

---

**The enclosed electronic (PDF) document has been created by scanning an original paper document. Optical Character Recognition (OCR) has been used to create searchable text. OCR technology is not perfect, and therefore some words present in the original document image may be missing, altered or may run together with adjacent words in the searchable text.**

***REVOLVING CREDIT AGREEMENT***

---

REVOLVING CREDIT AGREEMENT

dated as of November 1, 2015

by and between

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

and

STATE STREET PUBLIC LENDING CORPORATION

Relating to  
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
SUBORDINATE MEASURE R SALES TAX REVENUE REVOLVING OBLIGATIONS

---

---

## TABLE OF CONTENTS

SECTION	HEADING	PAGE
ARTICLE I	DEFINITIONS .....	1
Section 1.1.	Definitions.....	1
Section 1.2.	Accounting Terms and Determinations .....	20
Section 1.3.	Interpretation.....	21
Section 1.4.	Times of Day.....	21
Section 1.5.	Relation to Other Documents; Acknowledgment of Different Provisions of Related Documents; Incorporation by Reference.....	21
Section 1.6.	Single Borrowing .....	22
ARTICLE II	FACILITIES; APPLICATION AND ISSUANCE OF THE LOANS; PAYMENTS .....	22
Section 2.1.	Revolving Credit Commitment.....	22
Section 2.2.	Application.....	22
Section 2.3.	Making of Advances; Use of Proceeds .....	22
Section 2.4.	Conditions Precedent .....	23
Section 2.5.	Interest Rate Determinations.....	28
Section 2.6.	Fees .....	28
Section 2.7.	Reduction and Termination.....	31
Section 2.8.	Extension of Commitment Expiration Date.....	31
Section 2.9.	Funding Indemnity .....	31
Section 2.10.	Payments .....	32
ARTICLE III	REVOLVING LOANS.....	32
Section 3.1.	Making of Revolving Loans .....	32
Section 3.2.	Revolving Loans Evidenced by Note .....	32
Section 3.3.	Interest on Revolving Loans .....	32
Section 3.4.	Repayment of Revolving Loans.....	33
Section 3.5.	Prepayment of Revolving Loans.....	33
ARTICLE IV	THE TERM LOAN.....	33
Section 4.1.	Term Loan.....	33
Section 4.2.	Term Loans Evidenced by Note .....	33
Section 4.3.	Interest on Term Loan.....	33
Section 4.4.	Repayment of Tax-Exempt Term Loan .....	34
Section 4.5.	Prepayment of Tax-Exempt Term Loan .....	34
ARTICLE V	SECURITY AND PLEDGE.....	34
Section 5.1.	Security and Pledge.....	34

ARTICLE VI	LIABILITY, INDEMNITY AND PAYMENT .....	35
Section 6.1.	Liability of the Authority .....	35
Section 6.2.	Indemnification by the Authority.....	36
Section 6.3.	Increased Costs; Taxable Gross Up .....	37
Section 6.4.	Taxes .....	40
Section 6.5.	Calculation of Interest and Fees; Maximum Interest Rate; Default Rate .....	42
Section 6.6.	Liability of the Lender .....	43
Section 6.7.	Obligations Unconditional .....	43
ARTICLE VII	REPRESENTATIONS AND WARRANTIES.....	44
Section 7.1.	Organization, Powers, Etc.....	44
Section 7.2.	Authorization, Absence of Conflicts, Etc .....	44
Section 7.3.	Governmental Consent or Approval .....	44
Section 7.4.	Binding Obligations .....	45
Section 7.5.	Litigation.....	45
Section 7.6.	Financial Condition.....	45
Section 7.7.	Tax Exempt Status of Tax-Exempt Loans .....	46
Section 7.8.	Related Documents .....	46
Section 7.9.	Incorporation of Representations and Warranties.....	46
Section 7.10.	Margin Regulations.....	46
Section 7.11.	No Event of Default .....	46
Section 7.12.	The Note.....	46
Section 7.13.	Security; Pledge of Subordinate Pledged Revenues Securing Obligations.....	46
Section 7.14.	Sovereign Immunity.....	47
Section 7.15.	Accurate Information .....	48
Section 7.16.	Maximum Rate.....	48
Section 7.17.	No Proposed Legal Changes .....	48
Section 7.18.	Valid Lien .....	48
Section 7.19.	ERISA; Plans; Employee Benefit Plans .....	48
Section 7.20.	Solvency.....	48
Section 7.21.	Environmental Laws .....	48
Section 7.22.	No Existing Right to Accelerate .....	48
Section 7.23.	Anti-Terrorism Laws .....	49
ARTICLE VIII	AFFIRMATIVE COVENANTS OF THE AUTHORITY .....	50
Section 8.1.	Affirmative Covenants of the Authority .....	50
ARTICLE IX	NEGATIVE COVENANTS OF THE AUTHORITY .....	55
Section 9.1.	Negative Covenants of the Authority .....	55
ARTICLE X	DEFAULTS AND REMEDIES .....	59
Section 10.1.	Events of Default .....	59

Section 10.2.	Rights and Remedies upon Default.....	62
Section 10.3.	No Waiver .....	63
Section 10.4.	Discontinuance of Proceedings.....	63
ARTICLE XI	MISCELLANEOUS .....	63
Section 11.1.	Evidence of Debt.....	63
Section 11.2.	Amendments and Waivers .....	63
Section 11.3.	Addresses for Notices .....	64
Section 11.4.	Survival of This Agreement.....	66
Section 11.5.	Severability .....	66
Section 11.6.	Governing Law; Waiver of Jury Trial; Jurisdiction and Venue .....	66
Section 11.7.	Successors and Assigns.....	68
Section 11.8.	No Setoff .....	69
Section 11.9.	Headings .....	69
Section 11.10.	Counterparts .....	69
Section 11.11.	Patriot Act .....	70
Section 11.12.	Dealing with the Authority and the Subordinate Lien Trustee.....	70
Section 11.13.	Acknowledge and Appointment as the Calculation Agent. ....	70
Section 11.14.	Arm's Length Transaction .....	70
Section 11.15.	No Advisory or Fiduciary Responsibility .....	70
Section 11.16.	Waiver of Rule of Construction .....	71
EXHIBIT A	— Form of Tax-Exempt Note	
EXHIBIT B	— Form of Request for Advance	
EXHIBIT C	— Form of Request for Extension	
EXHIBIT D	— Form of Notice of Termination	
EXHIBIT E	— Form of Notice of Termination or Reduction	
EXHIBIT F	— Form of Notice of Extension	
EXHIBIT G	— Form of Authorized Representative Certificate	
EXHIBIT H	— Form of Notification of Interest Rate	
EXHIBIT I	— Form of Investor Letter	

## REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT, dated as of November 1, 2015 (as amended, restated, supplemented or otherwise modified from time to time, this “*Agreement*”), is entered into by and between the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY, a county transportation commission duly established and existing under the laws of the State of California (the “*Authority*”) and STATE STREET PUBLIC LENDING CORPORATION and its successors and permitted assigns (the “*Lender*”).

### RECITALS

WHEREAS, the Authority wishes to obtain a revolving line of credit (the “*Line of Credit*”) from the Lender and the Lender is willing, upon the terms and subject to the conditions set forth below, to provide the Line of Credit to the Authority to pay Costs of the Project (as defined herein), costs of issuance in connection with this Agreement and the Related Documents or for any other purpose permitted under the Act (as defined herein) and/or the Subordinate Trust Agreement (as defined herein); and

WHEREAS, all obligations of the Authority to repay the Lender for extensions of credit made by the Lender under the Line of Credit and to pay all other amounts payable to the Lender arising under or pursuant to this Agreement or the promissory note to be issued to the Lender hereunder are created under and will be evidenced by this Agreement and such promissory note; and

WHEREAS, the obligations of the Authority to repay the Lender will be secured by a pledge of and lien on the Pledged Revenues (as defined herein) and the Subordinate Pledged Revenues (as defined herein) in accordance with the terms and conditions hereof and of the Senior Lien Trust Agreement and the Subordinate Trust Agreement;

NOW, THEREFORE, in consideration of the foregoing Recitals and other consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce the Lender to extend to the Authority the Line of Credit, the Authority and the Lender hereby agree as follows:

### ARTICLE I

#### DEFINITIONS

*Section 1.1. Definitions.* In addition to the terms defined in the recitals and elsewhere in this Agreement and the Subordinate Trust Agreement, the following terms shall have the following meanings:

“*Act*” means the Los Angeles County Transportation Authority Commission Revenue Bond Act, Section 130500 et seq. of the California Public Utilities Code, as amended from time to time.

“*Advance*” means a Tax-Exempt Revolving Loan requested by the Authority under the Available Commitment and the terms hereof for the payment of Costs of the Project, costs of issuance in connection with this Agreement or for any other purpose permitted under the Act and/or the Subordinate Trust Agreement.

“*Advance Date*” means the date on which the Lender honors a Request for Advance and makes the funds requested available to the Authority hereunder.

“*Affiliate*” means, as to any Person, a corporation, partnership, association, agency, authority, instrumentality, joint venture, business trust or similar entity organized under the laws of any state that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person.

“*Agreement*” has the meaning set forth in the introductory paragraph hereof.

“*Amortization End Date*” [REDACTED].

“*Amortization Payment*” has the meaning set forth in Section 4.4 hereof.

“*Amortization Payment Date*” means (a) the Initial Amortization Payment Date and the corresponding date in every third month occurring thereafter which occurs prior to the Amortization End Date and (b) the Amortization End Date.

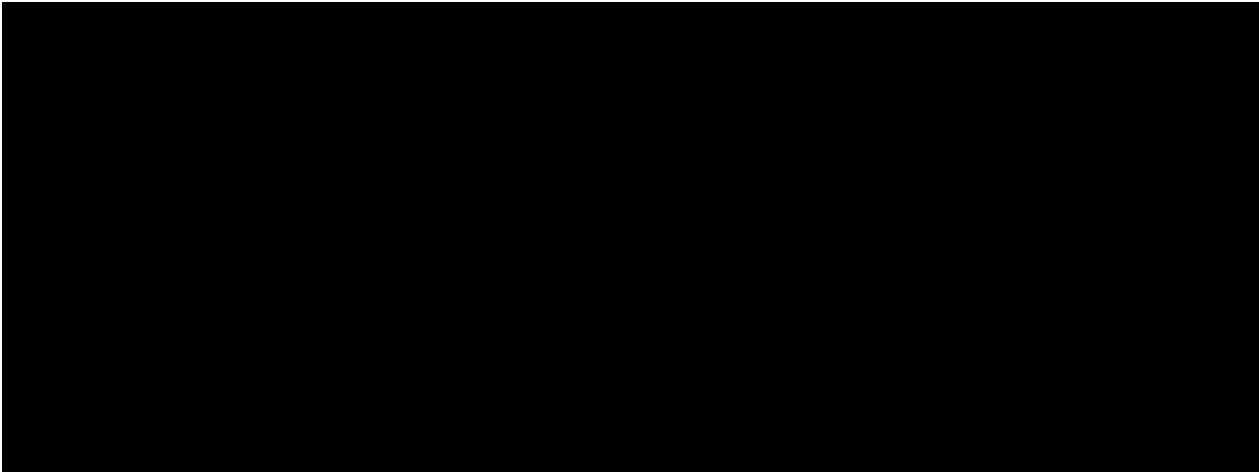
“*Amortization Period*” has the meaning set forth in Section 4.4 hereof.

“*Anti-Terrorism Laws*” has the meaning set forth in Section 7.23 hereof.

“*Applicable Factor*” means [REDACTED].

“*Applicable Law*” means (i) all applicable common law and principles of equity and (ii) all applicable provisions of all (A) constitutions, statutes, rules, regulations and orders of all governmental and non-governmental bodies, (B) Governmental Approvals and (C) orders, decisions, judgments and decrees of all courts (whether at law or in equity) and arbitrators.

“*Applicable Spread*” means, initially [REDACTED] which is subject to maintenance of the current Authority Rating. In the event of a change in the Authority Rating, the Applicable Spread shall equal the number of basis points set forth in the Level associated with the lowest Authority Rating as set forth in the schedule below:



“*Approving Opinion*” means, with respect to any action or matter that may affect a Tax-Exempt Loan, an opinion delivered by Bond Counsel to the effect that such action (i) is permitted by this Agreement and the other Related Documents and, (ii) will not adversely affect the exclusion of interest on any Tax-Exempt Loan from gross income of the Lender or any Participant for purposes of federal income taxation.

“*Authority*” has the meaning assigned to such term in the introductory paragraph of this Agreement.

“*Authority Rating*” means the long-term unenhanced ratings (without regard to any bond insurance policy or credit enhancement) assigned by each of Moody’s, Fitch and S&P to the Authority’s Senior Bonds.

“*Authorized Representative*” means any of the Chief Executive Officer, the Executive Director, Finance and Budget, Treasurer or Assistant Treasurer of the Authority, or any other authorized representative or authorized spokesperson conveying an official position of the



Authority or such person at the time and from time to time authorized to act on behalf of the Authority by written certificate furnished to the Lender.

“*Authorized Representative Certificate*” means the certificate substantially in the form of Exhibit G hereto.

“*Available Commitment*” means, on any date, an initial amount equal to \$100,000,000 and thereafter such initial amount adjusted from time to time as follows: (a) downward in an amount equal to any Advance and the related Tax-Exempt Revolving Loan in respect of such Advance and the related Tax-Exempt Revolving Loan made to the Authority; (b) upward in an amount equal to the principal amount of any Tax-Exempt Revolving Loan that is repaid or prepaid in the manner provided herein; (c) downward in an amount equal to any reduction thereof effected pursuant to Section 2.7 or Section 10.2(a) hereof; and (d) downward to zero upon the expiration or termination of the Available Commitment in accordance with the terms hereof; *provided, that*, after giving effect to any of the foregoing adjustments the Available Commitment shall never exceed \$100,000,000 at any one time.

“*Bank Agreement (Secured by Pledged Revenues)*” means any credit agreement, liquidity agreement, standby bond purchase agreement, reimbursement agreement, direct purchase agreement, bond purchase agreement, line of credit, or other agreement or instrument (or any amendment, supplement or modification thereto) entered into by the Authority with any Person, directly or indirectly, or otherwise consented to by the Authority, under which any Person or Persons undertakes to make loans, extend credit or liquidity to the Authority in connection with, or purchase on a private placement basis, any Debt secured by or payable from all or any portion of the Pledged Revenues or Subordinate Pledged Revenues.

“*Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations)*” means any credit agreement, liquidity agreement, standby bond purchase agreement, reimbursement agreement, direct purchase agreement, bond purchase agreement, line of credit, or other agreement or instrument (or any amendment, supplement or modification thereto) entered into by the Authority with any Person, directly or indirectly, or otherwise consented to by the Authority, under which any Person or Persons undertakes to make loans, extend credit or liquidity to the Authority in connection with, or purchase on a private placement basis, any Senior Bonds, Parity Obligations and Subordinate Obligations.

“*Bankruptcy Code*” means the federal Bankruptcy Code of 1978, as it may be amended from time to time (Title 11 of the United States Code), and any successor statute thereto.

“*Base Rate*” [REDACTED]

“*BOE Contract*” means that certain Amended and Restated Agreement for State Administration of Retail Transactions and Use Tax dated as of November 1, 2010, between the Authority and the State Board of Equalization of the State of California, together with the letter providing an irrevocable direction to such Board to deposit Measure R Sales Tax revenues with the Trustee.

“*Board of Equalization*” means the California State Board of Equalization that collects the Measure R Sales Tax.

“*Bond Counsel*” means Nixon Peabody LLP or such other counsel of recognized national standing in the field of law relating to municipal bonds and the exemption from federal income taxation of interest thereon, appointed and paid by the Authority.

“*BOTW*” means Bank of the West.

“*BOTW Agreement*” means the Revolving Credit Agreement dated as of November 1, 2015, between the Authority and BOTW, relating to the Los Angeles County Metropolitan Transportation Authority Subordinate Measure R Sales Tax Revenue Revolving Obligations, as amended, modified, supplemented or restated from time to time.

“*Business Day*” means any day other than (i) a Saturday, Sunday or (ii) a day on which banks in Los Angeles, California, or New York, New York or Boston, Massachusetts, are required or authorized by law to be closed, or (iii) a day on which the Lender is required or authorized by law to be closed.

“*Calculation Agent*” means State Street Public Lending Corporation and its permitted successors and assigns.

“*Change in Law*” means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any Law, including, without limitation, any Risk-Based Capital Guidelines, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any written request, rule, ruling, guideline, regulation or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all written requests, rules, ruling, guidelines, regulations or directives thereunder or issued in connection therewith by a Governmental Authority and (ii) all written requests, rules, rulings, guidelines, regulations or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, shall in each case be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued.

“*Code*” means the Internal Revenue Code of 1986, as amended, and, where appropriate, any statutory predecessor or any successor thereto.

“*Commitment*” means the agreement of the Lender pursuant to Section 2.1 hereof to make Advances under the terms hereof for the account of the Authority for the purpose of providing funds to pay Costs of the Project, costs of issuance in connection with this Agreement or for any other purpose permitted under the Act and/or the Subordinate Trust Agreement.

“*Commitment Expiration Date*” means November 20, 2020, unless extended or earlier terminated in accordance with Section 2.7, 2.8 or any other application provision set forth herein; for the avoidance of doubt, a termination of the Lender’s obligation to make Advances hereunder as a result of an Event of Default hereunder will not result in an acceleration of any obligations hereunder.

“*Commitment Fee*” has the meaning set forth in Section 2.6(a) hereof.

“*Commitment Fee Rate*” has the meaning set forth in Section 2.6(a) hereof.

“*Computation Date*” means the second London Business Day preceding the applicable Rate Reset Date.

“*Costs of the Project*” has the meaning set forth in the Subordinate Trust Agreement.

“*Debt*” means, with respect to any Person, without duplication: (a) all indebtedness of such Person for borrowed money (including, but not limited to, amounts drawn under a letter of credit, line of credit or other credit or liquidity facilities or amounts loaned pursuant to a Bank Agreement (Secured by Pledged Revenues)); (b) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable in the ordinary course of business; (c) all obligations of such Person evidenced by notes, certificates, debentures or similar instruments; (d) all Guarantees by such Person of Debt of other Persons (each such Guarantee to constitute Debt in an amount equal to the amount of such other Person’s Debt guaranteed thereby); (e) all obligations of other Persons secured by a lien on, or security interest in, any asset of such Person whether or not such obligation is assumed by such Person; (f) all obligations under leases that constitute capital leases for which such Person is liable; and (g) all obligations of such Person under any Swap Contract, in each case, whether such Person is liable contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such Person otherwise assures a creditor against loss.

“*Debt Service Coverage Ratio*” means, as of any DS Calculation Date, the ratio of (a) the aggregate amount of Pledged Revenues for the twelve-month period ending on such DS Calculation Date to (b) the amount of Senior and Subordinate Debt Service as of such DS Calculation Date.

“*Default*” means any event or condition which, with notice, the passage of time or any combination of the foregoing, would constitute an Event of Default.

“*Default Rate*” [REDACTED]

“*Determination of Taxability*” means, for and with respect to any Tax-Exempt Loan, and shall be deemed to have occurred on the first to occur of the following:

(i) the date when the Authority files with the Internal Revenue Service any statement, supplemental statement or other tax schedule, return or document which admits or discloses that an Event of Taxability shall have in fact occurred with respect to such Tax-Exempt Loan;

(ii) the date when the Lender has received written notification from the Authority, supported by a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance, to the effect that an Event of Taxability has occurred with respect to such Tax-Exempt Loan;

(iii) the date when the Authority shall be advised in writing by the Commissioner or any District Director of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that an Event of Taxability shall have occurred with respect to such Tax-Exempt Loan;

(iv) the date when the Authority shall receive notice from the Lender that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Lender or any Participant the interest on such Tax-Exempt Loan due to the occurrence of an Event of Taxability; or

(v) the date on which the Internal Revenue Service issues a Letter 4413 Notice of Proposed Adverse Determination with respect to such Tax-Exempt Loan;

*provided, however*, no Determination of Taxability shall occur under subparagraph (iii), (iv) or (v) above unless the Authority has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined after taking into account any permitted appeals; *provided further, however*, that upon demand from the Lender, the Authority shall promptly reimburse the Lender for any payments, including any taxes, interest, penalties or other charges, the Lender shall be obligated to make as a result of the Determination of Taxability.

“*Dollar*” and “*\$*” mean lawful money of the United States.

“*DS Calculation Date*” means March 31, June 30, September 30 and December 31 of each year.

“*Effective Date*” means November 23, 2015, subject to the satisfaction or waiver by the Lender of all of the conditions precedent set forth in Section 2.4(a) hereof.

“*EMMA*” means the Electronic Municipal Market Access system and any successor thereto.

*“Environmental Laws”* 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.

*“ERISA”* means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time. References to Sections of ERISA shall be construed also to refer to any successor Sections.

*“ERISA Plan”* means an employee benefit plan maintained for employees of the Authority which is covered by ERISA.

*“Event of Default”* with respect to this Agreement has the meaning set forth in Section 10.1 of this Agreement and, with respect to any other Related Document, has the meaning assigned therein.

*“Event of Taxability”* means (i) a change in Law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Authority, or the failure to take any action by the Authority, or the making by the Authority of any misrepresentation herein or in any certificate required to be given in connection with this Agreement) which has the effect of causing interest paid or payable on any Tax-Exempt Loan to become includable, in whole or in part, in the gross income of the Lender or any Participant for federal income tax purposes or (ii) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on any Tax-Exempt Loan to become includable, in whole or in part, in the gross income of the Lender or any Participant for federal income tax purposes.

*“Excess Interest Amount”* has the meaning set forth in Section 6.5(c) hereof.

*“Excluded Tax”* means, with respect to the Lender or any other recipient of any payment to be made by or on account of any obligation of the Authority hereunder, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it

(in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the Laws of which the Lender or such other recipient is organized or in which its principal office is located, and (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the Lender is located.

“*Executive Order*” has the meaning set forth in Section 7.23 hereof.

“*Facility Utilization*” means, for any day, an amount (expressed as a percentage) equal to the quotient of (a) the aggregate principal amount of Tax-Exempt Revolving Loans outstanding as of such day divided by (b) the Available Commitment (without regard to any Tax-Exempt Revolving Loans outstanding) as of such day.

