unpaid amount of each such Authority Refunding Bond from and including the OCLTA Purchase Date shall be computed at a rate per annum equal to OCLTA Rate as determined pursuant to Section 3.01; and (iii) interest payable pursuant to clause (ii) shall be due and payable (A) monthly in arrears on the first Business Day of each calendar month, (B) upon redemption (to the extent of the interest accrued on the amount being redeemed), and (C) on the Final Payment Date. Each demand for payment pursuant to this Section 3.02 shall be accompanied by a certificate of an officer of OCLTA in reasonable detail setting forth the computation of such amount, which certificate shall be conclusive, absent manifest error, and such demand shall be paid by the Authority upon demand by OCLTA.

Section 3.03. Amortization of Authority Refunding Bonds. (a) Outstanding Authority Refunding Bonds shall be subject to amortization in 20 equal (or early equal) quarterly installment of principal or such other amortization schedule as agreed to between the Authority and OCLTA, or mandatory redemption or purchase in full on the date which the fifth anniversary following the OCLTA Purchase Date on which such Authority Refunding Bonds are purchased hereunder.

Section 3.04. Computations; Payments. (a) Interest (including interest at the Default Rate) and other amounts payable to OCLTA hereunder, including interest on Authority Refunding Bonds, shall be computed on the basis of a 365-day or 366-day year, as applicable and actual days elapsed. Except as provided in Section 2.02, any payments received by OCLTA later than 3:30 p.m. (California City time) on any day shall be deemed to have been paid on the next succeeding Business Day. All payments to OCLTA hereunder shall be made in Dollars and in immediately available funds. Unless OCLTA shall otherwise direct, all such payments shall be made as set forth herein.

(b) Interest shall accrue during each period during which interest is computed from and including the first day thereof to but excluding the last day thereof. Any computation of the amounts due under this Article III, including, without limitation, OCLTA Rate and Deferred Interest in connection with Authority Refunding Bonds, but excluding the computation of amounts required to be determined pursuant to the Indenture, shall be the obligation of the Authority and shall, absent manifest error, be binding on the Authority and the Trustee.

(c) Payments (other than remarketing proceeds) received by OCLTA from the Authority under this Agreement shall be applied, first, to any fees, costs, charges or expenses payable by the Authority to OCLTA under this Agreement; second, to past due interest; third, to current interest; and fourth, to principal.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE AUTHORITY

Section 4.01. Representations of the Authority. The Authority makes the following representations and warranties to OCLTA as of the Closing Date and as of the effective date of any extension of the Stated Expiration Date (which representations and warranties shall survive the execution and delivery of this Agreement and any purchases of Authority Refunding Bonds):

(a) *Existence.* The Authority is a regional transportation authority duly organized and validly existing under the laws of the State, including the Act, with full right and power (i) to issue the Notes, (ii) to own its properties and to carry on its activities as now conducted and as contemplated to be conducted in connection with the issuance of the Notes and the execution, delivery and performance of its obligations under the Related Documents and this Agreement, (iii) to execute, deliver and perform its obligations under the Related Documents and this Agreement, and (iv) to provide for the security of the Notes pursuant to the Act and the Indenture; and the Authority has complied with all provisions of applicable law, including the Act, in all matters related to such actions of the Authority as are contemplated by the Related Documents and this Agreement.

(b) *Authorization; Contravention.* The execution, delivery and performance by the Authority of this Agreement and each other Related Document are within the Authority's powers, have been duly authorized by all necessary action, and do not and will not conflict with, or result in a violation of, any provision of law, including the Act, or any order, writ, judgment, injunction, decree, award, law, rule or regulation of any court or governmental agency or instrumentality binding upon or applicable to the Authority, and do not and will not conflict with, result in a violation of, or constitute a default under, any resolution, agreement or instrument to which the Authority is a party or by which the Authority or any of its property is bound, or result in the creation or imposition of any lien on, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Authority is a party or by which it or any of its property is bound, except for the lien on Collateral set forth in the Indenture.

(c) *Binding Effect.* (i) This Agreement and the other Related Documents constitute valid and binding agreements of the Authority, enforceable in accordance with their respective terms, 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 local transportation authorities in the State.

(ii) The Indenture creates the pledge, lien and assignment which it purports to create to secure the Notes (including Authority Refunding Bonds), as and to the extent provided

in the Indenture and the Authority has not pledged or granted a lien, security interest or other encumbrance of any kind on the security pledged to the Notes that is senior or superior to the pledge in favor of the Notes or the Authority Refunding Bonds. Each of the statements set forth in Section 2.08 of this Agreement is true and correct.

(d) *No Consent or Approval.* No consent, approval, permit, authorization or order of, or registration or filing with, any court or governmental agency, authority or other instrumentality not already obtained, given or made is required on the part of the Authority for the execution, delivery and performance by the Authority of the Related Documents or this Agreement.

(e) *Financial Information.* (i) The audited financial statements of the Authority for the fiscal year ended June 30, 2020, as heretofore delivered to OCLTA, are, as of the Closing Date, complete and correct and fairly present the financial position of the Authority at the end of such fiscal year and the results of operations for the year then ended, and have been prepared in conformity with GAAP, consistently applied.

(ii) As of the Closing Date, except as otherwise disclosed to OCLTA in writing by the Authority, since June 30, 2020 there has been no material adverse change in the business, assets, condition, financial position, results of operations, properties, revenues or prospects of the Authority.

(f) *Litigation.* There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, arbitrator, governmental agency or authority, or other board, body or official, pending or, to the best knowledge of the Authority, threatened against or affecting the Authority, questioning the validity of the Act or any proceeding taken or to be taken by the Authority in connection with the execution, delivery and performance by the Authority of the Related Documents or this Agreement, or otherwise involving or affecting the Authority, or seeking to prohibit, restrain or enjoin the execution, delivery or performance by the Authority of any of the foregoing, nor, to the best knowledge of the Authority, is there any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect (i) the validity of the Act or any provision thereof material to the transactions contemplated by this Agreement, the Indenture or the other Related Documents, (ii) the validity or enforceability of, or the authority or ability of the Authority to perform its obligations under, the Indenture, the other Related Documents or this Agreement or the validity, enforceability or perfection of the pledge of and lien on the Collateral under the Indenture, or (iii) the ability of the Authority to conduct its activities as presently conducted or as proposed or contemplated to be conducted under the terms of this Agreement, the Indenture and the other Related Documents.