[REDACTED]

“*Fees and Expenses*” has the meaning set forth in the Senior Lien Trust Agreement.

“*Fiscal Year*” means the period commencing on July 1 of each given calendar year and ending on June 30 of the immediately succeeding calendar year, or such similar period as the Authority may designate as its fiscal year.

“*Fitch*” means Fitch Ratings, Inc., and any successor rating agency.

“*FRB*” means the Board of Governors of the Federal Reserve System of the United States, together with any successors thereof.

“*Generally Accepted Accounting Principles*” or “*GAAP*” means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the Authority applied by the Authority on a basis consistent with the Authority’s most recent financial statements furnished to the Lender pursuant to Section 2.4(a)(i)(3)(A) or Section 8.1(b) hereof.

“*Governmental Approval*” means an authorization, consent, approval, license, or exemption of, registration or filing with, or report to any Governmental Authority.

“*Governmental Authority*” means the government of the United States or any state or political subdivision thereof or any other nation or political subdivision thereof or any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other Person with authority to bind a party at law.

“*Guarantee*” by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep well, to purchase assets, goods, securities or services, to take or pay, or to maintain financial statement conditions or otherwise) or (b) entered into for the purpose of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part).

“*Hazardous Materials*” means (a) any petroleum or petroleum products, flammable substance, explosives, radioactive materials, hazardous waste or contaminants, toxic wastes, substances or contaminants, or any other wastes, contaminants, or pollutants; (b) asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers, or other equipment that contains dielectric fluid containing levels of polychlorinated biphenyls or radon gas; (c) any chemicals, materials or substances defined as or included in the definition of “hazardous substances,” “hazardous materials,” “extremely hazardous wastes,” “restricted hazardous wastes,” “toxic substances,” “toxic pollutants,” “contaminants” or “pollutants,” or words of similar import, under any applicable Environmental Law; (d) any other chemical, material or substance, exposure to which is prohibited, limited, or regulated by any governmental authority; and (e) any other chemical, material or substance which may or could pose a hazard to the environment.

“*Incipient Invalidity Event*” means (i) the validity or enforceability of any provision of the Act or Ordinance that impacts (A) the Authority’s ability or obligation to levy the Measure R Sales Tax in the incorporated and unincorporated territory of the County of Los Angeles in accordance with the provisions of the Act and Ordinance which affects the Authority’s ability or obligation to make payments of principal or interest on the Note, any Advances, any Tax-Exempt Loans or any other payment obligations due and owing the Lender under this Agreement or the pledge of and lien on Pledged Revenues or Subordinate Pledged Revenues securing the payments of principal or interest on the Note, any Advances and any Tax-Exempt Loans or (B) the Board of Equalization’s ability or obligation to collect the Measure R Sales Tax or to pay the Measure R Sales Tax to the Trustee, in each case, which affects the Authority’s ability or obligation to make payments of principal or interest on the Note, any Advances, any Tax-Exempt Loans or any other payment obligations due and owing the Lender under this Agreement or the pledge of and lien on Pledged Revenues or Subordinate Pledged Revenues securing the payments of principal or interest on the Note, any Advances and any Tax-Exempt Loans is publicly contested or publicly repudiated by an Authorized Representative of the Authority or (ii) any such provision described in clause (i)(A) or (i)(B) of this definition is deemed to be invalid or unenforceable as a result of an Authorized Representative of the Authority or the State or any instrumentality of the State or any other Governmental Authority with appropriate jurisdiction taking any official action, or duly enacting any statute or legislation or issuing an executive order or (iii) any such provision described in clause (i)(A) or (i)(B) of this definition is determined by a court of competent jurisdiction or any instrumentality of the State or any other Governmental Authority with appropriate jurisdiction in a proceeding subject to further appeals to be invalid or unenforceable or (iv) (A) the validity or enforceability of, or the liabilities or

obligations of the Authority with respect to, payments of principal or interest on the Note, any Advances, any Tax-Exempt Loans or any other Obligations due and owing the Lender under this Agreement, under the Act or Ordinances or any Payment and Collateral Obligation, or (B) any Payment and Collateral Obligation in and of itself, in any case with respect to the prior clause (iv)(A) or (iv)(B), is publicly contested or publicly repudiated by an Authorized Representative of the Authority or (v) any Payment and Collateral Obligation is deemed to be invalid or unenforceable as a result of an Authorized Representative of the Authority or the State or any instrumentality of the State or any Governmental Authority with appropriate jurisdiction taking any official action or duly enacting any statute or legislation or issuing an executive order or (vi) any Payment and Collateral Obligation is declared invalid or unenforceable in a proceeding subject to further appeals by the State or any instrumentality of the State or any other Governmental Authority with appropriate jurisdiction or (vii) any provision of the Act or Ordinance is supplemented, modified or amended in a manner that makes invalid or unenforceable any provision described in clause (i)(A) or (i)(B) of this definition or (viii) the State or any instrumentality of the State or any other Governmental Authority with appropriate jurisdiction shall, by official action, make a finding or ruling or through the enactment of any statute or legislation or the issuance of an executive order determine that Payment and Collateral Obligation is not valid and binding on the Authority.

*“Indemnitee”* has the meaning set forth in Section 6.2 hereof.

*“Indemnified Taxes”* means Taxes other than Excluded Taxes.

*“Initial Amortization Payment Date”* means the [REDACTED] following the Commitment Expiration Date.

*“Initial Commitment Amount”* means \$100,000,000.

*“Interest Payment Date”* means (a) with respect to any Tax-Exempt Revolving Loan, the first Business Day of each calendar month and on the Commitment Expiration Date, and (b) as to any Tax-Exempt Term Loan, the first Business Day of each calendar month, and the Amortization End Date. The first Interest Payment Date is January 4, 2016.

*“Interest Period”* means, with respect to any Tax-Exempt Revolving Loan, the period from (and including) the date such Tax-Exempt Revolving Loan is made to (but excluding) the next succeeding Rate Reset Date, and thereafter means the period from (and including) such Rate Reset Date to (but excluding) the next succeeding Rate Reset Date (or, if sooner, to but excluding the Commitment Expiration Date).

*“Invalidity Event”* means (i) the Act or Ordinance is repealed, (ii) a Federal court or any other court with appropriate jurisdiction or the State or any instrumentality of the State or any other Governmental Authority with appropriate jurisdiction determines in a final nonappealable order or judgment, as the case may be, that a provision or provisions of the Act or Ordinance have been supplemented, modified and/or amended in a manner that makes invalid or unenforceable (A) the Authority’s obligation to levy the Measure R Sales Tax in the incorporated and unincorporated territory of the County of Los Angeles in accordance with the provisions of



the Act and Ordinance which affects the Authority’s ability or obligation to make payments of principal or interest on the Note, any Advances, any Tax-Exempt Loans or any other payment obligations due and owing the Lender under this Agreement or the pledge of and lien on Subordinate Pledged Revenues securing the payments of principal or interest on the Note, any Advances, or any Tax-Exempt Loans or (B) the Board of Equalization’s obligation to collect the Measure R Sales Tax or the Board of Equalization’s ability or obligation to make payment of the Measure R Sales Tax directly to the Trustee, in each case, which affects the Authority’s ability or obligation to make payments of principal or interest on the Note, any Advances, any Tax-Exempt Loans or any other payment obligations due and owing the Lender under this Agreement or the pledge of and lien on Subordinate Pledged Revenues or Pledged Revenues securing the payments of principal or interest on the Note, any Advances or any Loans, (iii) the Act or Ordinance is ruled to be null and void by a Federal court or any court with appropriate jurisdiction or the State or any instrumentality of the State or any other Governmental Authority with appropriate jurisdiction or (iv) any provision of this Agreement, any Note, the Senior Lien Trust Agreement or the Subordinate Trust Agreement relating to the Authority’s ability or obligation to make payments of the principal or interest on the Note, any Advances, any Tax-Exempt Loans or any other payment obligations due and owing the Lender under this Agreement or the pledge of and lien on the Subordinate Pledged Revenues or Pledged Revenues to secure the payment of principal and interest on the Note, any Advances, or any Tax-Exempt Loans (each such provision, a “*Payment and Collateral Obligation*”) is ruled to be null and void by a Federal court or any other court with appropriate jurisdiction or the State or any instrumentality of the State or any other Governmental Authority with appropriate jurisdiction in a final nonappealable order or judgment by such court or the State or any instrumentality of the State, as applicable.

“*Junior Subordinate Obligations*” has the meaning set forth in the Senior Lien Trust Agreement.

“*Law*” means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“*Lender*” means State Street Public Lending Corporation and its successors and assigns.

“*Lender Rate*” [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

“*Lender’s Office*” means the Lender’s address and, as appropriate, the account as set forth in Section 11.3 hereof, or such other address or account of which the Lender may from time to time notify the Authority in writing.

“*LIBOR*” means, for any Rate Reset Date, the London interbank offered rate for deposits in United States dollars for a period of one month, as determined by the Calculation Agent, which rate appears on the applicable Bloomberg screen page (or such other service as may be nominated by ICE Benchmark Administration as an information vendor for the purpose of displaying ICE Benchmark Administration Interest Settlement Rates for U.S. Dollar deposits (“*ICE LIBOR*”)) as of 11:00 a.m., London, England time, on the Computation Date immediately preceding such Rate Reset Date, or if such rate is not available, another comparable rate determined by the Calculation Agent in its reasonable judgment upon notice thereof provided by the Lender to the Authority.

“*Lien*” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“*London Business Day*” means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency) in the City of London, United Kingdom.

“*Margin Rate Factor*” [REDACTED]

[REDACTED] The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change. [REDACTED]

[REDACTED].

“*Margin Stock*” has the meaning ascribed to such term in Regulation U and/or Regulation X promulgated by the FRB, as now and hereafter from time to time in effect.

“*Material Adverse Change*” means the occurrence of any event or change which results in a material and adverse change in the business, condition (financial or otherwise) or operations of the Authority.

“*Material Adverse Effect*” means any event or occurrence (including, without limitation, a change in Applicable Law) that causes a material adverse change in or a material adverse effect on (A) the validity or enforceability of this Agreement, the Note or any of the other the Related Documents or the Authority’s ability to perform its obligations under this Agreement and the

other Related Documents, (B) the validity, enforceability or perfection of the pledge of and lien on the Pledged Revenues under the Senior Lien Trust Agreement or the pledge of and lien on the Subordinate Pledged Revenues under the Subordinate Trust Agreement, (C) the status of the Authority as a public entity created and validly existing under the laws of the State, (D) the exemption of interest on the Tax-Exempt Loans from federal income tax, (E) the collection of the Measure R Sales Tax that could reasonably be expected to have a material adverse effect on the ability of the Authority to pay debt service on the Tax-Exempt Loans, the Senior Bonds, the Parity Obligations or the Subordinate Obligations or amounts due on any other Obligations hereunder or (F) the rights, security interest or remedies available to the Lender under this Agreement or the other Related Documents.

“*Maximum Federal Corporate Tax Rate*” means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Lender, the maximum statutory rate of federal income taxation which could apply to the Lender). As of the Effective Date, the Maximum Federal Corporate Tax Rate is 35%.

“*Maximum Rate*” means the lesser of (i) ■■■■ per annum and (ii) the maximum rate of interest that may legally be paid on the Obligations hereunder.

“*Measure R Sales Tax*” means the retail transactions and use tax imposed by Ordinance and approved by the electors of the County of Los Angeles at an election held November 4, 2008.

“*Miscellaneous Taxes*” means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Related Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Related Document.

“*Moody’s*” means Moody’s Investors Service, Inc. and any successor rating agency.

“*1933 Act*” means the Securities Act of 1933, as amended.

“*Noteholder*” or “*Holder*” means the holder or owner of a Note.

“*Note*” means the Tax-Exempt Note evidencing the Revolving Obligations.

“*OFAC*” has the meaning set forth in Section 7.23 hereof.

“*Obligations*” means all Reimbursement Obligations, all fees, expenses and charges payable or reimbursable hereunder to the Lender (including, without limitation, any amounts to reimburse the Lender for any advances or expenditures by it under any of such documents) and all other payment obligations of the Authority to the Lender arising under or in relation to this Agreement or the other Related Documents, in each, case whether now existing or hereafter

arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired.

“*Ordinance*” has the meaning set forth in the Senior Lien Trust Agreement.

“*Other Obligations*” means all Obligations other than Reimbursement Obligations.

“*Outstanding*” has the meaning set forth in the Subordinate Trust Agreement.

“*Parity and Senior Debt*” means any Debt issued by or on behalf of Authority pursuant to the Subordinate Trust Agreement or the Senior Lien Trust Agreement and secured by a lien on all or any portion of the Subordinate Pledged Revenues or Pledged Revenues, respectively, ranking senior to or on a parity with the Note, the Tax-Exempt Loans, the Senior Bonds, the Parity Obligations and/or the Subordinate Obligations.

“*Parity Obligations*” has the meaning set forth in the Senior Lien Trust Agreement.

“*Participant*” means any entity to which the Lender has granted a participation in the obligations of the Lender hereunder and of the Authority hereunder and under the Note.

“*Patriot Act*” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001), as amended.

“*Payment and Collateral Obligation*” has the meaning set forth in the definition of the term “*Invalidity Event*” herein.

“*Person*” means any individual, corporation, not for profit corporation, partnership, limited liability company, joint venture, association, professional association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other form of entity.

“*Pledged Revenues*” has the meaning set forth in the Senior Lien Trust Agreement.

“*Pledged Tax Revenues*” has the meaning set forth in the Senior Lien Trust Agreement.

“*[REDACTED]*”  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

“*Property*” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired.

“*Rate Reset Date*” means the first Business Day of each calendar month; *provided, however,* that with respect to any Tax-Exempt Revolving Loan made on the Effective Date or on any date other than the first Business Day of a calendar month, “Rate Reset Date” also means the Effective Date or the date of such Tax-Exempt Revolving Loan, as applicable.

“*Rating Agency*” means any of S&P, Moody’s and/or Fitch, as context may require.

“*Rating Documentation*” has the meaning set forth in Section 2.4(a)(vii) hereof.

“*Ratings Threshold*” [REDACTED]

“*RBC Agreements*” mean (i) the Bond Purchase Agreement dated November 23, 2015, between the Authority and RBC Capital Markets, LLC, relating to the Authority’s Subordinate Measure R Sales Tax Revenue Bonds to be issued by the Authority on the Effective Date and (ii) the Bondholder’s Agreement dated as of November 1, 2015, between the Authority and RBC Municipal Products, LLC, relating to the Authority’s Subordinate Measure R Sales Tax Revenue Bonds to be issued by the Authority on the Effective Date.

[REDACTED]

“*Reimbursement Obligations*” means the obligations of the Authority under this Agreement to repay all Advances and the related Tax-Exempt Loans and Note, together with interest thereon, pursuant to and in accordance with this Agreement.

“*Related Documents*” means this Agreement, the Note, the BOE Contract, the Tax Certificate, any Supplemental Tax Certificate, the Senior Lien Trust Agreement, the Subordinate Trust Agreement, the Supplemental Trust Agreement and any documents or executed by the Authority and delivered to the Lender in connection therewith, and any and all future renewals and extensions or restatements of, or amendments or supplements to (excluding supplements to the Senior Lien Trust Agreement and the Subordinate Trust Agreement for the purpose of issuing additional Debt in accordance with the terms of and as permitted by the Senior Lien Trust Agreement and the Subordinate Trust Agreement, as applicable, other than any permanent amendments to the Senior Lien Trust Agreement or the Subordinate Trust Agreement included in such supplements), any of the foregoing. For the avoidance of doubt, any documentation related to the TIFIA Bonds and other TIFIA obligations payable from Measure R Sales Tax (including those with respect to the Crenshaw/LAX Transit Corridor Project) shall not be considered a Related Document.

“*Request for Advance*” means any request for an Advance made by the Authority to the Lender, in the form of Exhibit B hereto, executed and delivered on behalf of the Authority by the manual or facsimile signatures of any Authorized Representative set forth in the Authorized Representative Certificate.

“*Revenue Fund*” has the meaning set forth in the Senior Lien Trust Agreement.

“*Risk-Based Capital Guidelines*” means (i) the risk-based capital guidelines in effect in the United States, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations.

“*S&P*” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, and any successor rating agency.

“*Senior and Subordinate Debt Service*” means, as of any DS Calculation Date, the higher of (a) the sum of scheduled principal and interest actually due and payable on Senior Bonds, Parity Obligations and Subordinate Obligations (collectively, the “*DS Obligations*”) in the twelve-month period ending on such DS Calculation Date, and (b) the greatest amount of principal and interest becoming due and payable on all DS Obligations in any Fiscal Year including the Fiscal Year in which the DS Calculation Date occurs or any subsequent Fiscal Year up to and including the Fiscal Year in which the Amortization End Date occurs; *provided, however*, that for purposes of such computation:

(A) when calculating the amount of principal and interest becoming due in respect to any Subordinate Facility:

(i) in determining the principal amount due in each Fiscal Year under each Subordinate Facility, the amount borrowed under each such Subordinate Facility shall be assumed to be the maximum amount that the Authority may borrow under such Subordinate Facility (without regard to outstanding borrowings thereunder) and that the principal shall be assumed to be payable in accordance with the Term Loan Provisions of such Subordinate Facility;

(ii) in determining the interest payable on each Subordinate Facility, the amount borrowed under each such Subordinate Facility shall be assumed to be the maximum amount that the Authority may borrow under such Subordinate Facility and that interest rate shall be assumed to be equal to the greater of: (i) the interest rate applicable to the obligations under such Subordinate Facility on such DS Calculation Date and (ii) the average interest rate applicable to the obligations under such Subordinate Facility for the Fiscal Year immediately preceding the DS Calculation Date (or if the effective date of such Subordinate Facility is less than one Fiscal Year, the period from the effective date of such Subordinate Facility to the DS Calculation Date);

(B) when calculating the amount of principal and interest becoming due in respect to any Senior Bonds or Parity Obligations and in respect to any Subordinate Obligations other than

the Subordinate Facilities, the amounts shall be calculated as provided in the definition of “Debt Service” set forth in the Senior Lien Trust Agreement (without regard to any of the adjustment to such definition or related definitions contained in the definition of “Projected TIFIA Pledged Revenues” in the Senior Lien Trust Agreement).

“*Senior Bonds*” has the meaning set forth in the Senior Lien Trust Agreement.

“*Senior Lien Trust Agreement*” means the Amended and Restated Trust Agreement dated as of February 1, 2014, by and between the Authority and the Senior Lien Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time (excluding supplements to the Senior Lien Trust Agreement for the purpose of issuing additional Debt in accordance with the terms of and as permitted by the Senior Lien Trust Agreement other than any permanent amendments to the Senior Lien Trust Agreement included in such supplements) in accordance with the terms hereof and thereof; *provided* that any provision that is in effect only so long as the Junior Subordinate Bonds are Outstanding or otherwise relates solely to the Junior Subordinate Bonds shall not be considered part of the “Senior Lien Trust Agreement.”

“*Senior Lien Trustee*” means U.S. Bank National Association as trustee, and its permitted successors and assigns under the Senior Lien Trust Agreement from time to time.

“*State*” means the State of California.

“*Subordinate Facility*” means, collectively, this Agreement and the BOTW Agreement and the RBC Agreements.

“*Subordinate Lien Trustee*” means U.S. Bank National Association as trustee or its permitted successor as trustee under the Subordinate Trust Agreement.

“*Subordinate Obligations*” has the meaning given to such term in the Senior Lien Trust Agreement.

“*Subordinate Pledged Revenues*” has the meaning set forth in the Subordinate Trust Agreement.

“*Subordinate Trust Agreement*” means the Subordinate Trust Agreement, dated as of November 1, 2015, by and between the Authority and the Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time (including, without limitation, by the Supplemental Subordinate Trust Agreement but excluding supplements to the Subordinate Trust Agreement for the purpose of issuing additional Debt in accordance with the terms of and as permitted by the Subordinate Trust Agreement other than permanent amendments to the Subordinate Trust Agreement included in such supplement) in accordance with the terms thereof and hereof.

“*Supplemental Tax Certificate*” means a supplemental tax certificate delivered by the Authority in connection with any Advance and the related Tax-Exempt Revolving Loan or Tax-Exempt Term Loan substantially in the form of the Tax Certificate or such other form as Bond

Counsel may require, as the same may be amended, supplemented or modified from time to time in accordance with the terms hereof and thereof.

“*Supplemental Subordinate Trust Agreement*” means the First Supplemental Subordinate Trust Agreement, dated as of November 1, 2015, by and between the Authority and the Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms thereof and hereof

“*Swap Contract*” means (a) any and all rate swap transactions, total return swaps, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “*Master Agreement*”), including any such obligations or liabilities under any Master Agreement.

“*Tax Certificate*” means that certain Tax Compliance Certificate dated November 23, 2015, by the Authority, relating to the Tax-Exempt Revolving Loans and the Tax-Exempt Term Loans, as the same may be amended, supplemented or modified from time to time in accordance with the terms hereof and thereof.

“*Taxable Date*” means the date on which interest on any Tax-Exempt Loan is first includable in gross income of any holder thereof (including the Lender) as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.

“*Tax Expiration Date*” has the meaning set forth in the Senior Lien Trust Agreement.

“*Taxable Period*” has the meaning set forth in Section 6.3(e) hereof.

“*Taxable Rate*” [REDACTED]

“*Taxes*” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.



“*Tax-Exempt Loan*” or “*Loan*” and “*Tax-Exempt Loans*” or “*Loans*” means individually and collectively, Tax-Exempt Revolving Loans and Tax-Exempt Term Loans.

“*Tax-Exempt Note*” has the meaning set forth in Section 3.2(a) hereof.

“*Tax-Exempt Rate*” means a fluctuating rate per annum, determined as of each applicable Rate Reset Date, equal to the product of (x) the sum of (a) the Applicable Spread *plus* (b) the product of (i) LIBOR, as in effect on such Rate Reset Date, multiplied by (ii) the Applicable Factor, as in effect on such Rate Reset Date, multiplied by (y) the Margin Rate Factor, rounded upward to the [REDACTED] decimal place.

“*Tax-Exempt Revolving Loan*” or “*Revolving Loan*” has the meaning set forth in Section 3.1 hereof.

“*Tax-Exempt Term Loan*” or “*Term Loan*” means a Tax-Exempt Revolving Loan that is automatically converted to a Tax-Exempt Term Loan pursuant to the terms of Section 4.1 hereof.

“*Term Loan Provisions*” means, in the case of this Agreement, Section 4.4 hereof, in the case of the BOTW Agreement and the RBC Agreements, the provisions of such Subordinate Facility comparable to Section 4.4 hereof and that provide for the payment of principal on such Subordinate Facility after the termination of the period during which the Authority may borrow additional amounts (assuming any conditions to the effectiveness of such provisions are satisfied).

“*Termination Date*” means the earliest of (i) the Commitment Expiration Date, as such date may be extended or earlier terminated pursuant to Section 2.7 hereof, (ii) the date on which the Commitment and Available Commitment are otherwise terminated or reduced to zero in accordance with Section 2.7 hereof and (iii) the date the Commitment terminates by its terms in accordance with Section 10.2 hereof.

[REDACTED]

“*TIFIA Bonds*” has the meaning set forth in the Senior Lien Trust Agreement.

“*United States*” means the United States of America.

*Section 1.2. Accounting Terms and Determinations.* Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP; *provided, however,* that accounting terms and determinations of Measure R Sales Tax revenues and related terms shall be determined in accordance with cash

basis accounting. If, after the Effective Date, there shall occur any change in GAAP from those used in the preparation of the financial statements referred to in Section 2.4(a)(i)(3)(A) hereof and such change shall result in a change in the method of calculation of any financial covenant, standard or term found in this Agreement including, without limitation, a recharacterization of operating leases to the effect that certain operating leases are to be treated as capital leases, either the Authority or the Lender may by notice to the other party hereto, require that the Lender and the Authority negotiate in good faith to amend such covenants, standards, and terms so as equitably to reflect such change in accounting principles, with the desired result being that the criteria for evaluating the financial condition of the Authority shall be the same as if such change had not been made. No delay by the Authority or the Lender in requiring such negotiation shall limit their right to so require such a negotiation at any time after such a change in accounting principles. Until any such covenant, standard, or term is amended in accordance with this Section 1.2, financial covenants shall be computed and determined in accordance with GAAP in effect prior to such change in accounting principles.

*Section 1.3. Interpretation.* The following rules shall apply to the construction of this Agreement unless the context requires otherwise: (i) the singular includes the plural, and the plural the singular; (ii) words importing any gender include the other gender; (iii) references to statutes are to be construed as including all statutory provisions consolidating and amending, and all regulations promulgated pursuant to, such statutes; (iv) references to “writing” include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible font; (v) the words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation”; (vi) references to the introductory paragraph, recitals, articles, sections (or clauses or subdivisions of sections), exhibits, appendices, annexes or schedules are to those of this Agreement unless otherwise indicated; (vii) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent that such amendments and other modifications are permitted or not prohibited by the terms of this Agreement; (viii) section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose; (ix) references to Persons include their respective permitted successors and assigns; and (x) in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each means “to but excluding.” All references to “funds” herein shall include all accounts and subaccounts therein unless the context clearly requires otherwise.

*Section 1.4. Times of Day.* Unless otherwise specified, all references herein to times of day shall be references to New York time (daylight or standard, as applicable).

*Section 1.5. Relation to Other Documents; Acknowledgment of Different Provisions of Related Documents; Incorporation by Reference.* (a) Nothing in this Agreement shall be deemed to amend, or relieve the Authority of its obligations under, any Related Document to which it is a party or the Act or Ordinance. Conversely, to the extent that the provisions of any Related Document or the Act or Ordinance allow the Authority to take certain actions, or not to take certain actions, with regard for example to permitted liens, transfers of assets, maintenance of financial ratios and similar matters, the Authority nevertheless shall be fully bound by the provisions of this Agreement.

(b) Except as provided in subsection (c) of this Section 1.5, all references to other documents shall be deemed to include all amendments, modifications and supplements thereto to the extent such amendment, modification or supplement is made in accordance with the provisions of such document and this Agreement.

(c) All provisions of this Agreement making reference to specific Sections of any Related Document or the Act or Ordinance shall be deemed to incorporate such Sections into this Agreement by reference as though specifically set forth herein (with such changes and modifications as may be herein provided) and shall continue in full force and effect with respect to this Agreement notwithstanding payment of all amounts due under or secured by the Related Documents, the termination or defeasance thereof or any amendment thereto or any waiver given in connection therewith, so long as this Agreement is in effect and until all Obligations are paid in full. No amendment, modification, consent, waiver or termination with respect to any of such Sections shall be effective as to this Agreement until specifically agreed to in writing by the parties hereto with specific reference to this Agreement.

*Section 1.6. Single Borrowing.* For purposes of clarity, each Advance and Revolving Loan, the Term Loan into which such Revolving Loan is converted, and the Reimbursement Obligations and amounts owing pursuant to the Note with respect thereto all constitute the same borrowing and the same indebtedness.

## ARTICLE II

### FACILITIES; APPLICATION AND ISSUANCE OF THE LOANS; PAYMENTS

*Section 2.1. Revolving Credit Commitment.* Subject to the terms and conditions hereof, the Lender, by its acceptance hereof, agrees to make Revolving Loans in U.S. Dollars to the Authority from time to time up to the amount of the Available Commitment, subject to any reductions thereof pursuant to the terms hereof, prior to the Termination Date. The sum of the aggregate principal amount of Tax-Exempt Loans at any time outstanding shall not exceed the Available Commitment in effect at such time. Revolving Loans may be repaid and the principal amount thereof reborrowed prior to the Termination Date, subject to the terms and conditions hereof.

*Section 2.2. Application.* The Authority hereby applies to the Lender for, and authorizes and instructs the Lender to issue for its account, the Commitment in an initial amount equal to the Initial Commitment Amount.

*Section 2.3. Making of Advances; Use of Proceeds.* (a) Subject to the terms and conditions of this Agreement, the Lender agrees to make Advances from time to time on any Business Day, commencing on the Effective Date and ending on the Termination Date, in amounts not to exceed at any time outstanding the Available Commitment; *provided*, that the Lender shall not be required to make more than two Advances during any calendar month. Each Advance requested shall be in a minimum principal amount of \$1,000,000 or any integral multiples of \$5,000 in excess thereof. Each Advance shall be made solely for the purpose of

providing funds to pay Costs of the Project, costs of issuance in connection with this Agreement or any other purpose permitted under the Act and/or the Subordinate Trust Agreement. The aggregate amount of all Advances made on any Advance Date shall not exceed the applicable Available Commitment (calculated without giving effect to any Advances made on such date) at 12:00 noon (New York time) on such date.

(b) *Reborrowing.* Within the limits of this Section 2.3, the Authority may borrow, repay pursuant to Section 3.4 hereof and reborrow under this Section 2.3. Upon any prepayment of the related Revolving Loan, the related Available Commitment shall be reinstated as set forth in the definition thereof.

(c) *Method of Borrowing.* Upon receipt of a Request for Advance by the Lender not later than 12:00 noon New York time on the Business Day which is three London Business Days' immediately prior to the day of the proposed borrowing, the Lender, subject to the terms and conditions of this Agreement, shall be required to make an Advance by 3:30 p.m. (New York time) on such day of the proposed borrowing for the account of the Authority in an amount equal to the amount of the requested borrowing. Notwithstanding the foregoing, in the event such Request for Advance is received by the Lender after 12:00 noon (New York time) on the Business Day which is three London Business Days immediately prior to the day of the proposed borrowing, the Lender shall be required to make the related Advance by 3:30 p.m. (New York time) on the fourth London Business Day after receipt of the related Request for Advance. Any Request for Advance shall be signed by an Authorized Representative set forth in the Authorized Representative Certificate and may be delivered to the Lender by facsimile or e-mail transmission (with the duly executed Request for Advance attached thereto as a "pdf" (portable document format) or other replicating image attached to the e-mail message), with receipt immediately confirmed telephonically and an original version of the Request for Advance promptly delivered to the Lender postage prepaid, U.S. mail; *provided* that the receipt of such original is not a condition to the Lender's obligation to honor a Request for Advance. Pursuant to Section 3.3 hereof, the Lender shall determine the initial Tax-Exempt Rate for the Advance two London Business Days prior to the related Advance Date. Each Advance shall be made by the Lender by wire transfer of immediately available funds to the Subordinate Lien Trustee (on behalf of the Authority) in accordance with written instructions provided by the Authority. If, after examination, the Lender shall have determined that a Request for Advance does not conform to the terms and conditions hereof, then the Lender shall use its best efforts to give notice to the Authority to the effect that documentation was not in accordance with the terms and conditions hereof and stating the reasons therefor. The Authority may attempt to correct any such nonconforming Request for Advance, if, and to the extent that, the Authority is entitled (without regard to the provisions of this sentence) and able to do so.

#### *Section 2.4. Conditions Precedent.*

(a) *Conditions Precedent to Effective Date.* The obligations of the Lender to make the Commitment available hereunder shall be subject to the fulfillment of each of the following conditions precedent on or before the Effective Date in a manner satisfactory to the Lender:

(i) The Lender shall have received the following documents, each dated and in form and substance as is satisfactory to the Lender:

(1) copies of the resolution(s) of the Board of Directors of the Authority approving the execution and delivery of this Agreement, the Note, the Subordinate Trust Agreement and the Senior Lien Trust Agreement certified by the Board Secretary of the Authority as being true and complete and in full force and effect on the Effective Date;

(2) certified copies of all approvals, authorizations and consents of any trustee, or holder of any indebtedness or obligation of the Authority or any Governmental Authority necessary for the Authority to enter into each of the Related Documents and the transactions contemplated herein and therein;

(3) (A) the audited annual financial statements of the Authority for the Fiscal Year ended June 30, 2014, and a copy of the most recent budget of the Authority (such requirement to be satisfied if such information is available on the Authority's website) and (B) the investment policy of the Authority; and

(4) an Authorized Representative Certificate, upon which the Lender may rely until it receives a new such certificate;

(5) an executed original or certified copy, as applicable, of each of the Related Documents;

(6) the original executed Note; and

(7) an IRS Form W-9 duly completed by the Authority.

(ii) The Lender shall have received an opinion addressed to the Lender and dated the Effective Date from Authority Counsel, in form and substance reasonably satisfactory to the Lender and its counsel, which provides for, among other opinions, the following: (1) the Authority is a county transportation commission duly organized and validly existing under the laws of the State, (2) the execution, delivery and performance by the Authority of this Agreement, the Note and the other Related Documents are within the Authority's powers, have been duly authorized by all necessary action, and there is no authorization, approval, consent or other order of, or filing with, or certification by, the State or any other governmental authority or agency within the State having jurisdiction over the Authority required for the issuance of the Subordinate Obligations or the consummation by the Authority of the other financial transactions contemplated hereby, (3) this Agreement, the Note and the other Related Documents have been duly authorized, executed and delivered and are valid, binding and enforceable against the Authority, and (4) such other matters as the Lender may reasonably request, in form and substance satisfactory to the Lender and its counsel.

(iii) The following statements shall be true and correct on the Effective Date, and the Lender shall have received a certificate signed by an Authorized Representative, dated the Effective Date, certifying that:

(1) (A) the representations and warranties of the Authority contained in each of the Related Documents and each certificate, letter, other writing or instrument delivered by the Authority to the Lender pursuant hereto or thereto are true and correct on and as of the Effective Date as though made on and as of such date (except to the extent any such representation or warranty specifically relates to an earlier date, then such representation or warranty shall be true and correct as of such earlier date); (B) no Default or Event of Default has occurred and is continuing or would result from the Authority's execution and delivery of this Agreement, the Note or the Subordinate Trust Agreement or the acceptance of the Commitment by the Authority; (C) the audited annual financial statements of the Authority for the Fiscal Year ended June 30, 2014, including the balance sheet as of such date of said period, all examined and reported on by KPMG LLP, as heretofore delivered to the Lender correctly and fairly present the financial condition of the Authority as of said date and the results of the operations of the Authority for such period, have been prepared in accordance with GAAP consistently applied except as stated in the Note thereto; (D) since June 30, 2014, except as disclosed to the Lender in writing, there has been no Material Adverse Change or Material Adverse Effect; (E) the acceptance of the Commitment by the Authority pursuant to this Agreement is an arm's length commercial transaction between the Authority and the Lender; (F) the Authority has consulted with its own respective legal and financial advisors in connection with the acceptance of the Commitment by the Authority pursuant to this Agreement; (G) the Lender has not acted as a fiduciary in favor of the Authority with respect to the Note or the acceptance of the Commitment by the Authority; (H) all conditions precedent set forth in the Senior Lien Trust Agreement and the Subordinate Trust Agreement with respect to issuance of the Note shall have been satisfied and (I) to the best knowledge of the Authority, the underlying unenhanced long-term ratings assigned to the Senior Bonds by Moody's and S&P have not been reduced, withdrawn or suspended by any Rating Agency since the dated date of the Rating Documentation; and

(2) No actions, suits or proceedings are pending or, to the Authority's knowledge, threatened against the Authority in any court or before any arbitrator of any kind or before or by any governmental or non-governmental body which could reasonably be expected to result in a Material Adverse Effect.

(iv) The Lender shall have received an opinion of Bond Counsel addressed to the Lender and dated the Effective Date as to the due authorization, execution and delivery of this Agreement, the Note, the Senior Lien Trust Agreement and the Subordinate Trust Agreement, and as to the validity and enforceability with respect to the Authority of this Agreement, the Note, the Senior Lien Trust Agreement and the Subordinate Trust Agreement, the exclusion of interest on the Tax-Exempt Loans from

gross income for federal income tax purposes of the Lender, the pledge of Subordinate Pledged Revenues securing the Note and the Obligations constituting a valid pledge, and such other matters as the Lender may reasonably request, in form and substance satisfactory to the Lender and its counsel.

(v) All necessary action on the part of the Authority shall have been taken as required for the assignment and pledge of a lien on the Subordinate Pledged Revenues for the benefit of the Lender as described in Section 5.1 hereof.

(vi) All other legal matters pertaining to the execution and delivery of this Agreement, the Note and the Subordinate Trust Agreement shall be satisfactory to the Lender and its counsel. The Lender shall have received evidence satisfactory to the Lender that all conditions precedent to the issuance of the Note as Subordinate Obligations pursuant to Section 2.09 of the Subordinate Trust Agreement have been satisfied.

(vii) The Lender shall have received evidence confirming that Moody's and S&P have assigned an underlying unenhanced long-term rating to the Senior Bonds of "Aa2" (or its equivalent), and "AAA" (or its equivalent), respectively (referred to herein as the "*Rating Documentation*").

(viii) The Note shall not be (i) assigned a specific rating by any Rating Agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of official statement, private placement memorandum or other offering document, (iv) assigned a CUSIP number by Standard & Poor's CUSIP Services or (v) placed or offered by a broker-dealer in the capacity of an underwriter or a placement agent.

(ix) The Lender shall have determined (in its sole discretion) that (i) none of the making of any Advances or Loans or the consummation of any of the transactions contemplated by this Agreement, the Note and the other Related Documents will violate any law, rule, guideline or regulation applicable to the Authority, the Lender, this Agreement or any other Related Document; and (ii) since June 30, 2014, no Material Adverse Effect or Material Adverse Change has occurred; and (iii) there has been no material adverse change in the laws, rules or regulations (or their interpretation or administration) that, in any case, may adversely affect the consummation of the transactions contemplated hereby, by any Related Document.

(x) The Lender shall have received such other documents, certificates, opinions, approvals and filings with respect to this Agreement, the Note and the other Related Documents and the Act and Ordinance as the Lender may reasonably request.

(b) *Conditions Precedent to Each Advance.* The obligation of the Lender to make an Advance on any date is subject to the conditions precedent that on the date of such Advance:

(i) The Lender shall have received a Request for Advance executed by an Authorized Representative set forth in the Authorized Representative Certificate as provided in Section 2.3(c) hereof;

(ii) All representations and warranties of the Authority as set forth in Article VII hereof shall be true and correct as though made on the date of such Request for Advance and on the date of the proposed Advance (except to the extent any such representation or warranty specifically relates to an earlier date, then such representation or warranty shall be true and correct as of such earlier date) and no Default or Event of Default shall have occurred and be continuing;

(iii) No Material Adverse Effect shall have occurred and be continuing;

(iv) For each Advance to bear interest at the Tax-Exempt Rate, the Lender shall have received an opinion of Bond Counsel dated the date of such Advance as to the exclusion of interest on such Advance and the related Loans from gross income for federal income tax purposes, in form and substance satisfactory to the Lender. At the Authority's option, after consultation with Bond Counsel, the Authority may deliver to the Lender an opinion of Bond Counsel, in form and substance satisfactory to the Lender, that relates to one or more Advances (and related Loans), such opinion to set forth the maximum dollar amount of Advances and the period of time over which such Advances are to be made;

(v) For each Advance to bear interest at the Tax-Exempt Rate, the Lender shall have received an executed Supplemental Tax Certificate, in form and substance satisfactory to the Lender. At the Authority's option, after consultation with Bond Counsel, the Authority may deliver to the Lender an executed Supplemental Tax Certificate that relates to one or more Advances (and related Loans), such Supplemental Tax Certificate to set forth the maximum dollar amount of Advances and the period of time over which such Advances are to be made;

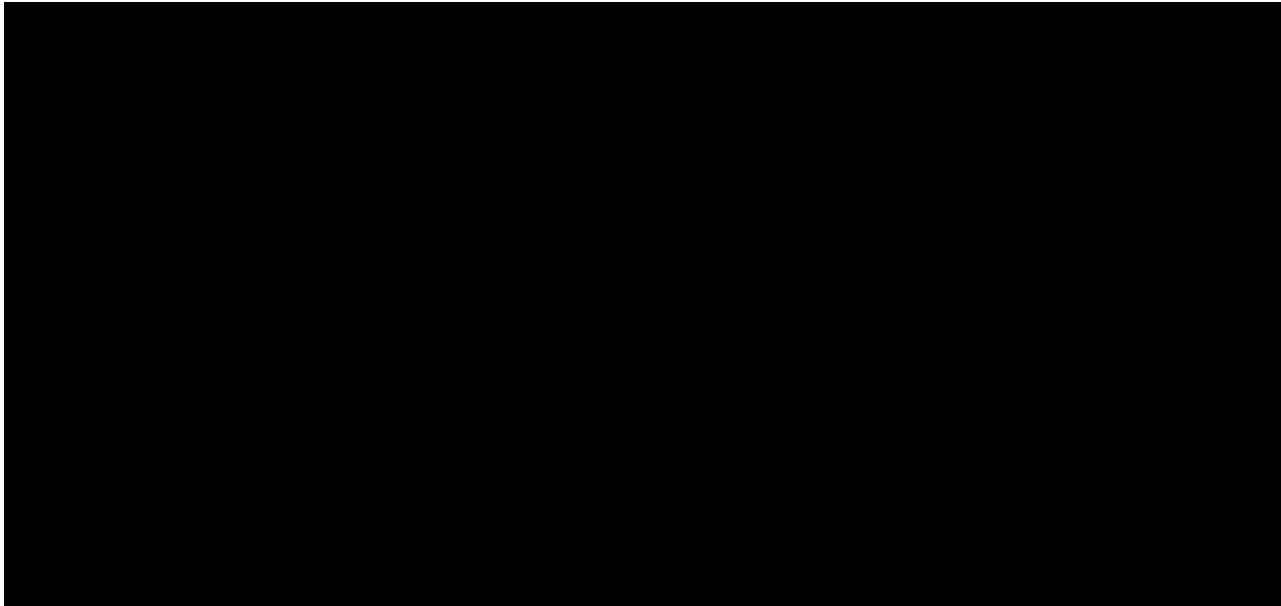
(vi) a certificate dated the date of the Advance and executed by an Authorized Representative, certifying that as of the date of the Advance the Debt Service Coverage Ratio is greater than 125%;

(vii) (A) a certificate dated the date of the Advance and executed by an Authorized Representative, certifying that as of the date of the Advance the Authority has complied with all conditions precedent to the issuance of Subordinate Obligations, as applicable, set forth in Section 3.06 of the Senior Lien Trust Agreement and (B) a copy of the certificate which is required to be delivered to the Senior Trustee and the TIFIA Lender in Section 3.06(C) of the Senior Lien Trust Agreement; and

(viii) The Commitment and the obligation of the Lender to make an Advance hereunder shall not have terminated pursuant to Section 10.2 hereof or pursuant to Section 2.7 hereof. Unless the Authority shall have otherwise previously advised the Lender in writing, delivery to the Lender of a Request for Advance shall be deemed to







[Redacted text block consisting of multiple lines of blacked-out content]

[Redacted text block consisting of multiple lines of blacked-out content]

[REDACTED]

[REDACTED]

[REDACTED]

(e) *Costs, Expenses and Taxes.* The Authority will promptly pay on demand (i) the fees and disbursements of counsel or other reasonably required consultants to the Lender with respect to advising the Lender as to the rights and responsibilities under this Agreement and the other Related Documents after the occurrence and during the continuation of any Default or alleged Default hereunder, or an Event of Default, (ii) all reasonable costs and expenses, if any, in connection with any waiver or amendment of, or the giving of any approval or consent under, or any response thereto or the enforcement of this Agreement, the Related Documents and any other documents which may be delivered in connection herewith or therewith, including in each case the reasonable fees and disbursements of counsel to the Lender or other reasonably required consultants and (iii) any amounts reasonably advanced by or on behalf of the Lender to the extent required to cure any Default, Event of Default or event of nonperformance hereunder or any Related Document, together with interest at the Default Rate. In addition, the Authority shall pay any and all stamp taxes, transfer taxes, documentary taxes, and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, and recording of this Agreement and the security contemplated by the Related Documents (other than taxes based on the net income of the Lender) and agrees to indemnify and hold the Lender harmless from and against any and all liabilities with respect to or resulting from any delay in paying, or omission to pay, such taxes and fees, including interest and penalties thereon; *provided, however,* that the Authority may reasonably contest any such taxes or fees with the prior written consent of the Lender, which consent, if an Event of Default does not then exist, shall not be unreasonably withheld. In addition, the Authority agrees to pay, after the occurrence of a Default, alleged Default or an Event of Default, all costs and expenses (including attorneys' fees and costs of settlement) incurred by the Lender in enforcing any obligations or in collecting any payments due from the Authority hereunder by reason of such Default, alleged Default or Event of Default or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "workout" or of any collection, insolvency, bankruptcy proceedings or other enforcement proceedings resulting therefrom.