(g) *No Governmental Fees.* To the best knowledge of the Authority, neither the execution, delivery nor performance by OCLTA of this Agreement or any of the other Related Documents will give rise to any tax, including without limitation any stamp tax, or any fee of any State agency or government body in or of the State or under federal laws or regulations.

(h) *No Default.* The Authority is not in default under (i) the Act, (ii) any order, writ, injunction or decree of any court or Governmental Agency applicable to or binding on it or any of its properties, (iii) any law or regulation, (iv) any of its Indebtedness, (v) any contract, agreement

or instrument to which it is a party or by which it or its property is bound, in each case, which default could have a material adverse effect on the business, assets, condition, financial position, results of operations, properties, revenues or prospects of the Authority or an adverse effect on the validity or enforceability of, or the authority or ability of the Authority to perform its obligations under, this Agreement and the Related Documents to which it is a party; and no event has occurred which with the giving of notice or the passage of time or both would constitute a default. No event, act or omission has occurred and is continuing which, with the lapse of time, the giving of notice, or both, would constitute an Event of Default.

(i) *Official Statement.* The Official Statement, a true copy of which has heretofore been delivered to OCLTA, was prepared with respect to the Notes. In addition, all amendments or supplements to the Official Statement prepared prior to the Closing Date have also been delivered to OCLTA. The Official Statement, as of its date, did not contain any untrue statement of a material fact with respect to the Authority, and did not omit to state a material fact with respect to the Authority necessary to make the statements therein with respect to the Authority, in light of the circumstances under which they were made, not misleading. If the Authority, subsequent to the Closing Date, prepares any amendments, supplements or replacement to the Official Statement containing information about the Authority, the Authority will provide a true copy to OCLTA, and such Official Statement, as of its date, will not contain any untrue statement of a material fact with respect to the Authority, and will not omit to state a material fact with respect to the Authority necessary to make the statements therein with respect to the Authority, in light of the circumstances under which they were made, not misleading; *provided* that no representation is made as to information with respect to any party other than the Authority included therein.

(j) *Pending Legislation.* (i) As of the Closing Date, the Authority knows of no legislation pending that could, if enacted, affect the validity or enforceability of this Agreement or the Related Documents, or the ability of the Authority to perform its obligations hereunder or under the Related Documents, and (ii) no legislation has been enacted which in any way adversely affects the Notes or the execution, delivery or performance of this Agreement or the Related Documents or the creation, organization or existence of the Authority or the titles to office of any officers thereof, or the power of the Authority to carry out its obligations under this Agreement or the Related Documents or the ability of the Authority to perform its obligations hereunder or under the Related Documents.

(k) *Environmental Laws.* The Authority and its property (i) have not become subject to any Environmental Liability nor does it know of any basis for any Environmental Liability, (ii) have not received notice to the effect that any of the Authority's property or its operations are not in compliance with any of the requirements of any Environmental Laws or any applicable federal, state or local health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, and (iii) to the best of the knowledge of the Authority, is in compliance with all Environmental Laws and has obtained and maintains or complies with any permit, license or other approval required under any Environmental Law, in each of (i), (ii) and (iii) above, except with respect to any matters that, individually or in the aggregate, could not reasonably be expected to adversely affect the security for any of the Notes, or the Authority's ability to pay when due its obligations under, or the validity

or enforceability of, this Agreement, the Notes or any of the other Related Documents to which it is a party, or materially adversely affect the business, assets, condition, financial position, results of operations, properties, revenues or prospects of the Authority. The Authority agrees that any Person with whom the Authority enters into a project contract with respect to the Authority's properties will agree to act in accordance with the terms of this subsection as to the Authority's properties.

(l) *Trustee.* [Trustee] is the duly appointed and acting Trustee with respect to the Notes.

(m) *No Existing Right to Accelerate.* As of the Closing Date, no Person has a right under any indenture or any supplemental indenture relating to any Notes or any other document or agreement relating to any Notes to direct the Trustee or any other Person to declare the principal of and interest on any Notes to be immediately due and payable.

ARTICLE V

COVENANTS OF THE AUTHORITY

Section 5.01. Covenants of the Authority. During the term of this Agreement, and until the obligations of the Authority to OCLTA hereunder are paid in full including full payment of Authority Refunding Bonds, and OCLTA has no further commitment hereunder, unless OCLTA shall otherwise consent in writing, the Authority covenants and agrees as follows:

(a) *Information.* The Authority will deliver to OCLTA:

(i) as soon as practicable and, in any event, within 210 days after the end of each fiscal year of the Authority, a balance sheet of the Authority as at the end of such fiscal year and statements of operations and fund balances and cash flows and changes in financial position for the fiscal year then ended, all in reasonable detail prepared in accordance with GAAP consistently applied and any applicable regulations accompanied by a report and opinion of the Authority's independent accountants (who shall be of nationally recognized standing) which report and opinion shall have been prepared in accordance with GAAP, together with the audit report of such independent certified public accountants (which report shall not be qualified as to the conduct of such audit in accordance with generally accepted auditing standards). In addition, the chief executive officer, chief financial officer, treasurer or executive director of the Authority shall deliver to OCLTA within said period of 210 days a certificate, substantially in the form of Exhibit E, (i) stating that nothing has come to his attention to lead him to believe that any Event of Default hereunder exists or, if such is not the case, specifying such Event of Default and the nature thereof;

(ii) as soon as practicable and, in any event, within 60 days after the end of each fiscal quarter of the Authority, the Authority shall provide to OCLTA the unaudited statement of revenue and expenditures of the general fund of the Authority for the preceding fiscal quarter and for the year to date, in each case, in reasonable detail and

subject to year-end adjustment, in format similar to the information provided in clause (i) above, comparing such information to the same periods in the prior fiscal year, r;

(iii) as soon as practicable after adoption by the governing body of the Authority, and, in any event within thirty (30) days of the adoption thereof, the approved budget of the Authority for the upcoming fiscal year;