(f) If the Authority shall fail to pay any amount payable under this Section 2.6 as and when due, each such unpaid amount shall bear interest for each day from and including the date it was due until paid in full at the applicable Default Rate. The obligations of the Authority under this Section 2.6 shall survive the termination of this Agreement.

*Section 2.7. Reduction and Termination.* (a) Subject to the provisions of Section 2.6(b) hereof, the Available Commitment shall be reduced from time to time as requested by the Authority within three (3) days of the Authority's written notice to the Lender requesting such reduction in the form of Exhibit E hereto; *provided*, that each such reduction amount shall be in an amount equal to \$1,000,000 or an integral multiple thereof.

(b) Subject to the provisions of Section 2.6(b) hereof, the Authority may at any time and at its sole option terminate the Commitment upon three (3) Business Days' prior written notice to the Lender. As a condition to any such termination, the Authority shall pay or cause to be paid all Obligations owed to the Lender (other than the Term Loan which shall be payable pursuant to the terms of Section 4.4 hereof).

*Section 2.8. Extension of Commitment Expiration Date.* The Authority may request an extension of the Commitment Expiration Date in writing in the form of Exhibit C hereto not less than one hundred twenty (120) days prior to the then current Commitment Expiration Date. The Lender will make reasonable efforts to respond to such request within sixty (60) days after receipt of all information necessary, in the Lender's judgment, to permit the Lender to make an informed credit decision. If the Lender fails to definitively respond to such request within such 60-day period, the Lender shall be deemed to have refused to grant the extension requested. The Lender may, in its sole and absolute discretion, decide to accept or reject any such proposed extension and no extension shall become effective unless the Lender shall have consented thereto in writing in the form of Exhibit F hereto or otherwise. The Lender's consent, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance satisfactory to the Lender (which may include, but shall not be limited to the delivery of a "no adverse effect opinion" of Bond Counsel to the Lender with respect to the tax-exempt status of the Tax-Exempt Loans).

*Section 2.9. Funding Indemnity.* In the event the Lender shall incur any loss, cost, or expense (including, without limitation, any loss, cost, or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired or contracted to be acquired by the Lender to make any Advance, Revolving Loan or Term Loan or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to the Lender) as a result of any optional payment or prepayment of any Advance, Revolving Loan or Term Loan on a date other than a Rate Reset Date for any reason, whether before or after default, then upon the demand of the Lender, the Authority shall pay to the Lender a payment or prepayment premium, as applicable in such amount as will reimburse the Lender for such loss, cost, or expense. If the Lender requests such payment or prepayment premium, as applicable, it shall provide to the Authority a certificate setting forth the computation of the loss, cost, or expense giving rise to the request for such payment or prepayment premium, as applicable in reasonable detail and such certificate shall be conclusive if reasonably determined.

*Section 2.10. Payments.* All payments to be made by the Authority shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Authority hereunder shall be made to the Lender at the Lender's Office in Dollars and in immediately available funds not later than 3:00 p.m. New York time, on the date specified herein. All payments received by the Lender after 3:00 p.m. New York time shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Authority shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be. Notwithstanding anything herein to the contrary, where this Agreement provides for payment by the Authority to the Lender for any amount, the Authority may satisfy such obligation by causing the Subordinate Lien Trustee to pay such amount directly to the Lender from Subordinate Pledged Revenues under the Subordinate Trust Agreement or Pledged Revenues under the Senior Lien Trust Agreement, as applicable.

### ARTICLE III

#### REVOLVING LOANS

*Section 3.1. Making of Revolving Loans.* Each Advance shall constitute a loan made by the Lender to the Authority on the date of such Advance (individually, a "*Revolving Loan*" or a "*Tax-Exempt Revolving Loan*" and collectively, the "*Revolving Loans*" or the "*Tax-Exempt Revolving Loans*"). For the purposes of clarity, each Advance and the related Revolving Loan are the same borrowing hereunder. Each Revolving Loan shall constitute a Subordinate Obligation under the Subordinate Trust Agreement.

*Section 3.2. Revolving Loans Evidenced by Note.* The Tax-Exempt Revolving Loans shall be evidenced by a promissory note of the Authority to the Lender in substantially the form set forth in Exhibit A hereto (as amended or supplemented from time to time, the "*Tax-Exempt Note*") to be issued on the Effective Date, payable to the Lender in a principal amount up to the Available Commitment on the Effective Date and otherwise duly completed. All Tax-Exempt Revolving Loans made by the Lender and all payments and prepayments made on account of principal thereof shall be recorded by the Lender on the schedule (or a continuation thereof) attached to the Tax-Exempt Note, it being understood, however, that failure by the Lender to make any such endorsement shall not affect the obligations of the Authority hereunder or under the Tax-Exempt Note in respect of unpaid principal and interest on any Tax-Exempt Revolving Loan. Each entry on the Tax-Exempt Note with respect to a Tax-Exempt Revolving Loan schedule shall reflect the applicable principal amount and the applicable interest rate.

*Section 3.3. Interest on Revolving Loans.* Each Loan made or maintained by the Lender shall bear interest during each Interest Period it is outstanding (computed on the basis of a year of ■ days and actual days elapsed) on the unpaid principal amount thereof at a rate per annum equal to the Tax-Exempt Rate for such Interest Period; *provided that*, the initial Tax-Exempt Rate for a particular Advance relating to a Loan shall be determined by the Lender two London Business Days prior to the related Advance Date; *provided that*, the next succeeding Tax-Exempt Rate for such Advance shall be determined by the Lender on the Rate Reset Date immediately

succeeding the Advance Date. Interest on each Loan shall be payable by the Authority on each Interest Payment Date and on the Commitment Expiration Date. Not less than two (2) Business Days prior to each Interest Payment Date, the Lender shall deliver to the Authority and the Subordinate Lien Trustee written notice, upon which the Authority and the Subordinate Lien Trustee may conclusively rely, of the amount of interest due and payable on such Revolving Loan on such Interest Payment Date; *provided, however*, that the failure by the Lender to provide notice of the amount of interest due and payable shall not relieve the Authority of its obligation to make payment of amounts as and when due hereunder.

*Section 3.4. Repayment of Revolving Loans.* The principal of each Revolving Loan automatically shall be converted into a Term Loan on the Commitment Expiration Date unless the Authority elects to pay such Revolving Loan in full on the Commitment Expiration Date.

*Section 3.5. Prepayment of Revolving Loans.* The Authority may prepay any Loan, in whole or in part, on any Business Day, provided at least three (3) days' written notice is provided by the Authority to the Lender. Each such notice of optional prepayment shall be irrevocable and shall bind the Authority to make such prepayment in accordance with such notice. All prepayments of principal shall include accrued interest to the date of prepayment and all other amounts due pursuant to this Agreement.

## ARTICLE IV

### THE TERM LOAN

*Section 4.1. Term Loan.* On the Commitment Expiration Date, the unpaid principal amount of any Tax-Exempt Revolving Loan shall automatically be converted into a Tax-Exempt Term Loan, unless the Authority elects, in its sole discretion, to pay such Tax-Exempt Revolving Loan in full on the Commitment Expiration Date. For the purposes of clarity, each Term Loan shall consist of the related Advances and Revolving Loans from which it was converted and shall constitute the same borrowing hereunder. Each Term Loan shall constitute a Subordinate Obligation under the Subordinate Trust Agreement.

*Section 4.2. Term Loans Evidenced by Note.* The principal amount of each Tax-Exempt Term Loan shall also be evidenced by the Tax-Exempt Note. Each Tax-Exempt Term Loan made by the Lender and all payments and prepayments on the account of the principal and interest of each Tax-Exempt Term Loan shall be recorded by the Lender on the schedule attached to the Tax-Exempt Note; *provided, however*, that the failure of the Lender to make any such endorsement or any error therein shall not affect the obligations of the Authority hereunder or under the Tax-Exempt Note in respect of unpaid principal and interest on each Tax-Exempt Term Loan.

*Section 4.3. Interest on Term Loan.* The Tax-Exempt Term Loan shall bear interest from the Commitment Expiration Date to the date such Tax-Exempt Term Loan is paid in full at a rate per annum equal to the Lender Rate as determined by the Lender pursuant to Section 2.5 hereof. Interest on each Term Loan shall be paid by the Authority to the Lender monthly in

arrears on each Interest Payment Date. Interest on each Term Loan shall be calculated on the basis of a year of ■ days based on the actual number of days elapsed. Not less than two (2) Business Days prior to each Interest Payment Date, the Lender shall deliver to the Authority and the Subordinate Lien Trustee written notice, upon which the Authority and the Subordinate Lien Trustee may conclusively rely, of the amount of interest due and payable on the Term Loan on such Interest Payment Date; *provided, however*, that the failure by the Lender to provide notice of the amount of interest due and payable shall not relieve the Authority of its obligation to make payment of amounts as and when due hereunder.

*Section 4.4. Repayment of Tax-Exempt Term Loan.* The principal of each Tax-Exempt Term Loan shall be paid by the Authority in installments payable on each Amortization Payment Date (each such payment, an “*Amortization Payment*”), with the final installment in an amount equal to the entire then-outstanding principal amount of such Tax-Exempt Term Loan to be paid in full on the Amortization End Date (the period commencing on the Commitment Expiration Date and ending on the Amortization End Date is herein referred to as the “*Amortization Period*”). Each Amortization Payment shall be that amount of principal which will result in equal (as nearly as possible) aggregate Amortization Payments over the Amortization Period. The Authority acknowledges that the foregoing payment schedule may result in a final payment substantially higher than the preceding payments.

*Section 4.5. Prepayment of Tax-Exempt Term Loan.* The Authority may prepay each Tax-Exempt Term Loan, in whole or in part, on any Business Day, without cost, penalty or premium, provided at least three (3) days’ written notice is provided by the Authority to the Lender. Each such notice of optional prepayment shall be irrevocable and shall bind the Authority to make such prepayment in accordance with such notice. All prepayments of principal shall include accrued interest to the date of prepayment and all other amounts due pursuant to this Agreement.

## ARTICLE V

### SECURITY AND PLEDGE

*Section 5.1. Security and Pledge.* (a) The Reimbursement Obligations are secured by a second lien on and pledge of the Pledged Revenues pursuant to the Senior Lien Trust Agreement and a first lien on and pledge of the Subordinate Pledged Revenues pursuant to the Subordinate Trust Agreement. The Other Obligations are special obligations of the Authority which constitute Fees and Expenses under the Senior Trust Agreement and are payable from Pledged Revenues pursuant to the terms of the Senior Lien Trust Agreement after deposits with respect to the Subordinate Obligations and before deposits with respect to the Junior Subordinate Obligations. The irrevocable pledge of and lien on the Pledged Revenues under the Senior Lien Trust Agreement and the Subordinate Pledged Revenues under the Subordinate Trust Agreement, in each case, securing the payment of the Reimbursement Obligations is a valid and binding obligation of the Authority, on a *pari passu* basis with the holders of all Subordinate Obligations, subject to any applicable bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws, judicial decisions and principles of equity relating to or affecting creditors’ rights or contractual obligations generally or limitations of remedies against

public entities in the State. The obligation to pay the Other Obligations from Pledged Revenues as described in the Senior Lien Trust Agreement is a valid and binding obligation of the Authority and such amounts are payable on a *pari passu* basis with all other Fees and Expenses, subject to any applicable bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws, judicial decisions and principles of equity relating to or affecting creditors' rights or contractual obligations generally or limitations of remedies against public entities in the State. The Reimbursement Obligations constitute "Subordinate Obligations" for purposes of the Senior Lien Trust Agreement and the Subordinate Trust Agreement.

(b) Neither the faith and the credit nor the taxing power of the County of Los Angeles, the State or any political subdivision or any public agency, other than the Authority (to the extent of the Subordinate Pledged Revenues with respect to the Reimbursement Obligations and to the extent of Pledged Revenues remaining after payment of the Subordinate Obligations with respect to the Other Obligations) is pledged to the payment of the Reimbursement Obligations and all Other Obligations due and owing hereunder. The Reimbursement Obligations and the interest thereon are junior and subordinate in all respects to the Senior Bonds and the funding of reserves for the Senior Bonds as to lien on and source and security for payment from the Pledged Revenues. The Other Obligations are junior and subordinate in all respects to the Senior Bonds and Parity Obligations and the funding of reserves for the Senior Bonds and Parity Obligations and to the Subordinate Obligations as to the lien on and source and security for payment from the Pledged Revenues.

(c) The Authority's obligations to repay each Advance, Tax-Exempt Revolving Loan and Tax-Exempt Term Loan and to pay interest thereon as provided herein shall be evidenced and secured by the Note, and the Authority shall, without duplication (i) make a principal payment on the Note on each date on which the Authority is required to make a principal payment on an Advance, Revolving Loan and Term Loan, as applicable, in an amount equal to the principal payment due on such date and (ii) pay interest on the Note on each date on which the Authority is required to make an interest payment with respect to an Advance, Tax-Exempt Revolving Loan and Tax-Exempt Term Loan, as applicable, in an amount equal to the interest payment due on such date.

## ARTICLE VI

### LIABILITY, INDEMNITY AND PAYMENT

*Section 6.1. Liability of the Authority.* The Authority and the Lender agree that the obligation of the Authority to pay the Reimbursement Obligations are contractual obligations of the Authority payable solely from the Subordinate Pledged Revenues and that the obligation of the Authority to pay the Other Obligations are contractual obligations of the Authority payable solely from the Pledged Revenues on a basis subordinate to the Subordinate Obligations. The obligation of the Authority to pay Obligations shall not be affected by, and the Lender shall not be responsible for, among other things, (i) the validity, genuineness or enforceability of this Agreement, the Note or documents, notices or endorsements relating thereto (even if this Agreement or any documents, notices endorsements relating thereto should in fact prove to be in



any and all respects invalid, fraudulent or forged), (ii) the use to which the amounts disbursed by the Lender may be put, or (iii) any other circumstances or happenings whatsoever, whether or not similar to any of the foregoing.

*Section 6.2. Indemnification by the Authority.* (a)(i) In addition to any and all rights of reimbursement, indemnification, subrogation or any other rights pursuant hereto or under law or equity, the Authority hereby agrees (to the extent permitted by law) to indemnify and hold harmless the Lender and each Participant and each Noteholder and their respective officers, directors and agents (each, an “*Indemnitee*”) from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever (including reasonable attorneys’ fees) which an Indemnitee may incur or which may be claimed against an Indemnitee by any Person or entity whatsoever (collectively, the “*Liabilities*”) by reason of or in connection with (i) the execution and delivery or transfer of, or payment or failure to pay under, any Related Document; (ii) the making of any Advances or any Loans; (iii) the use of the proceeds of the Note, Advances or Loans; (iv) any breach by the Authority of any warranty, covenant, term or condition in, or the occurrence of any default by it under any of the Related Documents or the Act or Ordinance, together with all reasonable expenses resulting from the compromise or defense of any claims or liabilities arising as a result of any such breach or default; (v) any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain the Lender from paying any amount under this Agreement (other than actions or proceedings instituted by or on behalf of the Lender); or (vi) any investigation, litigation or other proceeding (whether or not the Lender or any Participant is a party thereto) related to the entering into and/or each performance of any of the Related Document or the use of the proceeds of any Advance or any Loan under this Agreement; *provided* that the Authority shall not be required to indemnify an Indemnitee for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of such Indemnitee as determined by a court of competent jurisdiction in a final nonappealable judgment. Nothing under this Section 6.2 is intended to limit the Authority’s payment of the Obligations. To the fullest extent permitted by applicable law, the Authority shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, or the use of the proceeds thereof.

(ii) In the case of any proceeding (including any governmental investigation) shall be instituted in respect of which indemnity may be sought pursuant to this Section 6.2, the Bank shall promptly notify the Authority in writing.

(iii) Solely in connection with third party claims, damages, losses, liabilities, reasonable costs or expenses whatsoever in respect of which indemnity may be sought pursuant to this Section 6.2 and except to the extent that when an Event of Default has occurred and continuing, the Authority shall select counsel for the Bank, which counsel shall be reasonably acceptable to the Bank and the Authority, and the Authority shall pay the reasonable fees and disbursements of such counsel related to such proceeding. Notwithstanding the preceding sentence, each Indemnitee shall have the right to employ its own counsel and to determine its own defense of

such action in any such case, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless (x) the employment of such counsel shall have been authorized in writing by the Authority, or (y) the Authority, after due notice of the action, shall not have employed counsel acceptable to such Indemnitee to have charge of such defense, in either of which events the reasonable fees and expenses of counsel for such Indemnitee shall be borne by the Authority.

(iv) In connection with any claims, damages, losses, liabilities, reasonable costs or expenses whatsoever in respect of which indemnity may be sought pursuant to this Section 6.2, the Bank shall manage the response and course of action with respect to such proceeding; *provided* that the Bank shall in good faith use commercially reasonable efforts to consult with the Authority regarding the response and course of action with respect to such proceeding. Counsel for the Bank shall provide the Authority with monthly invoices substantiating the reasonable fees and disbursements of such counsel related to such proceeding to be paid by the Authority. The Bank shall manage negotiations and determinations regarding reasonable settlement of any such proceeding; *provided* that the Bank shall in good faith use commercially reasonable efforts to consult with and obtain the concurrence of the Authority regarding any settlement of any such proceeding, but if settled or if there shall be a final judgment against the Bank, the Authority, to the extent permitted by law, agrees to indemnify the Bank from and against any loss or liability by reason of such settlement of judgment.

(b) Notwithstanding anything to the contrary contained in this Section 6.2, (i) the Authority shall have no obligation to indemnify the Lender for damages that the Authority proves were caused solely out of the gross negligence or willful misconduct of the Lender, as determined by a court of competent jurisdiction in a final nonappealable judgment, and (ii) the Authority shall have a claim against the Lender, and the Lender shall be liable to the Authority, to the extent of any direct, as opposed to consequential, damages suffered by the Authority which the Authority proves were caused solely by the Lender's gross negligence or willful misconduct, as determined by a court of competent jurisdiction in a final nonappealable judgment.

(c) Without prejudice to the survival of any other obligation of the Authority under this Agreement, the indemnities and related obligations of the Authority under this Section 6.2 shall survive the payment of the Note, the Loans and all other Obligations and the termination of this Agreement.

*Section 6.3. Increased Costs; Taxable Gross Up.* (a) If the Lender shall determine that any Change in Law now existing or hereafter adopted shall:

(i) impose, modify or deem applicable any reserve, capital or liquidity ratio, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or advances, loans or other credit extended or participated in by, or other acquisitions of funds by, the Lender, any Participant or any Noteholder;

(ii) subject the Lender, any Participant or any Noteholder to any Tax (except for Taxes on the overall net income or share capital of the Lender, such Participant or

such Noteholder) of any kind whatsoever with respect to this Agreement, the Note, the Advances, the Revolving Loans or the Term Loans or change the basis of taxation of payments to the Lender, such Participant or such Noteholder in respect thereof (except for Indemnified Taxes or Miscellaneous Taxes covered by Section 6.4 hereof and the imposition of, or any change in the rate of any Excluded Tax payable by the Lender, such Participant or such Noteholder);

(iii) impose upon the Lender, any Participant or any Noteholder any other condition or expense with respect to this Agreement, the Note, the Advances, the Revolving Loans, or the Term Loans; and the result of any of the foregoing is to increase the cost to, reduce the income receivable by, or impose any expense (including loss of margin) upon the Lender, such Participant or such Noteholder with respect to this Agreement, the Note, the Advances, the Revolving Loans or the Term Loans (or in the case of any capital adequacy or similar requirement, to have the effect of reducing the rate of return on the Lender's, any Participant's or any Noteholder's capital),

then the Lender shall from time to time notify, or cause to be notified, the Authority of the amount determined in good faith by the Lender, such Participant or such Noteholder, as applicable (which determination shall be conclusive absent manifest error) to be necessary to compensate the Lender, such Participant or such Noteholder, as applicable, for such increase, reduction or imposition and provide the Authority with the calculations made to determine such amount.

(b) *Capital or Liquidity Requirements.* If the Lender, any Participant or any Noteholder determines that any Change in Law affecting the Lender, such Participant or such Noteholder, as applicable, or any of their parent or holding companies, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on the Lender, such Participant or such Noteholder, or any of their parent or holding companies, holding, if any, as a consequence of this Agreement, or making, maintenance or funding of, any Loan hereunder, to a level below that which the Lender, such Participant or such Noteholder, or their respective parent or holding companies could have achieved but for such Change in Law (taking into consideration the Lender's, such Participant's or such Noteholder's policies and the policies of their parent or holding companies with respect to capital or liquidity adequacy, as applicable), then from time to time upon written request of the Lender as set forth in clause (c) of this Section, the Authority shall promptly pay to the Lender, such Participant or such Noteholder, as the case may be, such additional amount or amounts as will compensate the Lender, such Participant or such Noteholder, or their parent or holding companies, as applicable, for any such reduction suffered.

(c) *Certificates for Reimbursement.* A certificate of the Lender, any Participant or any Noteholder setting forth the amount or amounts necessary to compensate the Lender, such Participant or such Noteholder, or their parent or holding companies, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Authority, shall be conclusive absent manifest error. The Authority shall pay the Lender, such Participant or such Noteholder, as the case may be, the amount shown as due on any such certificate within thirty (30) days after receipt thereof.

(d) *Delay in Requests.* Failure or delay on the part of the Lender, such Participant or such Noteholder to demand compensation pursuant to this Section shall not constitute a waiver of the Lender's, such Participant's or such Noteholder's right to demand such compensation;

[REDACTED]

(e) *Taxable Gross Up.* (i) In the event a Taxable Date occurs, the Authority hereby agrees to pay to the Lender, any Participant or any Noteholder on demand therefor (1) an amount equal to the difference between (A) the amount of interest that would have been paid to the Lender, such Participant or such Noteholder, as applicable, on any Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans during the period for which interest on such Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans, as applicable, is includable in the gross income of the Lender, such Participant or such Noteholder, as applicable, if such Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans had borne interest at the Taxable Rate, beginning on the Taxable Date (the "*Taxable Period*"), and (B) the amount of interest actually paid to the Lender, such Participant or such Noteholder, as applicable, during the Taxable Period, and (2) an amount equal to any interest, penalties or charges owed by the Lender, any Participant or any Noteholder, as applicable, as a result of interest on the Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans becoming includable in the gross income of the Lender, such Participant or such Noteholder, as applicable, together with any and all reasonable attorneys' fees, court costs, or other out-of-pocket costs incurred by the Lender, such Participant or such Noteholder, as applicable, in connection therewith.

(ii) Subject to the provisions of clauses (iii) and (iv) below, the Lender shall afford the Authority the opportunity, at the Authority's sole cost and expense, to contest (1) the validity of any amendment to the Code which causes the interest on such Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans to be includable in the gross income of the Lender, any Participant or the Noteholder or (2) any challenge to the validity of the tax exemption with respect to the interest on the Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals); *provided* that, in no event shall the Lender, any Participant or any Noteholder be required to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Authority or any other Person.

(iii) As a condition precedent to the exercise by the Authority of its right to contest set forth in clause (ii) above, the Authority shall, on demand, immediately

reimburse the Lender, such Participant or the Noteholder, as applicable, for any and all expenses (including reasonable attorneys' fees for services that may be required or desirable) that may be incurred by the Lender, such Participant or the Noteholder, as applicable, in connection with any such contest, and shall, on demand, immediately reimburse the Lender, such Participant or the Noteholder, as applicable, for any and all penalties or other charges payable by the Lender, such Participant or the Noteholder, as applicable, for failure to include such interest in its gross income; and

(iv) The obligations of the Authority under this Section 6.3 shall survive the termination of the Commitment and this Agreement.

*Section 6.4. Taxes.*

(a) *Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.* Any and all payments by or on account of any obligation of the Authority hereunder or under the Note shall be made free and clear of and without reduction or withholding for any Indemnified Taxes or Miscellaneous Taxes; provided that if the Authority shall be required by Applicable Law to deduct any Indemnified Taxes (including any Miscellaneous Taxes) from such payments, then (i) to the fullest extent permitted by Applicable Law, the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Lender, such Participant or such Noteholder receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Authority shall make such deductions and (iii) the Authority shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.

(b) *Payment of Miscellaneous Taxes by the Authority.* Without limiting the provisions of paragraph (a) above, the Authority shall timely pay any Miscellaneous Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) *Indemnification by the Authority.* The Authority, to the fullest extent permitted by law, shall indemnify the Lender, each Participant and each Noteholder, within thirty (30) days after demand therefor, for the full amount of any Indemnified Taxes or Miscellaneous Taxes (including Indemnified Taxes or Miscellaneous Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by the Lender, such Participant or such Noteholder and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Miscellaneous Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate stating the amount of such payment or liability delivered to the Authority by the Lender shall be conclusive absent manifest error. In addition, the Authority shall indemnify the Lender, any Participant and the Noteholder, within ten (10) days after demand therefor, for any additional amounts that the Lender, any Participant or any Noteholder is required to pay as a result of any failure of the Authority to pay any Taxes when due to the appropriate Governmental Authority or to deliver to the Lender, any Participant and the other holders of a Note, as applicable, pursuant to clause (d), documentation evidencing the payment of Taxes and to contest, with the cooperation and at the expense of the Authority any such Taxes or Miscellaneous Taxes which the Lender or the Authority reasonably believes not to have been properly assessed.

Prior to claiming compensation pursuant to this subsection (c), the Lender, the Participant or the Noteholder, as applicable, will use reasonable efforts to investigate the alternatives (if any) for avoiding the need for, or the reduction of the amount of, such compensation, and the Lender, the Participant or the Noteholder, as applicable, shall take all reasonable steps to so avoid the need for, or reduce the amount of such compensation, provided that, none of the Lender, the Participant or the Noteholder shall be obligated to take any steps that are adverse to its business or operations or inconsistent with its policies.

(d) *Evidence of Payments.* As soon as practicable after any payment of Indemnified Taxes or Miscellaneous Taxes by the Authority to a Governmental Authority, the Authority shall deliver to the Lender, such Participant or such Noteholder, as applicable, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Lender, such Participant or such Noteholder, as applicable.

(e) *Treatment of Certain Refunds.* If the Lender, any Participant or any Noteholder determines, in its sole discretion, that it has received a refund of any Taxes or Miscellaneous Taxes as to which it has been indemnified pursuant to this Section (including additional amounts paid by the Authority pursuant to this Section), it shall pay to the Authority an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, under this Section with respect to the Taxes or Miscellaneous Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses of the Lender, such Participant or such Noteholder, as applicable, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided* that the Authority, upon the request of the Lender, such Participant or such Noteholder, as applicable, agrees to repay the amount paid over pursuant to this Section (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Lender, such Participant or such Noteholder, as applicable, in the event the Lender, such Participant or such Noteholder, as applicable, is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (e), in no event will the Lender, such Participant or such Noteholder, as applicable, be required to pay any amount to the Authority pursuant to this paragraph (e) the payment of which would place the Lender, such Participant or such Noteholder, as applicable, in a less favorable net after-Tax position than the Lender, such Participant or such Noteholder, as applicable, would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph shall not be construed to require the Lender, such Participant or such Noteholder, as applicable, to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Authority or any other Person.

(f) *Survival.* Without prejudice to the survival of any other agreement of the Authority hereunder, the agreements and obligations of the Authority contained in this Section shall survive the termination of this Agreement and the payment in full of the Note and the Obligations of the Authority thereunder and hereunder.

(g) *Status of Lenders; Tax Documentation.* (i) If the Lender, a Participant or a Noteholder is entitled to an exemption from or reduction of withholding Taxes with respect to

payments made hereunder or under any Related Document, the Lender, such Participant or such Noteholder, as applicable, shall deliver to the Authority at the time or times reasonably requested by the Authority, such properly completed and executed documentation reasonably requested by the Authority or as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, the Lender, such Participant or such Noteholder if reasonably requested by the Authority, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Authority as will enable the Authority to determine whether or not the Lender, such Participant or such Noteholder is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 6.4(g)(ii) below) shall not be required if, in the Lender's, such Participant's or such Noteholder's reasonable judgment, such completion, execution or submission would subject the Lender, such Participant or such Noteholder to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of the Lender, such Participant or such Noteholder.

(ii) Without limiting the generality of the foregoing, if the Authority is resident for tax purposes in the United States, the Lender, such Participant or such Noteholder shall deliver to the Authority (and from time to time thereafter upon the reasonable request of the Authority), executed originals of IRS Form W-9 certifying that the Lender, such Participant or such Noteholder, as applicable, is exempt from U.S. federal backup withholding tax.

*Section 6.5. Calculation of Interest and Fees; Maximum Interest Rate; Default Rate.*

(a) Interest on Loans and fees payable hereunder shall be calculated on the basis of a year of [REDACTED] days based on the actual number of days elapsed.

(b) Any and all amounts remaining unpaid when due under this Agreement shall bear interest at the Default Rate until repaid and shall be payable upon demand. Any such amounts which constitute interest remaining unpaid when due shall be added to principal, and such interest shall, in turn, bear interest at the Default Rate until repaid and shall be payable upon demand. Upon the occurrence and during the continuance of an Event of Default, the Obligations shall bear interest at the Default Rate, which shall be payable by the Authority to the Lender upon demand therefor and be calculated on the basis of a [REDACTED]-day year and actual days elapsed.

(c) In the event that the rate of interest otherwise payable hereunder with respect to the Loans or any other Obligations or the Note shall exceed the Maximum Rate for any period for which interest is payable, then (i) interest at the Maximum Rate shall be due and payable with respect to such interest period and (ii) interest at the rate equal to the difference between (A) the rate of interest calculated in accordance with the terms hereof and (B) the Maximum Rate (the "Excess Interest Amount"), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Rate, at which time the Authority shall pay to the Lender, with respect to amounts then payable to the Lender that are required to accrue interest hereunder, such portion of the deferred Excess Interest Amount as will cause the rate of interest then paid to the Lender, to equal the Maximum Rate, which payments of deferred Excess Interest Amount shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest Amount is fully paid to the Lender. Notwithstanding the

foregoing, on the date on which no principal amount with respect to the Loans remains unpaid, the Authority shall pay to the Lender a fee equal to any accrued and unpaid Excess Interest Amount.

(d) All amounts paid pursuant to this Agreement shall be non-refundable and shall be paid in immediately available funds.

*Section 6.6. Liability of the Lender.* Neither the Lender nor any of its officers, directors, employees, representatives or agents shall be liable or responsible for (i) the use which may be made of any Advances, any Loans or this Agreement or for any acts, omissions, errors, interruptions, delays in transmission, dispatch or delivery of any message or advice, however transmitted, of the Lender in connection with this Agreement, any Advances, any Loans or the Note, (ii) the validity, sufficiency or genuineness of documents, or of any endorsements thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged, (iii) payment by the Lender against presentation of documents which do not comply with the terms of this Agreement or a Request for Advance, including failure of any documents to bear any reference or adequate reference to this Agreement, or (iv) any other circumstances whatsoever in making or failing to make payment under this Agreement or pursuant to a Request for Advance, except for acts or events described in the immediately preceding clauses (i) through (iv), to the extent, but only to the extent, of any direct, as opposed to special, indirect, consequential or punitive, damages (the right to receive special, indirect, consequential or punitive damages being hereby waived) suffered by it which the Authority proves were caused by (y) the Lender's willful misconduct or gross negligence, as determined by a court of competent jurisdiction in a final nonappealable judgment, in determining whether documents presented under this Agreement comply with the terms of this Agreement or (z) the Lender's failure to pay hereunder after the presentation to it of a Request for Advance strictly complying with the terms and conditions of this Agreement. The Authority further agrees that any action taken or omitted by the Lender under or in connection with this Agreement or the related draft or documents, if done without willful misconduct or gross negligence, as determined by a court of competent jurisdiction in a final nonappealable judgment, shall be effective against the Authority as to the rights, duties and obligations of the Lender and shall not place the Lender under any liability to the Authority. In furtherance and not in limitation of the foregoing, the Lender may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

*Section 6.7. Obligations Unconditional.* The Authority's obligation to repay the Revolving Loans and the Term Loans and all of its other Obligations under this Agreement shall be absolute and unconditional under any and all circumstances, including without limitation: (a) any lack of validity or enforceability of this Agreement, the Note or any of the other Related Documents; (b) any amendment or waiver of or any consent to departure from all or any of the Related Documents; (c) the existence of any claim, set-off, defense or other right which the Authority may have at any time against the Lender or any other person or entity, whether in connection with this Agreement, the other Related Documents, the transactions contemplated herein or therein or any unrelated transaction; or (d) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; and irrespective of any setoff, counterclaim or defense to payment which the Authority may have against the Lender, any



Participant, or any other Person, including, without limitation, any defense based on the failure of any nonapplication or misapplication of the proceeds of Advances hereunder, and irrespective of the legality, validity, regularity or enforceability of this Agreement, the Note or any or all other Related Documents, and notwithstanding any amendment or waiver of (other than an amendment or waiver signed by the Lender explicitly reciting the release or discharge of any such obligation), or any consent to, or departure from, this Agreement, the Note or any or all other Related Documents or any exchange, release, or nonperfection of any collateral securing the obligations of the Authority hereunder.

## ARTICLE VII

### REPRESENTATIONS AND WARRANTIES

In order to induce the Lender to enter into this Agreement, the Authority makes the following representations and warranties to the Lender:

*Section 7.1. Organization, Powers, Etc.* The Authority (i) is a public entity established pursuant to the laws of the State validly organized and existing under and by virtue of the laws of the State, (ii) has full power and authority to own its properties and carry on its business as now conducted, (iii) has (or, if already executed or adopted, had at the time of execution or adoption) full power and authority to execute (or adopt, if applicable), deliver and perform its obligations under this Agreement and the other Related Documents, to borrow hereunder and to execute, deliver and perform its obligations under the Note and to repay the Obligations and (iv) has full power and authority to (x) grant a pledge of and lien on the Pledged Revenues and the Subordinate Pledged Revenues to secure the Reimbursement Obligations as provided in the Senior Trust Agreement and the Subordinate Trust Agreement and (y) pay the Other Obligations after making deposits with respect to Subordinate Obligations as provided in the Senior Trust Agreement.

*Section 7.2. Authorization, Absence of Conflicts, Etc.* The execution (or adoption, if applicable), delivery and performance of this Agreement, the Note and the other Related Documents (i) have been duly authorized by the Authority, (ii) do not and will not, to any material extent, conflict with, or result in violation of any applicable provision of law, including the Act and Ordinance, or any order, rule or regulation of any court or other agency of government and (iii) do not and will not, to any material extent, conflict with, result in a violation of or constitute a default under, the Senior Lien Trust Agreement or the Subordinate Trust Agreement or any other resolution, agreement or instrument to which the Authority is a party or by which the Authority or any of its property is bound.

*Section 7.3. Governmental Consent or Approval.* The execution (or adoption, if applicable), delivery and performance of this Agreement, the Note and the other Related Documents do not and will not require registration with, or the consent or approval of, or any other action by, any federal, state or other Governmental Authority or regulatory body other than those which have been made or given and are in full force and effect; *provided* that no representation is made as to any blue sky or securities law of any jurisdiction.

*Section 7.4. Binding Obligations.* This Agreement, the Subordinate Trust Agreement and the other Related Documents constitute legal, valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law and by limitations on legal remedies against public agencies in the State. The Note will be duly issued, executed and delivered in conformity with the Act and the Subordinate Trust Agreement and the Senior Lien Trust Agreement, and constitute legal, valid and binding special, limited obligations of the Authority, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable reorganization, insolvency, liquidation, readjustment of debt, moratorium or other similar laws affecting the enforcement of the rights of creditors generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and entitled to the benefit and security of the Senior Lien Trust Agreement and the Subordinate Trust Agreement.

*Section 7.5. Litigation.* There is no action or investigation pending or, to the knowledge of the Authority, threatened, against the Authority before any court or administrative agency which questions the validity of any act or the validity of any proceeding taken by the Authority in connection with the execution and delivery of this Agreement, the Note or the other Related Documents, or wherein an unfavorable decision, ruling or finding would in any way adversely affect (A) the validity or enforceability of this Agreement, the Note or the other Related Documents or the Authority's ability to perform its obligations under this Agreement and the other Related Documents, (B) the validity, enforceability or perfection of the pledge of and lien on the Pledged Revenues or the Subordinate Pledged Revenues or on the amounts held in funds, accounts and subaccounts under the Senior Lien Trust Agreement and the Subordinate Trust Agreement, as applicable, securing the Reimbursement Obligations, or the validity or enforceability of the obligation to pay the Other Obligations from Pledged Revenues as provided in the Senior Lien Trust Agreement, (C) the status of the Authority as a public entity created and validly existing under the laws of the State, (D) the exemption of interest on the Tax-Exempt Revolving Loans or the Tax-Exempt Term Loans from the gross income of the recipients thereof for Federal income tax purposes, (E) the collection of the Measure R Sales Tax that could reasonably be expected to have a material adverse effect on the ability of the Authority to pay debt service on the Loans, the Senior Bonds, the Parity Obligations or the Subordinate Obligations or amounts due on any Other Obligations hereunder or (F) the rights, security interest or remedies available to the Lender under this Agreement or the other Related Documents. To the knowledge of the Authority there is no action pending or threatened, which questions the validity of the Act, Ordinance or the Measure R Sales Tax nor is there any pending initiative or referendum qualified for the ballot which would seek to amend, annul, modify or replace the Act or Ordinance or to diminish or reallocate the Measure R Sales Tax.

*Section 7.6. Financial Condition.* All of the Authority's financial statements that have been furnished to the Lender have been prepared in conformity with GAAP (except as noted therein) and are comprised of a balance sheet and a statement of revenues and expenditures and changes in fund balances. All of such financial statements accurately present, in all material respects, the financial condition of the Authority, including the Pledged Revenues and

Subordinate Pledged Revenues as of the dates thereof, and there has been no Material Adverse Effect since the date the last such report was so furnished to the Lender.

*Section 7.7. Tax Exempt Status of Tax-Exempt Loans.* The Authority has not taken any action and knows of no action that any other Person has taken which would cause interest on the Tax-Exempt Revolving Loans or the Tax-Exempt Term Loans to be included in the gross income of the recipients thereof for Federal income tax purposes.

*Section 7.8. Related Documents.* Each of the Related Documents is in full force and effect. Except as previously disclosed in writing to the Lender prior to the Effective Date, no event of default and no event which, with the giving of notice, the passage of time or both, would constitute an event of default, presently exists under any of the Related Documents. Except as previously disclosed in writing to the Lender prior to the Effective Date, neither the Authority nor any other party thereto has waived or deferred performance of any material obligation under any Related Document.

*Section 7.9. Incorporation of Representations and Warranties.* The Authority hereby makes to the Lender the same representations and warranties as are set forth by the Authority in each Related Document, which representations and warranties, as well as the related defined terms contained therein, are hereby incorporated by reference for the benefit of the Lender with the same effect as if each and every such representation and warranty and defined term were set forth herein in its entirety. No amendment to such representations and warranties or defined terms made pursuant to any Related Document shall be effective to amend such representations and warranties and defined terms as incorporated by reference herein without the prior written consent of the Lender.

*Section 7.10. Margin Regulations.* The Authority is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds of the Advances, the Loans or the Note or any amounts furnished by the Lender pursuant to a Request for Advance will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock.

*Section 7.11. No Event of Default.* No Event of Default or Default has occurred and is continuing.

*Section 7.12. The Note.* The Note will be duly issued and shall constitute Subordinate Obligations under the Subordinate Trust Agreement and the Senior Lien Trust Agreement and will be entitled to the benefits thereof.

*Section 7.13. Security; Pledge of Subordinate Pledged Revenues Securing Obligations.* The Reimbursement Obligations are secured by a second lien on and pledge of the Pledged Revenues pursuant to the Senior Lien Trust Agreement and a first lien on and pledge of the Subordinate Pledged Revenues pursuant to the Subordinate Trust Agreement. The Other Obligations are special obligations of the Authority which constitute Fees and Expenses under the Senior Trust Agreement and are payable from Pledged Revenues pursuant to the terms of the Senior Lien Trust Agreement after deposits with respect to the Subordinate Obligations and

before deposits with respect to the Junior Subordinate Obligations. The irrevocable pledge of and lien on the Pledged Revenues under the Senior Lien Trust Agreement and the Subordinate Pledged Revenues the Subordinate Trust Agreement, in each case, securing the payment of the Reimbursement Obligations is a valid and binding obligation of the Authority, on a *pari passu* basis with the holders of all Subordinate Obligations, subject to any applicable bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws, judicial decisions and principles of equity relating to or affecting creditors' rights or contractual obligations generally or limitations of remedies against public entities in the State. The obligation to pay the Other Obligations is a valid and binding obligation of the Authority, on a subordinate basis to all Subordinate Obligations, from Pledged Revenues in accordance with the Senior Lien Trust Agreement, and such amounts are payable on a *pari passu* basis with all other Fees and Expenses; subject to any applicable bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws, judicial decisions and principles of equity relating to or affecting creditors' rights or contractual obligations generally or limitations of remedies against public entities in the State. No filing, registration, recording or publication of the Senior Lien Trust Agreement or the Subordinate Trust Agreement or any other instrument nor any prior separation or physical delivery of the Pledged Revenues or the Subordinate Pledged Revenues is required to establish the pledge provided for under the Senior Lien Trust Agreement and the Subordinate Trust Agreement or to perfect, protect or maintain the Lien created thereby on the Pledged Revenues or the Subordinate Pledged Revenues and amounts held in funds, accounts or subaccounts under the Subordinate Trust Agreement to secure the Reimbursement Obligations as described herein. As of the Effective Date, there is no indebtedness of the Authority payable from or secured by the Pledged Revenues or amounts held in funds, accounts or subaccounts established and maintained pursuant to the Senior Lien Trust Agreement or any portion thereof on a basis that is the senior to the Reimbursement Obligations other than the Senior Bonds and the Parity Obligations existing as of the Effective Date. As of the Effective Date, there is no indebtedness of the Authority payable from or secured by the Subordinate Pledged Revenues or amounts held in funds, accounts or subaccounts under the Subordinate Trust Agreement or any portion thereof on a basis that is on a parity with the Reimbursement Obligations other than any Subordinate Obligations owing under the RBC Agreement and the BOTW Agreement. The lien on Pledged Revenues under the Senior Lien Trust Agreement securing the Reimbursement Obligations is senior to the lien on Pledged Revenues securing the Junior Subordinate Obligations (including, without limitation, the TIFIA Bonds), and the obligation of the Authority to pay outstanding Other Obligations is senior in priority of payment to the obligation of the Authority to pay outstanding Junior Subordinate Obligations. The Reimbursement Obligations constitute "Subordinate Obligations" for purposes of the Senior Lien Trust Agreement and the Subordinate Trust Agreement.

*Section 7.14. Sovereign Immunity.* The Authority is subject to claims and to suit for damages in connection with its obligations under this Agreement and the other Related Documents pursuant to and in accordance with the laws of the State applicable to public entities such as the Authority; *provided, however*, that a claimant shall be required to comply with the provisions of the Tort Claims Act set forth in California Government Code Section 810 *et seq.* in tort or contract suits, actions or proceedings brought against the Authority.

*Section 7.15. Accurate Information.* All information, reports and other papers and data with respect to the Authority furnished to the Lender, at the time the same were so furnished, were accurate in all material respects. Any financial, budget and other projections furnished to the Lender 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.

*Section 7.16. Maximum Rate.* The terms of this Agreement and the Related Documents (including the Note) regarding the calculation of interest and fees do not violate any applicable usury laws.

*Section 7.17. No Proposed Legal Changes.* To the best knowledge of the Authority, there is no amendment or proposed amendment to the Constitution of the State or any published administrative interpretation of the Constitution of the State or any State law, or any proposition or referendum (or proposed proposition or referendum) or other ballot initiative or any legislation that has passed either house of the State legislature, or any published judicial decision interpreting any of the foregoing, the effect of which could reasonably be expected to have a Material Adverse Effect.

*Section 7.18. Valid Lien.* The statements in Section 5.1 hereof are true and correct.

*Section 7.19. ERISA; Plans; Employee Benefit Plans.* The Authority is not subject to ERISA and maintains no ERISA Plans.

*Section 7.20. Solvency.* After giving effect to the issuance of the Note and the other obligations contemplated by this Agreement, the Authority is solvent, having assets of a fair value which exceeds the amount required to pay its debts (including contingent, subordinated, unmatured and unliquidated liabilities) as they become absolute and matured, and the Authority is able to and anticipates that it will be able to meet its debts as they mature and has adequate capital to conduct its business in which it is engaged.

*Section 7.21. 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 result in a Material Adverse Effect.