(iv) promptly, and in any event within five (5) Business Days after the Authority shall have obtained knowledge, of the occurrence of an Event of Default, the written statement of an authorized officer of the Authority setting forth the details of each such Event of Default and the action which the Authority proposes to take with respect thereto;

(v) as soon as possible but, in any event, within 30 days after the issuance thereof, copies of any prospectus, official statement, offering circular, placement memorandum or similar or corresponding document, and any supplements thereto and updates and amendments thereof, that the Authority makes available in connection with the offering for sale of any securities of which it is the issuer, and, on OCLTA's reasonable request, to the extent not duplicative of items delivered pursuant to subsection (x) below, copies of all annual reports, and notices of filing of all other reports, that the Authority may be required to file with any governmental commission, department, board, bureau or agency, Federal or State;

(vi) promptly, notice of any change, suspension or withdrawal in the ratings on the Notes or the Authority Refunding Bonds, by Moody's or RATING AGENCY forthwith upon the occurrence thereof;

(vii) promptly, notice of the failure of the Authority to make a payment under any other Indebtedness of the Authority;

(viii) promptly (i) notice of the failure by the Trustee to perform any of their respective obligations under the Related Documents to which such entity is a party, (ii) notice of any proposed substitution of this Agreement, and (iii) notice of any resignation or removal of the Trustee;

(ix) promptly upon receipt of the written request therefor from OCLTA, copies of all management letters of substance and other reports of substance that are submitted to the Authority by its independent accountants in connection with any annual or interim audit of the books of the Authority made by such accountants;

(x) promptly, after the filing thereof, any material event notices or other filing required to be filed pursuant to Securities and Exchange Commission Rule 15c2-12 or pursuant to any continuing disclosure agreement entered into by the Authority relating to an adverse (including preliminary) determination as to the tax exempt status of the Notes or other events affecting the tax exempt status of the Notes as required by the provisions of said Rule;

(xi) promptly, notice of any redemption, repayment or other payment of any or all of the Notes;

(xii) promptly, notice of any proposed amendments to Related Documents and copies of all actual amendments thereto; and

(xiii) from time to time such other information with respect to the affairs, properties, business, revenues, condition (financial or other), results of operations or prospects of the Authority or with respect to the Notes and the transactions contemplated hereby and by the Related Documents as OCLTA may from time to time reasonably request.

(b) *No Amendment Without Consent of OCLTA.* Subject to Section 5.01(e), the Authority will not agree or consent to any amendment, supplement or modification of any Related Document, nor waive any provision thereof, in any manner which would materially and adversely affect OCLTA, without the prior written consent of OCLTA.

(c) *Trustee.* The Authority shall not appoint any Person to perform the duties of the Trustee in accordance with the terms of the Indenture, without the consent of OCLTA, which consent shall not be unreasonably withheld.

(d) *Incorporation of Covenants by Reference.* The Authority agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in the Indenture and the other Related Documents, which provisions, as well as related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety. To the extent that (A) any such incorporated provision permits any Person to waive compliance with or consent to such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to any Person and (B) any such waiver or consent or acceptance of a document, opinion or other instrument would adversely affect the interests of OCLTA, for purposes of this Agreement, such provision shall be complied with only if it is waived or consented to in writing by OCLTA and such document, opinion or other instrument shall be acceptable or satisfactory only if it is acceptable or satisfactory to OCLTA. Without the written consent of OCLTA, no amendment to such covenants and agreements or defined terms made pursuant to any certificate or any other Related Document shall be effective to amend such covenants and agreements and defined terms as incorporated by reference herein.

(e) *Reserved.*

(f) *Maintenance of Books and Records.* The Authority will keep proper books of record and account in which full, true and correct entries in accordance with GAAP will be made of all dealings or transactions in relation to its business and activities.

(g) *Access to Officers, Employees or Agents.* The Authority will permit its officers, employees and agents to discuss with OCLTA matters pertinent to an evaluation of the credit of

the Authority, all at such reasonable times as OCLTA may reasonably request and at the expense of the Authority upon and during the continuance of an Event of Default.

(h) *Inspection of Records.* At any reasonable time and upon reasonable prior notice from time to time, and at the expense of the Authority upon and during the continuance of an Event of Default, the Authority shall permit OCLTA or any agents or representatives thereof designated in writing (i) to visit and inspect any of the properties of the Authority, and to discuss the affairs, finances and accounts of the Authority with, and to be advised as to the same by, the principal officers and employees of the Authority and its independent public accountants, all at such reasonable times during normal business hours and as often as OCLTA may reasonably request, and (ii) to review and inspect the corporate books and financial records of the Authority and to make copies thereof and extracts therefrom.

(i) *Compliance with Law.* The Authority shall comply with all laws, rules and regulations, and with all final orders, writs, judgments, injunctions, decrees or awards of any court or Governmental Agency, which are applicable to the Authority or any of its properties; *provided, however,* that the Authority may contest the validity or application thereof and appeal or otherwise seek relief therefrom, and exercise any and all of the rights and remedies which it may have with regard thereto, so long as such acts do not affect the validity or enforceability of, or the power and authority of the Authority to perform its obligations under, this Agreement and the Related Documents to which it is a party.

(j) *Proceeds of Notes.* The proceeds of the Notes and the purchase of the Authority Refunding Bonds will be used by the Authority solely for the purposes described in the Indenture.

(k) *Payment of Obligations.* (i) The Authority shall take such action as necessary to cause payment of the Notes and Authority Refunding Bonds, and shall take such further action as is appropriate in order to provide for payment of any and all of its obligations hereunder and under all of the Related Documents, including, without limitation, including such amounts in its budget as and to the extent applicable.

(ii) The Authority shall pay (a) all indebtedness and obligations of the Authority in accordance with the terms thereof and (b) all assessments or other governmental charges as the same respectively become due, all taxes, assessments (general or special) and governmental charges of any kind whatsoever that may be at any time lawfully assessed or levied against or with respect to any of its or its businesses, property, revenues and assets or any interest thereon and promptly discharge or cause to be discharged all liens, encumbrances and charges on such businesses, property, revenues and assets.

(l) *Further Assurances.* From time to time hereafter, the Authority will execute and deliver such additional instruments, certificates or documents, and will take all such actions as OCLTA may reasonably request for the purposes of implementing or effectuating the provisions of this Agreement and each of the Related Documents. Except to the extent it is exempt therefrom, the Authority will pay or cause to be paid all filing, registration and recording fees incident to such

filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance.