*Section 7.22. No Existing Right to Accelerate* As of the Effective Date, no Person (including, without limitation, a credit facility provider or a liquidity provider, either of which

provides credit enhancement or liquidity support to any Senior Bonds or Subordinate Obligations, a direct purchase provider of Senior Bonds and Subordinate Obligations or any Person under a Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations)) has a right under any indenture or any supplemental indenture relating to any such Senior Bonds, Parity Obligations, Parity and Senior Debt or Subordinate Obligations or any other document or agreement relating to any Senior Bonds, Parity Obligations, Parity and Senior Debt or Subordinate Obligations or any Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations), to direct the Senior Lien Trustee, the Subordinate Lien Trustee or any other Person to declare or cause the principal of and interest on any such Senior Bonds, Parity Obligations, Parity or Senior Debt or Subordinate Obligations to become immediately due and payable in full as the result of acceleration, mandatory redemption or mandatory tender.

*Section 7.23. Anti-Terrorism Laws.* Neither the Authority nor any of Affiliates thereof is in violation of any Laws relating to terrorism or money laundering (“*Anti-Terrorism Laws*”), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the “*Executive Order*”), and the Patriot Act;

(i) neither the Authority nor any Affiliate thereof is any of the following:

(A) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(B) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(C) a Person with which the Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(D) a Person that commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order; or

(E) a Person that is named as a “specially designated national and blocked person” on the most current list published by the Office of Foreign Asset Control (“*OFAC*”) or any list of Persons issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list; and

(ii) to the best of the Authority’s knowledge neither the Authority nor any Affiliate thereof (A) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in subsection (i) above, (B) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (C) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

## ARTICLE VIII

### AFFIRMATIVE COVENANTS OF THE AUTHORITY

*Section 8.1. Affirmative Covenants of the Authority.* So long as the Commitment is outstanding and until all Obligations shall have been paid in full, the Authority hereby covenants and agrees, that:

(a) *Notice of Default.* As promptly as practical, and in any event within five (5) Business Days, after the date the Authority shall have obtained knowledge of the occurrence of a Default or an Event of Default or a breach of this Agreement or any other Related Document, the Authority will provide notice of the same to the Lender and, in each such case the Authority will provide to the Lender the written statement of the Authority setting forth the details of each such event and the action which the Authority proposes to take with respect thereto.

(b) (i) *Annual Reports.* Within two hundred forty (240) days after the end of each Fiscal Year of the Authority, the Authority will provide to the Lender audited financial statements consisting of a balance sheet and a statement of revenues, expenditures and changes in fund balances of the Authority, including the Pledged Tax Revenues for such Fiscal Year, setting forth in comparative form the corresponding figures (if any) for the preceding Fiscal Year, all in reasonable detail, and accompanied by an unqualified opinion of a nationally recognized independent certified public accounting firm stating that they have been prepared in accordance with GAAP and accompanied by a certification from the Chief Executive Officer, the Executive Director, Finance and Budget or the Treasurer of the Authority addressed to the Lender stating that neither a Default nor an Event of Default has occurred which was continuing at the end of such Fiscal Year or on the date of his certification, or, if such an event has occurred and was continuing at the end of such Fiscal Year or on the date of his certification, indicating the nature of such event and the action which the Authority proposes to take with respect thereto.

(ii) *Quarterly Statements.* As soon as available, and in any event within fifteen (15) days after the end of each March 31 (such quarterly period to include each day from and including January 1st of each year to and including March 31st of each year), June 30 (such quarterly period to include each day from and including April 1st of each year to and including June 30 of each year), September 30 (such quarterly period to include each day from and including July 1st of each year to and including September 30th of each year) and December 31 (such quarterly period to include each day from and including October 1st of each year to and including December 31st of each year), the Authority shall provide to the Lender a statement of (A) the amount of all Measure R Sales Tax and Pledged Revenues during such fiscal quarter, (B) the amount of all Measure R Sales Tax and Pledged Revenues during the twelve (12) months ended as of the end of such fiscal quarter, (C) the amount of all payments of principal and interest on the Senior Bonds, the Parity Obligations and the Subordinate Obligations during the

twelve (12) months ended as of such DS Calculation Date, and (D) a coverage calculation showing the Debt Service Coverage Ratio as of such DS Calculation Date, all in reasonable detail. The foregoing statement delivered to the Lender within fifteen (15) days after the end of each July 1 and September 30 shall also be accompanied by a certification from the Chief Executive Officer, the Executive Director, Finance and Budget or the Treasurer of the Authority addressed to the Lender stating that neither a Default nor an Event of Default has occurred which was continuing at the end of such quarterly period or on the date of his certification, or, if such an event has occurred and was continuing at the end of such quarterly period or on the date of his certification, indicating the nature of such event and the action which the Authority proposes to take with respect thereto.

(c) *Offering Circulars and Material Event Notices.* Within ten (10) days after the issuance by the Authority of any Senior Bonds, Parity Obligations or Subordinate Obligations, with respect to which a final official statement or other offering circular has been prepared by the Authority, the Authority will provide to the Lender notice of such issuance and a copy of such official statement or offering circular (or a link to EMMA with respect to such official statement or offering circular).

(d) *Notice of Adverse Change.* The Authority will notify the Lender as soon as possible, and in any event within five (5) Business Days, after the Executive Director, Finance and Budget or the Treasurer of the Authority acquires knowledge of the occurrence of (i) the filing of a complaint against the Authority in any court or administrative agency, where the amount claimed is in excess of Fifteen Million Dollars (\$15,000,000) and which is payable from Pledged Revenues or Subordinate Pledged Revenues, (ii) the filing of any action which could lead to an initiative or referendum which could annul, amend, modify or replace the Act or Ordinance or which could lead to the diminution or reallocation of the Measure R Sales Tax, (iii) any action, suit, proceeding, inquiry or investigation before or by any court, public board or body pending or threatened wherein an unfavorable decision, ruling or finding could have a Material Adverse Effect or (iv) any other event which, in the reasonable judgment of the Authority, is likely to have a Material Adverse Effect.

(e) *Additional Senior Lien Debt.* As soon as available, but in any event within ten (10) days after the issuance and delivery of any additional Senior Bonds or Parity Obligations, deliver to the Lender a copy of the certificates that are required to be delivered to the Senior Lien Trustee pursuant to Sections 3.02(D) and (F) of the Senior Lien Trust Agreement (if applicable).

(f) *Other Information.* The Authority will provide to the Lender such other information respecting the business affairs, financial condition and/or operations of the Authority, as the Lender may from time to time reasonably request.

(g) *Inspections; Discussion.* The Authority will permit the Lender or its representatives, at any reasonable time during normal business hours and from time to



time at the request of the Lender to the extent that the Authority is not legally precluded from permitting access thereto: to visit and inspect the properties of the Authority; to examine and make copies of and take abstracts from the records and books of account of the Authority; and to discuss the affairs, finances and accounts of the Authority with the appropriate officers of the Authority; *provided* that, if required by the Authority, as a condition to the Lender being permitted by the Authority to make or conduct any such visit, inspection, examination or discussion, the Lender shall certify to the Authority that the same is being made or conducted solely in order to assist the Lender in evaluating its position under this Agreement or the other Related Documents.

(h) *Further Assurances.* The Authority shall take any and all actions necessary or reasonably requested by the Lender to (i) perfect and protect any lien, pledge or security interest or other right or interest given, or purported to be given, to the Lender or any other Person under or in connection with this Agreement or the other Related Documents, (ii) enable the Lender to exercise or enforce its rights under or in connection with this Agreement and the other Related Documents or (iii) enable the Lender or any Noteholder to assign or pledge the Note to any Federal Reserve Bank.

(i) *Taxes and Liabilities.* The Authority shall pay all its indebtedness and obligations promptly and in accordance with their terms and pay and discharge or cause to be paid and discharged promptly all taxes, assessments and governmental charges or levies imposed upon it or upon its income and profits, or upon any of its property, real, personal or mixed, or upon any part thereof, before the same shall become in default, which default could have a Material Adverse Effect; *provided* that the Authority shall have the right to defer payment or performance of obligations to Persons other than the Lender so long as it is contesting in good faith the validity of such obligations by appropriate legal action and no final order or judgment has been entered with respect to such obligations.

(j) *Subordinate Lien Trustee.* The Authority, without the prior written consent of the Lender, which consent shall not be unreasonably withheld, conditioned or delayed, shall not take any action or refrain from taking any action that results in a change of the Subordinate Lien Trustee. Any Subordinate Lien Trustee shall have capital of not less than \$500,000,000, and any such Trustee or its respective parent organization shall have an underlying rating from Moody's and S&P of at least "A2" (or its equivalent) and "A" (or its equivalent), respectively.

(k) *Incorporation of Covenants.* The covenants of the Authority set forth in each of the Related Documents to which the Authority is a party are hereby incorporated by reference in this Agreement for the benefit of the Lender. To the extent that any such incorporated provision permits any Person to waive compliance with or consent to such provision or requires that a document, opinion, report or other instrument or any event or condition be acceptable or satisfactory to any Person, for purposes of this Agreement, such compliance shall be waived, or such provision shall be consented to, only if it is waived or consented to, as the case may be, by the Lender and such document, opinion, report or other instrument shall be acceptable or satisfactory to the Lender. No

amendment to such covenants (or the defined terms relating thereto) made pursuant to the Related Documents, which could reasonably be expected to have a Material Adverse Effect, shall be effective to amend such incorporated covenants without the prior written consent of the Lender. So long as (i) the Commitment has not been reduced to zero or terminated pursuant to the terms of this Agreement or (ii) any Obligations remain outstanding, the Authority shall continue to comply with the covenants and undertakings set forth in the Senior Lien Trust Agreement and the Subordinate Trust Agreement, notwithstanding anything therein limiting such compliance to when a “Bond” (as defined in the Senior Lien Trust Agreement) or a Subordinate Obligation, as applicable, remains outstanding thereunder.

(l) *Waiver of Sovereign Immunity.* The Authority hereby agrees not to assert the defense of any right of sovereign immunity in any legal proceeding to enforce or collect upon the obligations of the Authority under this Agreement or any other Related Document or the transactions contemplated hereby or thereby.

(m) *Credit Facilities.* In the event that the Authority has or shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations), which such Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations) provides such Person with additional or more restrictive covenants (including without limitation financial covenants), additional or more restrictive events of default and/or additional or more restrictive rights or remedies (collectively, the “*Additional Rights*”) than are provided to the Lender in this Agreement, then, upon the occurrence and during the continuation of an event of default (without regard to a waiver of such event of default) under such agreement (or amendment thereto) caused by such Additional Rights, such Additional Rights shall automatically be deemed to be incorporated into this Agreement and the Lender shall have the benefits of such Additional Rights; *provided, however*, that such Additional Rights shall automatically be deemed to be incorporated into this Agreement and the Lender shall have the benefits of such Additional Rights only from and after the occurrence and during the continuation of an event of default under the related Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations) caused by the Additional Rights or a failure by the Authority to comply with such Additional Rights. The Authority shall promptly, upon the occurrence of a default or an event of default (without regard to a waiver of such default or event of default) under the related Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations) caused by such Additional Rights or a failure by the Authority to comply with such Additional Rights, enter into an amendment to this Agreement to include such Additional Rights, *provided* that the Lender shall maintain the benefit of such Additional Rights even if the Authority fails to provide such amendment, but only for so long as such default or event of default continues. If the Authority shall amend the related Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations) such that it no longer provides for such Additional Rights, then, without the consent of the Lender, this Agreement shall automatically no longer contain the related Additional Rights and the Lender shall no longer have the benefits of any of the related Additional Rights.

(n) Reserved.

(o) *Receipt and Deposit of Pledged Revenues.* The Authority shall use its best efforts to assure that the Board of Equalization pays the Measure R Sales Tax directly to the Senior Lien Trustee on a monthly basis; and if at any time any Measure R Sales Tax is paid to the Authority by the Board of Equalization instead of being paid directly to the Senior Lien Trustee, immediately upon receipt, the Authority shall transfer such Measure R Sales Tax to the Senior Lien Trustee for credit to the Revenue Fund held under the Senior Lien Trust Agreement; and during such time as such Measure R Sales Tax is held by the Authority (prior to transfer to the Senior Lien Trustee), such Measure R Sales Tax will be impressed with a trust provided for in the Senior Lien Trust Agreement.

(p) *Maintenance of Ratings.* The Authority shall at all times maintain two Authority Ratings from Moody's, S&P or Fitch. As of the Effective Date, the Authority maintains Authority Ratings from Moody's and S&P.

(q) *Maintenance of Existence.* The Authority shall maintain its existence as a public entity duly established and existing under the laws of the State.

(r) *Refinancing.* The Authority agrees to use its commercially reasonable efforts to refinance the Note and pay all other Obligations hereunder in the event (A) the Lender determines not to extend the Commitment Expiration Date or if the Authority fails to request such an extension (such replacement or refinancing to occur on or before the Commitment Expiration Date) or (B) this Agreement is terminated.

(s) *Sales Tax Related Laws.* In the event that (i) the Act or Ordinance is determined by a court of competent jurisdiction to be invalid or unenforceable or (ii) a referendum or court proceeding challenging either the Act or Ordinance is initiated or filed, the effect of which is to disrupt the transfer of the Measure R Sales Tax from the Board of Equalization to the Senior Lien Trustee, the Authority shall (A) take all actions as may or shall be required to have the Act or Ordinance acknowledged, reinstated or reapplied, as applicable, and (B) direct the Board of Equalization to directly transmit all Measure R Sales Tax associated with the Act or Ordinance to the Senior Lien Trustee for use as provided in the Senior Lien Trust Agreement (including for payment of the Obligations).

(t) *Pro Rata Payment Following Default or Event of Default.* Upon the occurrence and continuation of a Default or an Event of Default hereunder, the Authority shall, to the extent it pays principal under the RBC Agreements, the BOTW Agreement and this Agreement other than required by the express terms of such agreements, to (x) pay, on a *pro rata* basis, the principal amount of all Loans outstanding hereunder, all Bonds outstanding under the RBC Agreements and all loans outstanding under the BOTW Agreement, and (y) reduce, to the extent such *pro rata* payments are made on such indebtedness, *pro tanto* the Available Commitment hereunder and the commitments under each agreement or other banking arrangement entered into by the Authority

relating such other Subordinate Obligations, including, without limitation, the RBC Agreements and the BOTW Agreement (in each case, without regard to any temporary reductions thereof and in proportion to the maximum amount available to be drawn or issued hereunder and thereunder, without regard to any temporary reductions thereof). Notwithstanding anything herein to the contrary, should the Authority pay tax-exempt indebtedness under such agreements in order to preserve the tax-exempt status of such indebtedness, such prepayment need not be made on a pro rata basis.

## ARTICLE IX

### NEGATIVE COVENANTS OF THE AUTHORITY

*Section 9.1. Negative Covenants of the Authority.* So long as the Commitment is outstanding and available to the Authority and until all of the Obligations shall have been paid in full, the Authority hereby covenants and agrees that it will not:

(a) *Compliance With Laws, Etc.* The Authority shall not violate any laws, rules, regulations, or governmental orders to which it is subject and of which it is aware after diligent inquiry, which violation could reasonably be expected to result in a Material Adverse Effect.

(b) *Amendments.* The Authority shall not modify, amend or supplement, or give any consent to any modification, amendment or supplement or make any waiver with respect to, any provision of any Related Document (provided that solely for purposes of this clause (b), the proviso set forth in the definition of “Senior Lien Trust Agreement” and the last sentence of Related Documents shall be of no force and effect if an amendment, supplement or modification thereto would have a material adverse effect on the rights, security or interests of the Lender without the prior written consent of the Lender) without the prior written consent of the Lender; *provided, however*, that nothing contained in this Section 9.1(b) shall require the consent of the Lender to the execution and delivery of supplements to the Senior Lien Trust Agreement or the Subordinate Trust Agreement that are made solely for the purpose of specifying the terms of additional Debt issued in accordance with the terms thereof and Section 9.1(d) of this Agreement. Without the prior written consent of the Lender, the Authority shall not consent or agree to any rescission of or amendment to the Act or Ordinance which would in any manner materially impair or materially adversely affect the ability of the Authority to meet its obligations hereunder, including, without limitation, reducing the amount of the Pledged Revenues or Subordinate Pledged Revenues to such an extent that its ability to pay the Obligations or the lien on Pledged Revenues or Subordinate Pledged Revenues is impaired.

(c) *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 Senior Lien Trust Agreement or the Subordinate Trust Agreement that is senior or parity with the Lien of the Subordinate Obligations except those Liens specifically permitted under the Senior

Lien Trust Agreement and the Subordinate Trust Agreement; *provided, further*, that, unless otherwise consented to in advance in writing by the Lender, in no event will the Authority permit any Lien upon the Pledged Revenues or Subordinate Pledged Revenues securing any termination payment pursuant to any Swap Contract to be on parity with or senior to the Lien on Pledged Revenues and/or Subordinate Pledged Revenues securing the Reimbursement Obligations, the Note and the other Obligations hereunder.

(d) *Additional Debt.*

(i) The Authority shall not issue any Debt secured by a lien on Pledged Revenues which is senior to the lien securing the Senior Bonds and Parity Obligations.

(ii) In addition to the requirements set forth in Sections 3.01, 3.02, 3.03, 3.04, 3.05 and 3.06, as applicable, of the Senior Lien Trust Agreement and Section 2.09 of the Subordinate Trust Agreement (as to the Subordinate Obligations only), the Authority shall not issue any additional Senior Bonds, Parity Obligations or Subordinate Obligations (A) unless such Senior Bonds, Parity Obligations or Subordinate Obligations have been duly and legally authorized by the Authority for any lawful purpose and (B) until there shall first be delivered to the Subordinate Lien Trustee and the Lender a certificate of an Authorized Representative showing that upon the issuance of such Senior Bonds, Parity Obligations or Subordinate Obligations, the Debt Service Coverage Ratio shall be at least equal to 125% as of the date of issuance of such Senior Bonds, Parity Obligations or Subordinate Obligations (each certificate provided pursuant to this paragraph shall also state that no “Event of Default” under the Senior Lien Trust Agreement shall have occurred and then be continuing and set forth the computations upon which such certificate is based).

(iii) Notwithstanding the foregoing, in the event that the Authority shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations), which such Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations) provides such Person with a covenant that restricts the issuance of additional Senior Bonds, Parity Obligations or Subordinate Obligations based upon satisfaction of a condition precedent that the Debt Service Coverage Ratio, be a greater percentage than 125% (any such greater percentage referred to herein as a “*More Stringent Additional Debt Percentage*”), then the percentage set forth in (d)(ii) above shall be deemed to be amended to replaced with the More Stringent Additional Debt Percentage on the issuance of any additional Senior Bonds, Parity Obligations or Subordinate Obligations for so long as such Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations) remains in effect.

(e) *Exempt Status.* The Authority shall not take any action or omit to take any action or authorize or direct any Person to take any action or omit to take any action, that

if taken or omitted, would adversely affect the excludability of interest on the Tax-Exempt Revolving Loans or the Tax-Exempt Term Loans from the gross income of the Lender, any Participant or any Noteholder for Federal income tax purposes.

(f) *Federal Reserve Board Regulations.* The Authority shall not use any portion of the proceeds of any Advances, any Loans or the Note for the purpose of carrying or purchasing any Margin Stock.

(g) *Use of Lender Information.* Except as may be required by law (including, but limited to, federal and state securities laws and public record and open meeting requirements), the Authority shall not use any financial information of the Lender, ratings of the Lender or any pricing related to this Agreement or the transaction contemplated hereby in any published materials (other than the Authority's staff reports, annual statements, audited financial statements, rating agency presentations) without the prior written consent of the Lender. Without the prior written consent of the Lender, the Authority may disclose in a preliminary official statement, official statement or other offering document the name of the Lender with respect to this Agreement and any other information about this Agreement (other than information omitted from the redacted version posted on EMMA) that the Authority determines is appropriate to be included.

(h) *Consolidation, Merger, Etc.* The Authority shall not dissolve or otherwise dispose of all or substantially all of the assets of the Authority or consolidate with or merge into another Person or permit one or more other Persons to consolidate with or merge into the Authority; *provided, however*, that the Authority may consolidate with or merge into another Person or permit one or more other Persons to consolidate with or merge into the Authority if each of the following conditions shall have been fulfilled:

(i) such merger or consolidation shall be with or into another governmental entity which shall assume in writing, reasonably satisfactory in form and substance to the Lender, or by operation of law the due and punctual performance and observance of all of the covenants, agreements and conditions of this Agreement and the other Related Documents;

(ii) such merger or consolidation shall not adversely affect or impair to any extent or in any manner (1) the Pledged Revenues or the Subordinate Pledged Revenues, (2) the availability of the Pledged Revenues or the Subordinate Pledged Revenues for the payment and security of the obligations of the Authority under this Agreement, or (3) the pledge or security afforded by the Senior Lien Trust Agreement and the Subordinate Trust Agreement to the Senior Bonds and the Subordinate Obligations, and the Authority shall have furnished to the Lender, for the benefit of the Lender, an opinion of its Bond Counsel, satisfactory in form and substance to the Lender, to such effect; and

(iii) the Authority shall have given the Lender not less than 60 days' prior written notice of such merger or consolidation and furnished to the Lender

all such information concerning such merger or consolidation as shall have been reasonably requested by the Lender.

(i) *Debt Service Coverage Ratio.* As of each DS Calculation Date, the Authority shall not permit the Debt Service Coverage Ratio to be less than 125% for the twelve (12) months ended as of such date. In the event the Authority shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations), which Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations) provides such Person with a covenant that requires the Authority to maintain a Debt Service Coverage Ratio greater than 125% (such greater Debt Service Coverage Ratio herein referred to as the “*Modified Minimum Debt Service Coverage Ratio*”), or that it will constitute an event of default under such Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations) if such Debt Service Coverage Ratio as of any stated date of determination provided for in such Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations) is less than the Modified Minimum Debt Service Coverage Ratio, then so long as such Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations) remains in effect, the Authority shall not permit the Debt Service Coverage Ratio to be less than the Modified Minimum Debt Service Coverage Ratio as of each DS Calculation Date.

(j) *Right to Accelerate; No Shorter Amortization Period.* (i) The Authority hereby covenants that it will not enter into or otherwise consent to any Bank Agreement (Secured by Pledged Revenues) or any amendment thereto which Bank Agreement (Secured by Pledged Revenues) includes or amendment adds the right to accelerate the payment of the principal of or interest on any Debt secured by Pledged Revenues or Subordinate Pledged Revenues upon the occurrence and continuation of an event of default or event of termination under such Bank Agreement (Secured by Pledged Revenues).

(ii) The Authority hereby covenants that it will not enter into or consent to any Bank Agreement (Secured by Pledged Revenues) or any amendment thereto which Bank Agreement (Secured by Pledged Revenues) provides for any “term-out provision” following the expiry of such Bank Agreement or upon the occurrence of a default or event of default thereunder which permits any outstanding advance, loan, drawing or bond or similar obligation to be amortized over a period shorter than the Amortization Period set forth in Section 4.4 hereof.

## ARTICLE X

### DEFAULTS AND REMEDIES

*Section 10.1. Events of Default.* The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of law) shall be an “Event of Default” hereunder:

(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, (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, (v) become insolvent within the meaning of Section 101(32) of the Bankruptcy Code, or (vi) take any official action 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 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, and such involuntary case or other proceeding shall not be dismissed within ninety (90) days; or (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; or (iii) there shall be commenced against the Authority any case, proceeding or other action seeking issuance of a warrant of attachment, execution, restraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within ninety (90) days from the entry thereof; or (iv) the Authority shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the Authority shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as the same becomes due or (vi) a debt moratorium, debt adjustment, debt restructuring or comparable extraordinary restriction with respect to the payment of principal or interest on the indebtedness of the Authority 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



(c) Any Governmental Authority of competent jurisdiction shall declare a financial emergency or similar declaration with respect to the Authority and shall appoint or designate, with respect to the Authority, an entity such as an organization, a board, a commission, an authority, an agency or any other similar body to manage the affairs and operations of the Authority and such appointed entity has the authority to intercept or direct all or substantially all of the Measure R Sales Tax; or

(d) The dissolution or termination of the existence of the Authority shall occur; or

(e) The Authority shall (i) default on the payment of the principal of or interest on any Senior Bonds, Parity Obligations, Subordinate Obligations, Junior Subordinate Obligations or Parity and Senior Debt (whether by scheduled maturity, required redemption, required prepayment or acceleration or otherwise), beyond the period of grace, if any, provided in the instrument or agreement under which any such Senior Bonds, Parity Obligations, Junior Subordinate Obligations or Parity and Senior Debt was created or incurred; (ii) default in the observance or performance of any agreement or condition set forth in any Bank Agreement (Senior Bonds, Parity Obligations and Subordinate Obligations), (iii) default in the observance or performance of any agreement or condition relating to any Senior Bonds, Parity Obligations, Subordinate Obligations or Parity and Senior Debt or contained in any instrument or agreement evidencing, securing or relating thereto, or any other default, event of default or similar event shall occur or condition exist, the effect of which default, event of default or similar event or condition is to permit the holder of such Senior Bonds, Parity Obligations, Subordinate Obligations or Parity and Senior Debt to cause or such holder causes (determined without regard to whether any notice is required) any such Senior Bonds, Parity Obligations, Subordinate Obligations or Parity and Senior Debt to become immediately due and payable in full as the result of the acceleration, mandatory redemption, mandatory tender or mandatory prepayment of any such Senior Bonds, Parity Obligations, Subordinate Obligations or Parity and Senior Debt or (iv) default in the observance or performance of any agreement or condition set forth in any Bank Agreement (Secured by Pledged Revenues) and as a result of such default the lender under such Bank Agreement (Secured by Pledged Revenues) in fact causes the obligations under such Bank Agreement (Secured by Pledged Revenues) to become immediately due and payable as a result of the acceleration, mandatory redemption, mandatory tender or mandatory prepayment of the obligations under such Bank Agreement (Secured by Pledged Revenues); or

(f) The Authority shall fail to pay any Reimbursement Obligations or the principal of or interest on the Note when and as due; or

(g) Any Invalidity Event or Incipient Invalidity Event shall occur; or

(h) The occurrence of any event of default under Section 7.01(A), 7.01(B), 7.01(D), 7.01(E), 7.01(F) or 7.01(G) of the Senior Lien Trust Agreement or Section 8.01

of the Subordinate Trust Agreement (which is not waived pursuant to the terms thereof); or

(i) The Authority shall fail to pay any Obligation when due (other than as provided in Section 10.1(f) hereof) and such failure shall continue for five (5) days after the Authority has received written notice from the Lender that any such amount was not paid when and as due; or

(j) Any material representation or warranty made by or on behalf of the Authority in this Agreement (including, without limitation, representation and warranties incorporated herein by reference) or in any certificate or statement delivered hereunder or thereunder shall be incorrect or untrue in any material respect when made or deemed to have been made or delivered; or

(k) The Authority shall default in the due performance or observance of any of the covenants set forth in Section 8.1(g), (j), (l), (o), (p), (q) or (t) hereof or Section 9.1(b), (c), (d), (e), (f), (h) or (i) hereof; or

(l) The Authority shall default in the due performance or observance of any other term, covenant or agreement contained in this Agreement or any other Related Document (other than defaults specifically addressed in this Section 10.1) and such default shall remain unremedied for a period of thirty (30) days after written notice thereof shall have been received by the Authority from the Lender; or

(m) The existence of one or more final, non-appealable judgments, attachments or levies against the Authority for the payment of money payable out of Pledged Revenues ranking senior to or on parity with the Subordinate Obligations, the operation or result of which, individually or in the aggregate, equals or exceed \$10,000,000, and such judgment, attachment or levy shall remain unpaid or the lien created thereby shall remain unsatisfied, undischarged or unbonded (by property other than any of the Pledged Revenues) for a period of sixty (60) days; or

(n) Any of Moody's, Fitch (if Fitch is then rating the Senior Bonds) or S&P either (i) withdraws or suspends the Authority Rating for credit related reasons or (ii) reduces the Authority Rating below the Ratings Threshold; or

(o) The occurrence of any event of default under the Senior Lien Trust Agreement or the Subordinate Trust Agreement (other than as specified in Section 10.1(h) hereof) (which is not waived pursuant to the terms thereof) or any event of default or termination under any other Related Document (which is not waived pursuant to the terms thereof) which is not otherwise described in this Section 10.1; or

(p) Any Lien created by the Senior Lien Trust Agreement or the Subordinate Trust Agreement or any other Related Document in favor of, or for the benefit of, the Lender shall at any time or for any reason (except as expressly permitted to be released by the terms of such governing document) not constitute a valid Lien; or

(q) Any other material provision of this Agreement or any other Related Document (other than a provision described in the definitions of Invalidity Event or Incipient Invalidity Event) shall at any time for any reason cease to be valid and binding on the Authority as a result of any legislative or administrative action by a Governmental Authority with competent jurisdiction or shall be declared in a final non-appealable judgment by any court with competent jurisdiction to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be publicly contested by the Authority; or

(r) There shall be a failure on the part of the Board of Equalization (or any successor to the functions of the Board of Equalization) to collect the Measure R Sales Tax, or the Measure R Sales Tax shall be repealed or reduced in percentage or the basis on which the tax is imposed or computed is modified and such repeal, modification or reduction has not been enjoined or stayed by a court of law or equity, in any such case, with the effect of lowering Pledged Revenues to less than 125% of Senior and Subordinate Debt Service, or the Authority diverts or attempts to divert the Measure R Sales Tax for any use prior to the deposit of the Measure R Sales Tax into the funds and accounts held by the Senior Lien Trustee or the Subordinate Lien Trustee, or there is created a lien on or a charge against the Subordinate Pledged Revenues or the funds and accounts held by Subordinate Lien Trustee for the benefit of all the owners of Subordinate Obligations and the Lender, which lien or charge is prior to or on a parity with that granted to secure the Subordinate Obligations, except to the extent permitted by the Subordinate Trust Agreement; or

*Section 10.2. Rights and Remedies upon Default.* Upon the occurrence of any Event of Default hereunder, the Lender may take one or more of the following actions at any time and from time to time (regardless of whether the actions are taken at the same or different times):

(a) by written notice to the Authority in the form attached as Exhibit D, reduce the Available Commitment to zero and thereafter the Lender will have no further obligation to make Advances hereunder and the Commitment shall terminate, *provided*, that upon the occurrence of any Event of Default set forth in Section 10.1(a), 10.1(b), 10.1(c) or 10.1(d) hereof, the Available Commitment shall be reduced to zero and the Commitment shall terminate immediately and without notice;

(b) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any obligation, agreement or covenant of the Authority under the Related Documents, whether for specific performance of any agreement or covenant of the Authority or in aid of the execution of any power granted to the Lender in the Related Documents;

(c) cure any Default, Event of Default or event of nonperformance hereunder or under any Related Document; *provided, however*, that the Lender shall have no obligation to effect such a cure; and

(d) exercise, or cause to be exercised, any and all remedies as it may have under the Related Documents (other than as provided for in clause (ii) of this Section 10.2(a)) and as otherwise available at law and at equity.

Notwithstanding anything herein to the contrary, the Lender shall have no right to accelerate amounts owing hereunder.

*Section 10.3. No Waiver.* No failure on the part of Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law. No delay or omission by the Lender in the exercise of any right, remedy or power or in the pursuit of any remedy shall impair any such right remedy or power or be construed to be a waiver of any default on the part of the Lender or to be acquiescence therein. No express or implied waiver by the Lender of any Event of Default shall in any way be a waiver of any future or subsequent Event of Default.

*Section 10.4. Discontinuance of Proceedings.* In case the Lender shall proceed to invoke any right, remedy or recourse permitted hereunder or under the Related Documents and shall thereafter elect to discontinue or abandon the same for any reason, the Lender shall have the unqualified right so to do and, in such event, the Authority and the Lender shall be restored to their former positions with respect to the Obligations, the Related Documents and otherwise, and the rights, remedies, recourse and powers of the Lender hereunder shall continue as if the same had never been invoked.

## ARTICLE XI

### MISCELLANEOUS

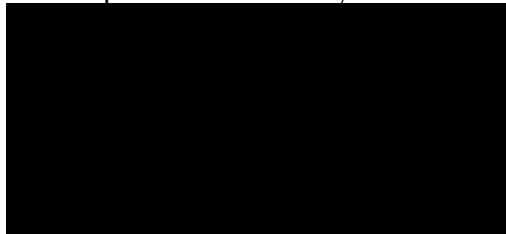
*Section 11.1. Evidence of Debt.* The Lender shall maintain in accordance with its usual practices an account or accounts evidencing the indebtedness resulting from each Advance, each Revolving Loan and each Term Loan made from time to time hereunder and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account or accounts shall be conclusive evidence (absent manifest error) of the existence and amounts of the obligations therein recorded.

*Section 11.2. Amendments and Waivers.* No amendment or waiver of any provision of this Agreement nor consent to any departure by the parties hereto shall in any event be effective unless the same shall be in writing and signed by such parties, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

*Section 11.3. Addresses for Notices.* (a) subject to Section 11.3(b) hereof, any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be mailed by first-class mail, registered or certified, return receipt requested, or express mail, postage prepaid, or sent by telex, telegram, telecopy or other similar form of rapid transmission confirmed by mailing (by first-class mail, registered or certified, return receipt requested, or express mail, postage prepaid) written confirmation at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth below, or as to each party at such other address or numbers as shall be designated by such party in a written notice to the other parties.

The Authority:

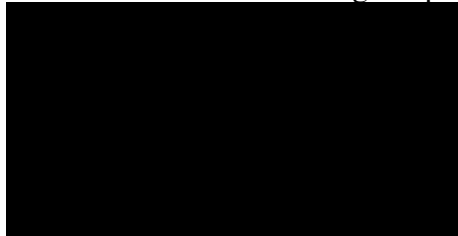
Los Angeles County Metropolitan  
Transportation Authority



The Lender:

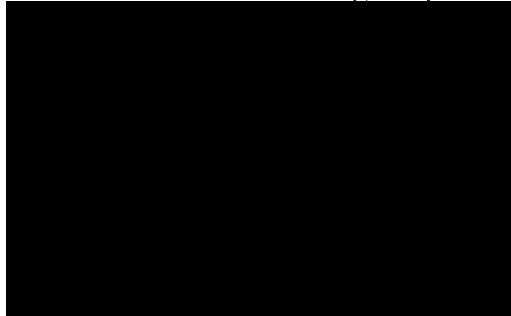
With respect to Credit Matters:

State Street Public Lending Corporation

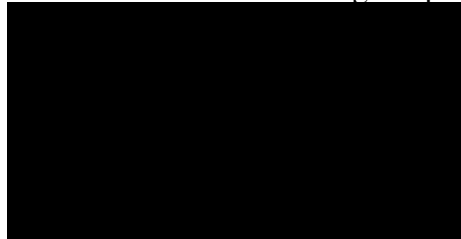


With respect to Operational Matters:

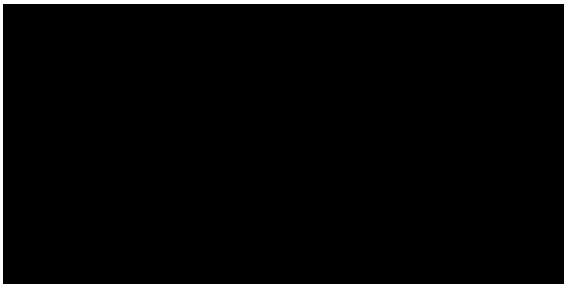
State Street Public Lending Corporation



State Street Public Lending Corporation

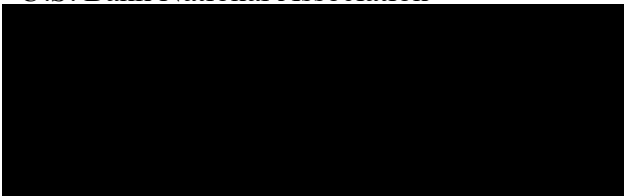


Wiring Instructions:



The Subordinate Lien  
Trustee:

U.S. Bank National Association



(b) *Electronic Communications.* Notices and other communications to the Lender hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Lender. The Lender or the Authority may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, *provided* that approval of such procedures may be limited to particular notices or communications.

Unless the Lender otherwise prescribes, with respect to notices and communications to the Lender, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), *provided* that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

At this time, the Authority does not agree to accept notices and other communications electronically. It may do so in the future pursuant to a written document executed by an Authority Representative.

*Section 11.4. Survival of This Agreement.* All covenants, agreements, representations and warranties made in this Agreement shall survive the extension by the Lender of the Commitment and shall continue in full force and effect so long as the Commitment shall be unexpired or any sums drawn or due thereunder or any other obligations shall be outstanding and unpaid, regardless of any investigation made by any Person and so long as any amount payable hereunder remains unpaid. The agreement of the Authority to indemnify the Lender and each Indemnitee under Section 6.2 hereof shall continue in full force and effect notwithstanding a termination of the Commitment or the fulfillment of all Obligations. The obligations of the Authority under Sections 6.3 and 2.6(e) hereof shall also continue in full force and effect notwithstanding a termination of the Commitment or the fulfillment of all Obligations. Whenever in this Agreement the Lender is referred to, such reference shall be deemed to include the successors and assigns of the Lender and all covenants, promises and agreements by or on behalf of the Authority which are contained in this Agreement shall inure to the benefit of the successors and assigns of the Lender. The rights and duties of the Authority may not be assigned or transferred without the prior written consent of the Lender, and all obligations of the Authority hereunder shall continue in full force and effect notwithstanding any assignment by the Authority of any of its rights or obligations under any of the Related Documents or any entering into, or consent by the Authority to, any supplement or amendment to, or termination of, any of the Related Documents.

*Section 11.5. Severability.* Any provision of this Agreement which 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.

*Section 11.6. Governing Law; Waiver of Jury Trial; Jurisdiction and Venue.* (a) THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK AND APPLICABLE FEDERAL LAW, WITHOUT GIVING EFFECT TO CONFLICT OF LAW

PRINCIPLES (OTHER THAN NEW YORK GENERAL OBLIGATIONS LAWS 5-1401 AND 5-1402); PROVIDED THAT THE DUTIES AND OBLIGATIONS OF THE AUTHORITY HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF CALIFORNIA, WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES. TO THE EXTENT THAT THE LENDER HAS GREATER RIGHTS OR REMEDIES UNDER FEDERAL LAW, THIS SECTION WILL NOT BE DEEMED TO DEPRIVE THE LENDER OF SUCH RIGHTS AND REMEDIES AS MAY BE AVAILABLE UNDER FEDERAL LAW.

(b) TO THE EXTENT PERMITTED BY APPLICABLE LAWS, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE RELATED DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. IF AND TO THE EXTENT THAT THE FOREGOING WAIVER OF THE RIGHT TO A JURY TRIAL IS UNENFORCEABLE FOR ANY REASON IN SUCH FORUM, EACH OF THE PARTIES HERETO HEREBY CONSENTS TO THE ADJUDICATION OF ALL CLAIMS PURSUANT TO JUDICIAL REFERENCE AS PROVIDED IN STATE CODE OF CIVIL PROCEDURE SECTION 638, AND THE JUDICIAL REFEREE SHALL BE EMPOWERED TO HEAR AND DETERMINE ALL ISSUES IN SUCH REFERENCE, WHETHER FACT OR LAW. EACH OF THE PARTIES HERETO REPRESENTS THAT EACH HAS REVIEWED THIS WAIVER AND CONSENT AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS AND CONSENTS TO JUDICIAL REFERENCE FOLLOWING CONSULTATION WITH LEGAL COUNSEL ON SUCH MATTERS. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT OR TO JUDICIAL REFERENCE UNDER STATE CODE OF CIVIL PROCEDURE SECTION 638 AS PROVIDED HEREIN.

(c) EACH OF PARTIES HERETO HEREBY IRREVOCABLY SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA OR THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND ANY COURT IN THE STATE OF CALIFORNIA OR THE STATE OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION, SUIT OR PROCEEDING BROUGHT AGAINST OR BY IT IN CONNECTION WITH THIS AGREEMENT OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT RELATED THERETO, AND THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREE THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD OR DETERMINED IN SUCH CALIFORNIA OR NEW YORK STATE COURT OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. THE PARTIES AGREE THAT A FINAL NONAPPEALABLE JUDGMENT IN ANY SUCH ACTION, SUIT OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HEREBY WAIVE AND AGREE NOT TO ASSERT BY WAY OF MOTION, AS A DEFENSE OR OTHERWISE IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY CLAIM THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF SUCH COURTS, THAT THE SUIT, ACTION OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM, THAT THE VENUE OF THE SUIT, ACTION OR PROCEEDING IS IMPROPER OR THAT THE RELATED DOCUMENTS OR THE SUBJECT MATTER THEREOF MAY NOT BE LITIGATED IN OR BY SUCH COURTS.



(d) In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

*Section 11.7. Successors and Assigns.*

(a) *Successors and Assigns Generally.* This Agreement is a continuing obligation and shall be binding upon the Authority, its successors, transferees and assigns and shall inure to the benefit of the holders of interests in the Note and their respective permitted successors, transferees and assigns. The Authority may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Lender. Notwithstanding anything to the contrary set forth herein, so long as no Event of Default shall have occurred and be continuing hereunder, the Lender may not assign its obligations to fund Advances and Loans pursuant to the terms of this Agreement without the prior written consent of the Authority (such consent not to be unreasonably withheld); *provided* that upon the occurrence and continuance of a Default or an Event of Default hereunder, the Lender may transfer its obligations under this Agreement to any Person (other than a natural Person) without the consent of, or notice to, the Authority. The Lender and each other Noteholder may, in its sole discretion and in accordance with applicable Law, from time to time assign, sell or transfer in whole or in part, its rights to receive payment from the Authority hereunder, its interest in the Note and the other Related Documents without notice to, or the consent of, the Authority to a Person that is either (i)(A) an Affiliate of the Lender or (B) a trust or other custodial arrangement established by the Lender or an Affiliate of the Lender, the owners of any beneficial interest in which are limited to “qualified institutional buyers” as defined in Rule 144A promulgated under the 1933 Act, or “accredited investors” as defined in Rule 501 of Regulation D under the 1933 Act or (ii) a “qualified institutional buyers” as defined in Rule 144A promulgated under the 1933 Act, or “accredited investors” as defined in Rule 501 of Regulation D under the 1933 Act. Each Noteholder may at any time and from time to time enter into participation agreements in accordance with the provisions of paragraph (b) of this Section. Each Noteholder may at any time pledge or assign a security interest subject to the restrictions of paragraph (e) of this Section. Notwithstanding any transfer or assignment, the Authority and the Subordinate Lien Trustee shall be required to deal only with the Lender.

(b) *Participations.* The Lender shall have the right to grant participations in all or a portion of the Lender’s interest in the Note and this Agreement to one or more other banking institutions; *provided, however,* that (i) no such participation by any such participant shall in any way affect the obligations of the Lender hereunder and (ii) the Authority and the Subordinate Lien Trustee shall be required to deal only with the Lender, with respect to any matters under this Agreement and the Note and the other Related Documents and no such participant shall be entitled to enforce any provision hereunder against the Authority.

Anything herein to the contrary notwithstanding, including, without limitation, Section 6.3 or 6.4 hereof, if any Participant or Noteholder shall incur increased costs or capital adequacy requirements as contemplated by Section 6.3 hereof or any taxes shall be imposed on the Participant or Noteholder pursuant to Section 6.4 hereof, and such increased costs or capital adequacy requirements or taxes are greater than those that the Lender would have incurred had it not granted a participation interest as provided for in Section 11.7(b) hereof or assigned or

transferred its rights to receive payment or its interest in the Note and the other Related Documents under Section 11.7(a) hereof, as applicable, then the Authority shall not be obligated to pay to such Participant or Noteholder any portion of the cost or tax greater than that which the Authority would have paid under the provisions of Section 6.3 or 6.4 hereof, as applicable, had the Lender not granted such participation interest or made such assignment or transfer, as applicable.

Neither Lender nor any other Noteholder or Participant may assign or transfer any interest in the Note except as set forth in this Section 11.7.

(c) *Certain Pledges.* The Lender may at any time pledge or grant a security interest in all or any portion of its rights under the Note and this Agreement to secure obligations of the Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided* that no such pledge or assignment shall release the Lender from any of its obligations hereunder or substitute any such pledgee or assignee for the Lender as a party hereto.