(m) *Preservation of Existence.* The Authority will not directly or indirectly:

(i) Terminate, wind up, liquidate or dissolve its affairs or sell, transfer, convey or lease (whether in a single transaction or a series of transactions) all or any substantial part of its properties or assets.

(ii) Consolidate or merge with or into any other corporation, organization, partnership, association, government, political subdivision, public benefit corporation or other entity, including an individual, unless:

(A) neither the validity nor enforceability of the the Notes or the Indenture shall be adversely affected thereby;

(B) such merger or consolidation shall be with or into another body politic and corporate, which shall assume in writing or by operation of law, the due and punctual performance and observance of all covenants, agreements and conditions of the Fifth Supplemental Indenture, the Notes, the Indenture and this Agreement;

(C) the pledge of the Security shall remain in full force and effect with respect to the Notes (including Authority Refunding Bonds) and the other obligations of the Authority under this Agreement and the priority of such pledge shall remain the same as in effect prior to such merger or consolidation;

(D) the long-term ratings on the Notes by RATING AGENCY, Moody's and _____ (to the extent each such Rating Agency is then rating the Notes) shall remain the same as in effect prior to such merger or consolidation;

(E) no Event of Default will have occurred and be continuing, both before and after giving effect to such merger or consolidation; and

(F) such merger or consolidation shall not have a material adverse effect on the Notes, this Agreement or any other Related Document or otherwise to the operations, affairs, properties, condition (financial or otherwise) or prospects of the Authority, as determined by OCLTA, in its sole discretion.

At least thirty (30) days before the consummation of any such consolidation or merger, the Authority shall give notice thereof in reasonable detail to OCLTA. The Authority promptly shall furnish such additional information with respect to any such consolidation or merger as OCLTA shall request and, if OCLTA shall so request, an opinion of counsel satisfactory to OCLTA, in form and substance satisfactory to OCLTA, as to the matters set forth in subparagraphs (A), (B), (C), (E) and (F) of this subsection (q)(ii).

(n) *Liens, Etc.* The Authority shall not create or suffer to exist any Lien upon or with respect to any of the funds or accounts created under the Indenture except those Liens specifically permitted under the Indenture. The Authority shall not create any pledge, lien or charge upon any of the Collateral having priority over or having parity with the lien of the Notes or the Authority Refunding Bonds.

(o) *Actions.* The Authority shall not take any action, or cause the Trustee to take any action, under the Related Documents inconsistent with the rights of OCLTA under this Agreement including, without limitation, its obligations to make payments to OCLTA, without the prior written consent of OCLTA.

(p) *Disclosure.* The Authority shall not refer to OCLTA in any official statement or make any changes in reference to OCLTA in any official statement without OCLTA's prior written consent thereto. OCLTA hereby consents to the inclusion of the disclosure information describing OCLTA that has been specifically provided for purposes of the Official Statement.

(q) *Additional Obligations.* Except for the Notes and the Authority Refunding Bonds, the Authority shall not issue any obligations or securities payable in whole or in part from the Collateral.

(r) *Reserved.*

(s) *Accounting Methods and Fiscal Year.* The Authority shall not adopt, permit or consent to any change in accounting practices other than as required by GAAP and will not adopt, permit or consent to any change in its fiscal year unless it provides prior written notice of such change to OCLTA.

ARTICLE VI

CONDITIONS PRECEDENT

Section 6.01. Conditions to OCLTA's Entering into Agreement. It shall be a condition precedent to OCLTA's entering into this Agreement that all proceedings taken in connection with the transactions contemplated hereby and all documents incident thereto including the Related Documents shall be in form and substance satisfactory to OCLTA and that the conditions enumerated in this Section 6.01 have been fulfilled to the satisfaction of OCLTA and its counsel. Delivery by OCLTA of fully executed signature pages to this Agreement shall constitute acknowledgment and acceptance by OCLTA that all such conditions have been met or waived.

(a) *Representations.* On the date of the execution and delivery of this Agreement: (i) there shall exist no Event of Default; (ii) all representations and warranties made by the Authority herein or in any of the Related Documents to which it is a party shall be true and correct with the same effect as though such representations and warranties had been made at and as of such time; (iii) the statements made by the Authority in this Agreement, in any of the Related Documents and in the information contained in the unaudited quarterly financial information of the Authority delivered to OCLTA pursuant to Section 6.01(b)(xii) hereof, in connection with this

Agreement are accurate in all material respects as of the Closing Date and the foregoing documents furnished to OCLTA by or on behalf of the Authority were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the Closing Date, represent the Authority's best estimate of its future financial performance; however, the parties acknowledge that there is no guarantee that the assumptions used therein will not be wrong to a material extent; and (iv) on the Closing Date, after giving effect to the transactions contemplated by this Agreement and the other Related Documents to which it is a party, the Property (including, without limitation, the Collateral when and as received) of the Authority will not be less than the probable liability on its debts as such debts become due, and the Authority expects to have reasonably sufficient revenues to conduct its business.

(b) *Supporting Documents.* On or prior to the date of the execution and delivery of this Agreement, OCLTA shall have received, in form and substance satisfactory to OCLTA, the following:

- (i) true and complete executed originals of this Agreement;
- (ii) copies of the Indenture and each other Related Document not specified in (i) above;
- (iii) certified copies of the resolutions of the Authority approving this Agreement, the Related Documents and the other matters contemplated hereby (which certificate shall state that such resolutions are in full force and effect as of the Closing Date);
- (iv) originals (or copies certified to be true copies by the Authority) of all governmental and regulatory approvals, if any, at the time necessary for the Authority with respect to this Agreement and the transactions contemplated hereby;
- (v) signature and incumbency certificates, dated the date of the execution and delivery of this Agreement, of the signatures of the officers of the Authority executing this Agreement and the Related Documents to which it is a party and which are being delivered on the date of this Agreement;
- (vi) a certificate of the Authority, dated the date of the execution and delivery of this Agreement, to the effect set forth in Section 6.01(a) and covering such other matters as OCLTA may reasonably request;
- (vii) a certificate of the Authority, dated the date of the execution and delivery of this Agreement, certifying and attaching true and complete copies of each of the applicable Related Documents, together with all amendment and modifications thereto;
- (viii) signature and incumbency certificates, dated the date of the execution and delivery of this Agreement, of the signatures of the officers of the Trustee;

(ix) a certificate of the Trustee, dated the date of the execution and delivery of this Agreement, covering such matters as OCLTA may reasonably request;

(x) executed legal opinions, dated the date of the execution and delivery of this Agreement, addressed to OCLTA and in form and substance satisfactory to OCLTA (A) of Bond Counsel covering such matters as OCLTA may reasonably request, including without limitation, a reliance letter from Bond Counsel confirming that OCLTA may rely on the final approving opinion delivered by Bond Counsel in connection with the issuance of the Notes, (B) of counsel to the Authority covering such matters as OCLTA may reasonably request, and (C) of counsel to the Trustee covering such matters as OCLTA may reasonably request; and

(xi) such other documents, instruments, approvals (and, if requested by OCLTA, certified duplicates of executed copies thereof) or opinions as OCLTA may reasonably request.

(c) *Ratings.* OCLTA shall have received (i) satisfactory evidence that the Notes shall have been assigned a long-term rating of not less than “___” by RATING AGENCY and “___” by Moody’s.

(d) *No Material Adverse Effect or Change.* In the sole judgment of OCLTA, (i) since the most recent date on which the Authority has supplied information, financial or otherwise, to OCLTA, there has been no event which materially adversely affects the issuance of the Notes, the security for the Notes or the Authority’s ability to repay when due its obligations under this Agreement and the Related Documents and (ii) since June 30, 2020, in the judgment of OCLTA, there has been no material adverse change or disruption in the financial banking or capital markets for liquidity facilities similar in nature to the facility contemplated by this Agreement.

Section 6.02. Conditions Precedent to Purchase. The obligation of OCLTA to purchase Authority Refunding Bonds hereunder is subject to OCLTA receiving the Notice of OCLTA Purchase as provided in Section 2.02 hereof.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

The occurrence of any of the events set forth in Sections 7.01 shall constitute an event of default (each, an “*Event of Default*”). Upon the occurrence of an Event of Default (as hereinafter defined), OCLTA may exercise those rights and remedies provided in Section 7.03.

Section 7.01. Events of Default.

(a) *Payments.* The Authority shall fail to pay when due (i) principal or interest on Authority Refunding Bonds which has become due and payable, or (ii) any amounts owed by the Authority to OCLTA pursuant to this Agreement (other than as described in clause (i) above) and any such failure solely in the case of this clause (ii) is not cured within three (3) Business Days.

(b) *Representations.* Any representation or warranty (other than the representations and warranties contained in Sections 4.01(v) and 4.01(w) hereof) made by or on behalf of the Authority in this Agreement or in any other Related Document or in any certificate or statement delivered hereunder or thereunder shall prove to have been incorrect or untrue in any material respect when made or deemed to have been made.

(c) *Covenants.* The Authority shall fail to perform or observe any term, covenant or agreement (other than ones described in any other paragraph of this Section 7.01) contained in (or otherwise incorporated into) this Agreement (each a “*Covenant Failure*”) which failure continues for thirty (30) days or more; *provided* that such Covenant Failure shall not constitute an Event of Default hereunder until such failure continues for sixty (60) days if (i) the Authority provides satisfactory evidence to OCLTA that such Covenant Failure is able to be cured within sixty (60) days of the occurrence of the Covenant Failure, (ii) the Authority provides reasonable assurances to OCLTA that the Covenant Failure will be cured within sixty (60) days of the occurrence of the Covenant Failure and (iii) the Authority provides satisfactory evidence to OCLTA that the Authority has commenced the process required to cure such Covenant Failure within ten (10) days of the occurrence of such Covenant Failure.

(d) *Debt.* (i) Default by the Authority in the payment of any amount due in respect of any Indebtedness payable to OCLTA as and when the same shall become due, or (ii) default by the Authority in the payment of any amount due in respect of any other Indebtedness in an aggregate amount in excess of \$5,000,000 as and when the same shall become due, or (iii) (A) default under any mortgage, agreement or other instrument under or pursuant to which such Indebtedness is incurred or issued, and continuance of such default beyond any period of grace allowed with respect thereto, or (B) the occurrence of any act or omission by the Authority under any such mortgage, agreement or other instrument which, in the case of either (A) or (B), results in any amount of such Indebtedness (if such Indebtedness is a Indebtedness payable to OCLTA) or in excess of \$5,000,000 of such Indebtedness (with respect any other Indebtedness) becoming, or being capable of becoming, immediately due and payable.

(e) *Invalidity.* Any provision of this Agreement, the Notes or any other Related Document shall cease to be valid and binding, or the Authority shall contest any such provision, or the Authority or any authorized agent or trustee on behalf of the Authority, shall deny that it has any further liability under any provision of this Agreement, the Notes or any other Related Document.

(f) *Other Documents.* The occurrence of any default beyond the period of grace, if any, allowed with respect thereto under any Related Document other than this Agreement.

(g) *Financial Emergency.* There shall be appointed or designated with respect to the Authority, an entity such as an organization, board, commission, authority, agency or body to monitor or declare a financial emergency or similar state of financial distress with respect to it or there shall be declared by it or by any legislative or regulatory body with competent jurisdiction over it, the existence of a state of financial emergency or similar state of financial distress in respect of it.

(h) *Event of Taxability.* One or more attachments against the property of the Authority, the operation or result of which, individually or in the aggregate, equal or exceed \$5,000,000 shall remain unstayed, undischarged, unbonded or undismissed for a period of sixty (60) days.

(i) *Event of Insolvency.* The occurrence of an Event of Insolvency.

Section 7.02. Certain Other Matters. No failure or delay on the part of OCLTA in exercising any right, power or privilege hereunder and no course of dealing shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly provided are cumulative and not exclusive of any rights or remedies which OCLTA would otherwise have. No notice to or demand on the Authority or any other Person hereto in any case shall entitle the Authority or such other Person to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of OCLTA to any other or further action in any circumstances without notice or demand.

Section 7.03. Remedies. Upon the occurrence and during the continuance of an Event of Default under this Agreement as provided in Section 7.01 hereof, OCLTA shall be entitled to exercise all remedies available at law or equity; provided in no event shall OCLTA be entitled to terminate its obligation to purchase Authority Refunding Bonds as provided in Section 2.01 hereof.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Changes to Agreement. No provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the parties hereto. The Trustee shall give notice to RATING AGENCY, _____ and Moody's, if then rating the Notes, of any amendments to this Agreement.

Section 8.02. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; *provided, however*, that the Authority may not assign or transfer any of its rights or obligations hereunder without the prior written consent of OCLTA; and *provided, further, however*, with respect to OCLTA, no assignment shall occur and become effective until each of RATING AGENCY, _____ and Moody's, if then rating the Notes, has confirmed in writing that such assignment shall not cause the lowering, withdrawal or suspension of any ratings then existing on the Notes. OCLTA may disclose to any assignee or prospective assignee any information or other data or material in OCLTA's possession relating to this Agreement, any Related Document and the Authority, without the consent of or notice to the Authority. OCLTA shall have the right at any time to grant participations in all or part of its obligations hereunder and the obligations of the Authority hereunder to any other institutional purchaser (the "*Participants*") without the consent of or notice to the Authority or any other Person; *provided, however*, that notwithstanding anything herein to the contrary, OCLTA shall not grant participations in all or part of its obligations hereunder unless such participation is subject in all cases to the provisions of this Agreement; and *provided, further* that any such participation shall not relieve OCLTA from any of its obligations

under this Agreement and the Authority and the Trustee may deal exclusively with OCLTA for all purposes of this Agreement (including the making of all payments on Authority Refunding Bonds). OCLTA may disclose to any Participant or prospective Participant any information or other data or material in OCLTA's possession relating to this Agreement, any Related Document and the Authority, without the consent of or notice to the Authority.

Section 8.03. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

Section 8.04. Submission to Jurisdiction; Waiver of Jury Trial; Judicial Reference.

(a) *Submission to Jurisdiction.* With respect to any suit, action or proceedings relating to this Agreement ("*Proceedings*"), each party irrevocably: (i) submits, to the fullest extent permitted by applicable law, to the exclusive jurisdiction of each of the courts of the State of California and the United States District Court located in the Southern District of California; *provided* that the parties agree to the extent either such court shall have competent jurisdiction, that the parties shall first designate the United States District Court located in the Southern District of California as the site of such suit, action or proceeding; and (ii) waives, to the fullest extent permitted by applicable law, (1) any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, (2) any claim that such Proceedings have been brought in an inconvenient forum and (3) the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party and agrees that neither party shall bring Proceedings in any other jurisdiction.

(b) *Waiver of Jury Trial.* The extent permitted by law, OCLTA, the Trustee and the Authority each hereby irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or relating to any related document or the transactions contemplated thereby. The Authority further agrees that, in the event of litigation, it will not personally or through its agents or attorneys seek to repudiate the validity of this Section 8.04, and it acknowledges that it freely and voluntarily entered into this Agreement to waive trial by jury in order to induce OCLTA to enter into this Agreement.

(c) *Judicial Reference Provisions.* (i) Any and all disputes, claims and controversies arising out of this Agreement or the Related Documents or the transactions contemplated thereby (including, but not limited to, actions arising in contract or tort and any claims by a party to this Agreement (collectively, the "*Parties*") against OCLTA related in any way to the financing) (individually, a "*Dispute*") that are brought before a forum in which pre-dispute waivers of the right to trial by jury are invalid under applicable law shall be subject to the terms of this Section 8.04(c) in lieu of the jury trial waivers otherwise provided in this Agreement or the Related Documents.

(ii) Any and all Disputes shall be heard by a referee and resolved by judicial reference pursuant to California Code of Civil Procedure Sections 638 *et seq.*

(iii) The referee shall be a retired California state court judge or an attorney licensed to practice law in the State of California with at least ten (10) years' experience

practicing commercial law. The Parties shall not seek to appoint a referee that may be disqualified pursuant to California Code of Civil Procedure Section 641 or 641.2 without the prior written consent of all Parties.

(iv) If the Parties are unable to agree upon a referee within ten (10) calendar days after one Party serves a written notice of intent for judicial reference upon the other Party or Parties, then the referee will be selected by the court in accordance with California Code of Civil Procedure Section 640(b).

(v) The referee shall render a written statement of decision and shall conduct the proceedings in accordance with the California Code of Civil Procedure, the Rules of Court, and California Evidence Code, except as otherwise specifically agreed by the parties and approved by the referee. The referee's statement of decision shall set forth findings of fact and conclusions of law. The decision of the referee shall be entered as a judgment in the court in accordance with the provisions of California Code of Civil Procedure Sections 644 and 645. The decision of the referee shall be appealable to the same extent and in the same manner that such decision would be appealable if rendered by a judge of the superior court.

(vi) Nothing in this Section 8.04(c) shall be deemed to apply to or limit the right of OCLTA (1) to exercise self-help remedies such as (but not limited to) setoff, or (2) to foreclose judicially or nonjudicially against any real or personal property collateral, or to exercise judicial or nonjudicial power of sale rights, (3) to obtain from a court provisional or ancillary remedies (including, but not limited to, injunctive relief, a writ of possession, prejudgment attachment, a protective order or the appointment of a receiver), or (4) to pursue rights against a Party in a third-party proceeding in any action brought against OCLTA (including actions in bankruptcy court). OCLTA may exercise the rights set forth in the foregoing clauses (1) through (4), inclusive, before, during or after the pendency of any judicial reference proceeding. Neither the exercise of self-help remedies nor the institution or maintenance of an action for foreclosure or provisional or ancillary remedies or the opposition to any such provisional remedies shall constitute a waiver of the right of any Party, including, but not limited to, the claimant in any such action, to require submission to judicial reference the merits of the Dispute occasioning resort to such remedies. No provision in this Agreement or the Related Documents regarding submission to jurisdiction and/or venue in any court is intended or shall be construed to be in derogation of the provisions in this Agreement or the Related Documents for judicial reference of any Dispute.

(vii) If a Dispute includes multiple claims, some of which are found not subject to this Section 8.04(c), the Parties shall stay the proceedings of the Disputes or part or parts thereof not subject to this Section 8.04(c) until all other Disputes or parts thereof are resolved in accordance with this Section 8.04(c). If there are Disputes by or against multiple parties, some of which are not subject to this Section 8.04(c), the Parties shall sever the Disputes subject to this Section 8.04(c) and resolve them in accordance with this Section 8.04(c).

(viii) During the pendency of any Dispute which is submitted to judicial reference in accordance with this Section 8.04(c), each of the Parties to such Dispute shall bear equal shares of the fees charged and costs incurred by the referee in performing the services described in this Section 8.04(c). The compensation of the referee shall not exceed the prevailing rate for like services. The prevailing party shall be entitled to reasonable court costs and legal fees, including customary attorney fees, expert witness fees, paralegal fees, the fees of the referee and other reasonable costs and disbursements charged to the party by its counsel, in such amount as is determined by the referee.

(ix) In the event of any challenge to the legality or enforceability of this Section 8.04(c), the prevailing Party shall be entitled to recover the costs and expenses from the non-prevailing Party, including reasonable attorneys' fees, incurred by it in connection therewith.

(x) THE PROVISIONS OF THIS SECTION 8.04(C) CONSTITUTE A "REFERENCE AGREEMENT" BETWEEN OR AMONG THE PARTIES WITHIN THE MEANING OF AND FOR PURPOSES OF CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638.

Section 8.05. Extension of OCLTA Purchase Period. The Stated Expiration Date may be extended from time to time, at the request of the Authority (in the form of Exhibit C attached hereto) made no earlier than 180 days prior to the Stated Expiration Date, by agreement in writing between the Authority and OCLTA (the period from the preceding Stated Expiration Date to such new Stated Expiration Date being herein sometimes called the "*Extended OCLTA Purchase Period*"). The Extended OCLTA Purchase Period may itself be extended in a like manner for additional periods. OCLTA has no obligation to agree to any Extended OCLTA Purchase Period. If OCLTA, in its sole and absolute discretion, determines to extend any such period, OCLTA shall give written notice of the election to extend to the Authority and the Trustee at least 120 days prior to the expiration of the then Stated Expiration Date. At the time of any extension, OCLTA may, in its sole and absolute discretion, renegotiate terms and conditions of this Agreement, including OCLTA Rate. Notwithstanding anything in this paragraph to the contrary, if OCLTA fails to give notice of an election to extend, this Agreement shall expire at the end of OCLTA Purchase Period or Extended OCLTA Purchase Period then in effect.

Section 8.06. Notice. Any notice, demand, direction, invoice, request or other instrument authorized or required by this Agreement to be given to or filed with the Trustee, OCLTA or the Authority, shall be deemed or have been sufficiently given or filed for all purposes, if any, when delivered by hand or when sent by registered mail, return receipt requested, postage prepaid, and if given by facsimile shall be deemed given when transmitted (receipt confirmed):

If to the Trustee (to be sent U.S. Mail and email):

If to OCLTA:

If to the Authority (to be sent U.S. Mail and email):

With a copy to the Trustee.

Section 8.07. Obligations Absolute. The obligations of the Authority under this Agreement shall be absolute, unconditional and irrevocable, and shall be paid and performed strictly in accordance with the terms of this Agreement, under all circumstances whatsoever, including, without limitation, the following circumstances:

- (a) any lack of validity or enforceability of the Related Documents;
- (b) any amendment or waiver of or any consent to or departure from all or any of the Related Documents;
- (c) any exchange, release or non-perfection of any collateral or any release or amendment or waiver of or consent to departure from any guaranty and insurance documents;
- (d) the existence of any claim, set-off, defense, or other right which the Authority may have at any time against the Trustee, OCLTA (other than the defense of the payment to OCLTA in accordance with the terms of this Agreement) or any other Person, whether in connection with this Agreement, the Related Documents, the transactions contemplated herein or therein, or any unrelated transactions;
- (e) any certificate, notice or any other document presented under this Agreement proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; or
- (f) any other circumstance, or happening whatsoever, whether or not similar to any of the foregoing.

Section 8.08. Holidays. Except as otherwise provided herein, whenever any payment or action to be made or taken hereunder shall be stated to be due on a day which is not a Business Day, such payment or action shall be made or taken on the next following Business Day, and such extension of time shall be included in computing interest or fees, if any, in connection with such payment or action.

Section 8.09. Survival. All representations, warranties, covenants and agreements of the Authority contained in this Agreement as amended or supplemented from time to time or made in writing in connection herewith shall survive the execution and delivery hereof and the purchase of Notes by OCLTA hereunder and shall continue in full force and effect until payment in full of all payment obligations of the Authority hereunder, it being understood that the agreements of the

Authority found in Sections 2.06, 2.07, 3.01(b), and 8.12 shall survive the termination of this Agreement and payment in full of such obligations.

Section 8.10. Liability of OCLTA. The Authority and the Trustee agree that OCLTA shall have no liability or responsibility for the acts or omissions of the Trustee in respect of its use of this Agreement or any amounts made available by OCLTA hereunder. OCLTA shall have no responsibility for, nor incur any liability in respect of, any act, or any failure to act, by the Trustee which results in the failure of the Trustee to effect the purchase of Notes for the account of OCLTA with funds provided by OCLTA pursuant to Section 2.02 or to comply with the applicable provisions of the Indenture. Neither OCLTA nor any of its directors, officers or employees shall be liable or responsible for: (a) the use which may be made of this Agreement or any amounts made available by OCLTA hereunder or for any acts or omissions of the Trustee in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsement(s) thereon even if such documents should in fact prove to be in any or all respect invalid, insufficient, fraudulent or forged; or (c) any other circumstances whatsoever in making or failing to make payment under this Agreement, other than, in the case of OCLTA, OCLTA's gross negligence or willful failure to purchase Notes when required under the terms and conditions of this Agreement. In no event shall OCLTA be liable to any Person for special, punitive or consequential damages, including, without limitation, such damages suffered by reason of OCLTA's failure to purchase Notes when required under the terms and conditions of this Agreement.

Section 8.11. Indemnification. To the extent permitted by law, the Authority agrees to indemnify and hold OCLTA harmless from and against, and to pay on demand, any and all claims, damages, losses, liabilities, costs and expenses whatsoever which OCLTA may incur or suffer by reason of or in connection with (i) the execution and delivery or performance of this Agreement or any other documents which may be delivered in connection with this Agreement, (ii) the disclosure in the Official Statement or any other offering document used in connection with the offering, sale, remarketing or resale of the Notes, other than information regarding OCLTA set forth therein which is expressly provided by OCLTA for inclusion therein, or (iii) any breach by the Authority of any warranty, covenant, term or condition in, or the occurrence of any default under, this Agreement or any other Related Document, including, without limitation, the reasonable fees and expenses of counsel for OCLTA or any consultant to OCLTA with respect thereto and with respect to advising OCLTA as to its rights and responsibilities under this Agreement and all reasonable fees and expenses, if any, in connection with the enforcement or defense of the rights of OCLTA in connection with this Agreement or any of the Related Documents, or the collection of any monies due under this Agreement or such other documents which may be delivered in connection with this Agreement or any of the Related Documents; except, only if, and to the extent that any such claim, damage, loss, liability, cost or expense shall be caused by OCLTA's gross negligence or willful misconduct as determined by a court of competent jurisdiction. Promptly after receipt by OCLTA or notice of the commencement, or threatened commencement, of any action subject to the indemnities contained in this Section 8.12, OCLTA shall promptly notify the Authority thereof, *provided* that failure to give such notice shall not relieve the Authority from any liability to OCLTA hereunder. The obligations of the Authority under this Section 8.12 shall survive payment of all obligations by the Authority to OCLTA owed under this Agreement. Notwithstanding anything to the contrary set forth in this Agreement, for

the purposes of this Section 8.12(b) all references to OCLTA shall also include its officers, directors, employees and agents of OCLTA.

Section 8.12. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together shall constitute one and the same instrument.

Section 8.13. Document Imaging and Electronic Transactions. OCLTA is permitted to create electronic images of this Agreement and the other Related Documents and to destroy paper originals of any such imaged documents. Any such images maintained by OCLTA as a part of its normal business processes shall be given the same legal effect as the paper originals. OCLTA is permitted to convert this Agreement and the other Related Documents into a “transferable record” under the Uniform Electronic Transactions Act (“UETA”), with the image of such instrument in OCLTA’s possession constituting an “authoritative copy” under UETA.

Section 8.14. Notice of New Addresses Under Related Documents. The Authority shall deliver a copy of this Agreement to the Trustee as notice of a new address for notices to OCLTA under the respective notice provisions of each of the Related Documents.

Section 8.15. Severability. Any provision of this Agreement that is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

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

ORANGE COUNTY TRANSPORTATION AUTHORITY

By: _____
Its: _____

APPROVED AS TO FORM:

General Counsel

ORANGE COUNTY LOCAL
TRANSPORTATION AUTHORITY

By:_____

Its:_____

APPROVED AS TO FORM:

General Counsel

EXHIBIT A

NOTICE OF OCLTA PURCHASE

EXHIBIT B

FORM OF REQUEST FOR EXTENSION OF STATED EXPIRATION DATE

[DATE]

EXHIBIT C

FORM OF COMPLIANCE CERTIFICATE

[Date]

The undersigned is the _____ of the ORANGE COUNTY TRANSPORTATION AUTHORITY (together with its successors and assigns permitted under the hereinafter defined Agreement, the “*Authority*”), a local transportation authority duly established and existing under the laws of the State of California, and hereby certifies that (unless otherwise defined herein, the terms used in this Compliance Certificate have the meanings ascribed thereto in the hereinafter defined Agreement):

1. Under his or her supervision, the Authority has made a review of its activities during the preceding annual period covered by the attached financial statements for the purpose of determining whether or not the Authority has complied with all of the terms, provisions and conditions of that certain Standby Bond Purchase Agreement (the “*Agreement*”) dated as of September 1, 2021, among the Orange County Transportation Authority (the “*Authority*”), _____, as Trustee (the “*Trustee*”), and Mizuho OCLTA, Ltd., acting through its California Branch (the “*OCLTA*”).

2. Nothing has come to his or her attention to lead him to believe that any Event of Default under the Agreement exists or, if such is not the case, specifying such Event of Default and the nature thereof, except as set forth below:

Described below are the exceptions, if any, to paragraph 2 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the Authority has taken, is taking, or proposes to take with respect to each such condition or event:

The foregoing certifications, together with the computations set forth in the Attachment hereto and the financial statements delivered with this Compliance Certificate in support hereof, are made and delivered this day of _____, 20__.

ORANGE COUNTY TRANSPORTATION AUTHORITY

By: _____

Name: _____

Title: _____

EXHIBIT D

TERMS FOR ISSUANCE OF SUBORDINATE LIEN M2 INDEBTEDNESS ("SLO")

(Note: unless otherwise specified, defined terms shall have the same meaning as defined in the Master Trust Indenture ("MTI") dated December 1, 2010)

PLEDGED REVENUES	Sales Tax Revenues as defined in the MTI
PAYMENT/LIEN PRIORITY	Gross pledge of Sales Tax Revenues received from the senior lien bonds trustee after payment of debt service and fill up of reserves, if any for the senior lien bonds, and paid out of the subordinate obligations fund in the senior lien indenture
ADDITIONAL BONDS TEST	<p>SLOs shall be subject to the same issuance requirements as specified in Section 3.02 of the MTI, with the following exceptions:</p> <ul style="list-style-type: none">• The SLOs shall be issued pursuant to a subordinate lien supplemental indenture; and• Payment dates for payment of principal and interest will be April 15 and October 15
DEBT SERVICE RESERVE FUND	OCLTA may fund a debt service reserve fund, at its discretion, on a Series specific basis. Any debt service reserve fund established for a specific series of SLOs shall only be available and for the benefit of the specified SLO series. OCLTA does not intend on funding a debt service reserve fund if OCTA exercises its right to draw on the SBPA and OCLTA proceeds with an issuance of SLOs.
COVENANT NOT TO ISSUE	So long as the OCTA Series 2021 BANs remain outstanding, OCLTA covenants not issue any additional SLOs, other than SLOs required to fund its purchase commitment under the SBPA.