*Section 11.8. No Setoff.* Notwithstanding anything to the contrary contained herein, the Lender, any Participant and any Noteholder hereby agrees that it will not assert any of its statutory or common law rights of setoff as the depository bank of the Authority in connection with the collection or repayment of any of the Obligations or any other obligation of the Authority owing to the Lender, any Participant or any Noteholder under this Agreement or the other Related Documents.

*Section 11.9. Headings.* Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

*Section 11.10. Counterparts.* This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, taken together, shall constitute but one and the same Agreement. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or “printouts,” if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually-signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an e-mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

*Section 11.11. Patriot Act.* The Lender hereby notifies the Authority that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies the Authority, which information includes the name and address of the Authority and other information that will allow the Lender to identify the Authority in accordance with the Patriot Act. The Authority hereby agrees that it shall promptly provide such information upon request by the Lender.

The Authority hereby represents and warrants and covenants and agrees (a) that it is not and shall not be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by OFAC, the Authority of the Treasury or included in any Executive Orders, that prohibits or limits the Lender from making any advance or extension of credit to the Authority or from otherwise conducting business with the Authority and (b) to ensure that the proceeds of the Loans shall not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto.

*Section 11.12. Dealing with the Authority and the Subordinate Lien Trustee.* The Lender and its affiliates may accept deposits from, extend credit to and generally engage in any kind of banking, trust or other business with the Authority and the Subordinate Lien Trustee regardless of the capacity of the Lender hereunder.

*Section 11.13. Acknowledge and Appointment as the Calculation Agent.* The Lender hereby acknowledges and accepts its appointment, and agrees to serve, as Calculation Agent during the tenor of this Agreement and acknowledges, accepts and agrees to all the duties and obligations of the Calculation Agent set forth herein.

*Section 11.14. Arm's Length Transaction.* The transaction described in this Agreement is an arm's length, commercial transaction between the Authority and the Lender in which: (i) the Lender is acting solely as a principal (*i.e.*, as a lender) and for its own interest; (ii) the Lender is not acting as a municipal advisor or financial advisor to the Authority; (iii) the Lender has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the Authority with respect to this transaction and the discussions, undertakings and procedures leading thereto (irrespective of whether the Lender or any of its affiliates has provided other services or is currently providing other services to the Authority on other matters); (iv) the only obligations the Lender has to the Authority with respect to this transaction are set forth in this Agreement; and (v) the Lender is not recommending that the Authority take an action with respect to the transaction described in this Agreement and the other Related Documents, and before taking any action with respect to the this transaction, the Authority should discuss the information contained herein with the Authority's own legal, accounting, tax, financial and other advisors, as the Authority deems appropriate.

*Section 11.15. No Advisory or Fiduciary Responsibility.* In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the Authority acknowledges and agrees, that: (i) the Authority has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (ii) the Authority is capable of evaluating, and

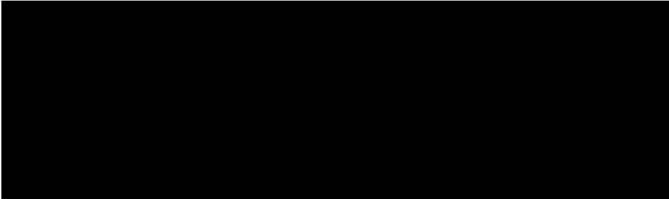
understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents.

*Section 11.16. Waiver of Rule of Construction.* The Authority hereby waives any and all provisions of law to the effect that an ambiguity in a contract or agreement should be interpreted against the party responsible for its drafting.

**[The remainder of this page intentionally left blank]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY



STATE STREET PUBLIC LENDING CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY

By: \_\_\_\_\_  
Name: [REDACTED]  
Title: [REDACTED]

STATE STREET PUBLIC LENDING CORPORATION

[REDACTED]

**EXHIBIT A**

**[FORM OF TAX-EXEMPT NOTE]**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATE OR JURISDICTION. THIS NOTE IS SUBJECT TO CERTAIN TRANSFER RESTRICTIONS AS PROVIDED IN SECTION 11.7 OF THE HEREIN DEFINED AGREEMENT AND IN THE INVESTOR LETTER SUBSTANTIALLY IN THE FORM OF EXHIBIT I TO THE HEREINAFTER DEFINED AGREEMENT.

Neither the faith and the credit nor the taxing power of the County of Los Angeles, the State of California or any political subdivision or any public agency, other than the Los Angeles County Metropolitan Transportation Authority (the “*Authority*”) to the extent of the Pledged Revenues (to the extent provided in the Senior Lien Trust Agreement) and the Subordinate Pledged Revenues, is pledged to the payment of the principal (or face amount, as applicable) of, or interest on, this obligation.

**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
SUBORDINATE MEASURE R SALES TAX REVENUE REVOLVING OBLIGATIONS  
TAX-EXEMPT NOTE, SERIES A**

Dated: November 23, 2015

For value received, the Authority promises to pay to the order of State Street Public Lending Corporation, and its successors and assigns (the “*Lender*”), located at [REDACTED] the aggregate unpaid principal amount of all Tax-Exempt Revolving Loans and Tax-Exempt Term Loans made by the Lender from time to time pursuant to the Revolving Credit Agreement, dated as of November 1, 2015 (together with any amendments or supplements thereto, the “*Agreement*”), by and between the Authority and the Lender, on the dates and in the amounts provided for in the Agreement.

The Authority promises to pay interest on the unpaid principal amount of all Tax-Exempt Revolving Loans and Tax-Exempt Term Loans on the dates and at the rates provided for in the Agreement. All payments of principal and interest shall be made to the Lender in lawful money of the United States of America in immediately available funds. All capitalized terms used herein and not otherwise defined herein shall have the meanings specified in the Agreement and the Subordinate Trust Agreement.

This Note is subject to prepayment, in whole or in part, in accordance with the terms of the Agreement and the Subordinate Trust Agreement.

This Note is issued pursuant to, in entitled to the benefits of, and is subject to, the provisions of the Agreement, that certain Subordinate Trust Agreement, dated as of November 1,

2015 (the “*Subordinate Trust Agreement*”), by and between the Authority and U.S. Bank National Association, as successor trustee (the “*Trustee*”), as amended from time to time in accordance with the terms thereof, by and between the Authority and the Trustee, including, without limitation, by the First Supplemental Subordinate Trust Agreement dated as of November 1, 2015, by and between the Authority and the Trustee. This Note constitutes a Subordinate Obligation within the meaning of the Subordinate Trust Agreement.

The Lender agrees, by acceptance of this Note, that before disposing of this Note it will make a notation on the schedule attached hereto of all Tax-Exempt Revolving Loans and Tax-Exempt Term Loans evidenced hereby and all principal payments and prepayments made hereunder and of the date to which interest hereon has been paid; *provided, however*, that the failure to make any such notation shall not limit or otherwise affect the obligation of the Authority hereunder with respect to payments of principal of and interest on this Note.

This Note is payable solely from the Subordinate Pledged Revenues in accordance with the Agreement, and this Note does not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of the Authority. The holder hereof shall not have the right to demand payment of this obligation from any sources or properties of the Authority except the Subordinate Pledged Revenues. This Note and the obligations evidenced and secured hereby and the interest thereon are junior and subordinate in all respects to the Senior Obligations as to lien on and source and security for payment from the Pledged Revenues.

This Note is secured by a second lien on and pledge of the Pledged Revenues pursuant to the Senior Lien Trust Agreement and a first lien on and pledge of the Subordinate Pledged Revenues pursuant to the Subordinate Trust Agreement.

THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA.

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**CERTIFICATE OF AUTHENTICATION**

This Note is a Subordinate Obligation, as defined in the Subordinate Trust Agreement.

Date of Authentication: November 23, 2015

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

TRANSACTIONS  
ON  
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
**SUBORDINATE MEASURE R SALES TAX REVENUE REVOLVING OBLIGATIONS**  
**TAX-EXEMPT NOTE, SERIES A**

DATE	AVAILABLE COMMITMENT	INTEREST RATE	AMOUNT OF PRINCIPAL PAID	DATE TO WHICH INTEREST PAID	NOTATION MADE BY
------	-------------------------	------------------	--------------------------------	--------------------------------------	---------------------

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

---

Please insert Social Security or  
Taxpayer Identification Number of Transferee

/ \_\_\_\_\_ /

---

(Please print or typewrite name and address, including zip code, of Transferee)

---

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

---

attorney to register the transfer of the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

---

NOTICE: Signature(s) must be  
guaranteed by a member or participant  
of a signature guarantee program

---

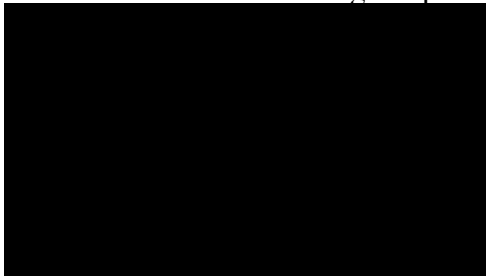
NOTICE: The signature above must  
correspond with the name of the Owner as it  
appears upon the front of this Note in every  
particular, without alteration or enlargement  
or change whatsoever.

**EXHIBIT B**

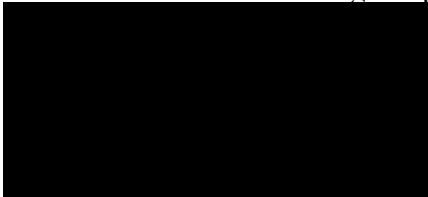
**[FORM OF REQUEST FOR ADVANCE]**

**REQUEST FOR ADVANCE AND REVOLVING LOAN**

State Street Public Lending Corporation



State Street Public Lending Corporation



Ladies and Gentlemen:

The undersigned, an Authorized Representative, refers to the Revolving Credit Agreement, dated as of November 1, 2015 (together with any amendments or supplements thereto, the “*Agreement*”), by and between the Los Angeles County Metropolitan Transportation Authority (the “*Authority*”) and State Street Public Lending Corporation (the “*Lender*”) (the terms defined therein being used herein as therein defined) and hereby requests, pursuant to Section 2.3 of the Agreement, that the Lender make an Advance under the Agreement, and in that connection sets forth below the following information relating to such Advance (the “*Proposed Advance*”):

1. The Business Day of the Proposed Advance is \_\_\_\_\_, 2015 (the “*Advance Date*”), which is at least three London Business after the date hereof.
2. The principal amount of the Proposed Advance is \$\_\_\_\_\_, which is not greater than the Available Commitment as of the Advance Date set forth in 1 above.
3. The aggregate amount of the Proposed Advance shall be used solely for the payment of **[Costs of the Project]** or **[costs of issuance in connection with this Agreement]** or **[any other purpose permitted under the Act or the Subordinate Trust Agreement]**.

4. After giving effect to the Proposed Advance, the aggregate principal amount of all Loans outstanding under the Agreement will not exceed the Available Commitment as of the Advance Date set forth in 1 above.

5. The Commitment and the obligation of the Lender to make an Advance under the Agreement shall not have terminated pursuant to Section 10.2 of the Agreement or pursuant to Section 2.7 of the Agreement.

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the Advance Date, before and after giving effect thereto:

(a) the undersigned is an Authorized Representative set forth in the Authorized Representative Certificate;

(b) all representations and warranties of the Authority as set forth in Article VII of the Agreement shall be true and correct as though made on the date hereof and on the date of the Advance Date (except to the extent any such representation or warranty specifically relates to an earlier date, then such representation or warranty shall be true and correct as of such earlier date and except that the representations contained in Section 7.6 of the Agreement shall be deemed to refer to the most recent financial statements of the Authority delivered to the Lender pursuant to Section 8.1(b)(i) of the Agreement) and no Default or Event of Default shall have occurred and be continuing; and

(c) no Material Adverse Effect has occurred.

The undersigned hereby acknowledges that the obligation of the Lender to make the Advance on the Advance Date is subject to the condition that the Commitment and the obligation of the Lender to make an Advance under the Agreement shall not have terminated pursuant to Section 10.2 of the Agreement or pursuant to Section 2.7 of the Agreement on such Advance Date and to the receipt by the Lender on or before the Advance Date of:

(i) an opinion of Bond Counsel dated the Advance Date as to the exclusion of interest on such Advance and the related Loans from gross income for federal income tax purposes, in form and substance satisfactory to the Lender. At the Authority's option, after consultation with Bond Counsel, the Authority may deliver to the Lender an opinion of Bond Counsel, in form and substance satisfactory to the Lender, that relates to one or more Advances (and related Loans), such opinion to set forth the maximum dollar amount of Advances and the period of time over which such Advances are to be made;

(ii) an executed Supplemental Tax Certificate dated the Advance Date, in form and substance satisfactory to the Lender. At the Authority's option, after consultation with Bond Counsel, the Authority may deliver to the Lender an executed Supplemental Tax Certificate that relates to one or more Advances (and related Loans), such Supplemental Tax Certificate to set forth the maximum dollar amount of Advances and the period of time over which such Advances are to be made;

(iii) a certificate dated the Advance Date and executed by an Authorized Representative, certifying that as of the Advance Date the Debt Service Coverage Ratio is greater than 125%; and

(v) (A) a certificate dated the Advance Date and executed by an Authorized Representative, certifying that as of the Advance Date the Authority has complied with all conditions precedent to the issuance of Subordinate Obligations, as applicable, set forth in Section 3.06 of the Senior Lien Trust Agreement and (B) a copy of the certificate which is required to be delivered to the Senior Trustee and the TIFIA Lender in Section 3.06(C) of the Senior Lien Trust Agreement.

The Proposed Advance shall be made by the Lender by wire transfer of immediately available funds to the undersigned in accordance with the instructions set forth below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Very truly yours,

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY

By: \_\_\_\_\_

Name: [REDACTED]

Title: [REDACTED]

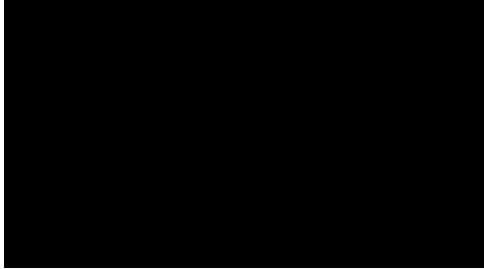
**EXHIBIT C**

**[FORM OF REQUEST FOR EXTENSION]**

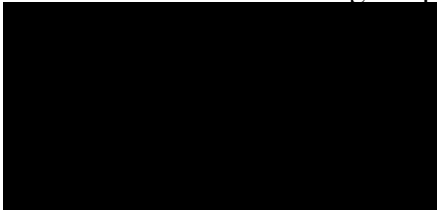
**REQUEST FOR EXTENSION**

**[Date]**

State Street Public Lending Corporation



State Street Public Lending Corporation



Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of November 1, 2015 (together with any amendments or supplements thereto, the “*Agreement*”) by and between the undersigned, the Los Angeles County Metropolitan Transportation Authority (the “*Authority*”) and State Street Public Lending Corporation (the “*Lender*”). All terms defined in the Agreement are used herein as defined therein.

The Authority hereby requests, pursuant to Section 2.8 of the Agreement, that the Commitment Expiration Date with respect to the Available Commitment as of the date hereof be extended to \_\_\_\_\_, \_\_\_\_\_. Pursuant to such Section 2.8, we have enclosed with this request the following information:

1. A reasonably detailed description of any and all Defaults and Events of Default that have occurred and are continuing;
2. A reasonably detailed description of any instances in which the representations and warranties in Article VII of the Agreement are not true and correct as of the date hereof (except to the extent any such representation or warranty specifically relates to an earlier date, then such representation or warranty shall be true and correct as of such earlier date and except that the representations contained in Section 7.6 of the



Agreement shall be deemed to refer to the most recent financial statements of the Authority delivered to the Lender pursuant to Section 8.1(b)(i) of the Agreement).

3. Confirmation that, except as previously disclosed in writing to the Lender, all representations and warranties of the Authority as set forth in Article VII of the Agreement and each Related Document are true and correct as though made on the date hereof (except to the extent any such representation or warranty specifically relates to an earlier date, then such representation or warranty shall be true and correct as of such earlier date and except that the representations contained in Section 7.6 of the Agreement shall be deemed to refer to the most recent financial statements of the Authority delivered to the Lender pursuant to Section 8.1(b)(i) of the Agreement) and that no Default or Event of Default has occurred and is continuing on the date hereof; and

4. Any other pertinent information previously requested by the Lender.

The Lender is asked to notify the Authority of its decision with respect to this request within 60 days of the date of receipt hereof. If the Lender fails to notify the Authority of the Lender's decision within such 60-day period, the Lender shall be deemed to have rejected such request.

Very truly yours,

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY

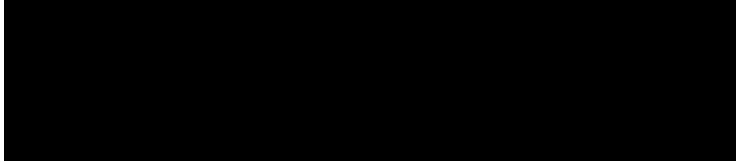
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT D**

**[FORM OF NOTICE OF TERMINATION]**

**NOTICE OF TERMINATION**

Los Angeles County Metropolitan Transportation Authority



Ladies and Gentlemen:

We refer to the Revolving Credit Agreement dated as of November 1, 2015 (together with any amendments or supplements thereto, the “*Agreement*”) by and between the Los Angeles County Metropolitan Transportation Authority (the “*Authority*”) and the undersigned, State Street Public Lending Corporation. Any term below which is defined in the Agreement shall have the same meaning when used herein.

We hereby notify you that an Event of Default has occurred under Section 10.1\_\_ of the Agreement. As a result, unless and until you have been advised otherwise by us:

1. The Available Commitment **[has been automatically]/[is hereby]** reduced to \$0.00 and the Lender has no further obligation to make Advances under the Agreement; and
2. The Commitment **[has been automatically]/[is]** terminated and will no longer be reinstated.

IN WITNESS WHEREOF, we have executed and delivered this Notice as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Very truly yours,

**STATE STREET PUBLIC LENDING  
CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

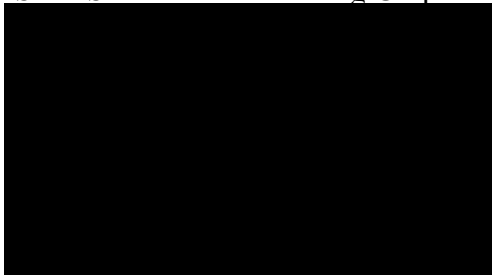
EXHIBIT E

[FORM OF NOTICE OF TERMINATION OR REDUCTION]

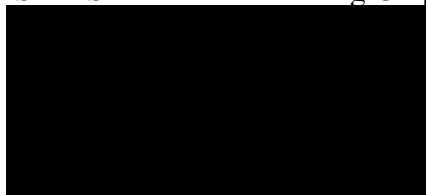
NOTICE OF TERMINATION OR REDUCTION

[Date]

State Street Public Lending Corporation



State Street Public Lending Corporation



Ladies and Gentlemen:

Re: Revolving Credit Agreement dated as of November 1, 2015

The Los Angeles County Metropolitan Transportation Authority (the “*Authority*”), through its undersigned, a Authorized Representative, hereby notifies State Street Public Lending Corporation (the “*Lender*”), with reference to the Revolving Credit Agreement dated as of November 1, 2015 (together with any amendments or supplements thereto, the “*Agreement*”) by and between the Authority and the Lender (the terms defined therein and not otherwise defined herein being used herein as therein defined):

**[(1) The Authority hereby informs you that the Commitment is terminated in accordance with the Agreement, such termination to be effective on \_\_\_\_\_.]**

OR

**[(1) The Authority hereby informs you that the Available Commitment is reduced from [insert amount as of the date of Certificate] to [insert new amount], such reduction to be effective on \_\_\_\_\_.]**

IN WITNESS WHEREOF, the Authority has executed and delivered this Notice this \_\_\_\_\_  
day of \_\_\_\_\_, \_\_\_\_\_.

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

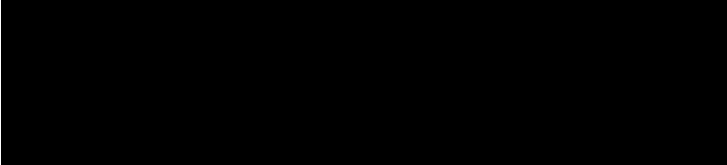
**EXHIBIT F**

**[FORM OF NOTICE OF EXTENSION]**

**NOTICE OF EXTENSION**

**[Date]**

Los Angeles County Metropolitan Transportation Authority



Ladies and Gentlemen:

We hereby notify you that pursuant to Section 2.8 of the Revolving Credit Agreement, dated as of November 1, 2015, by and between the Los Angeles County Metropolitan Transportation Authority (the “*Authority*”) and the undersigned, State Street Public Lending Corporation (the “*Lender*”), the Commitment Expiration Date with respect to the Commitment as of the date hereof shall be extended \_\_\_\_\_ to \_\_\_\_\_, \_\_\_\_\_. Your acknowledgment hereof shall be deemed to be your representation and warranty that, except as previously disclosed in writing to the Lender, all your representations and warranties contained in Article VII of the Agreement and each other Related Document are true and correct as of the date hereof (except to the extent any such representation or warranty specifically relates to an earlier date, then such representation or warranty shall be true and correct as of such earlier date and except that the representations contained in Section 7.6 of the Agreement shall be deemed to refer to the most recent financial statements of the Authority delivered to the Lender pursuant to Section 8.1(b)(i) of the Agreement) and that no Default or Event of Default has occurred and is continuing.

Very truly yours,

**STATE STREET PUBLIC LENDING  
CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Acknowledged as of \_\_\_\_\_, \_\_\_\_\_ by

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





Dated as of the date first above written.

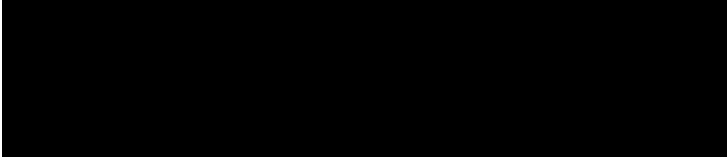
LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

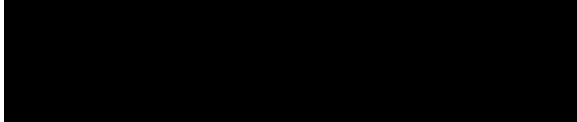
**EXHIBIT H**

**NOTIFICATION OF INTEREST RATE**

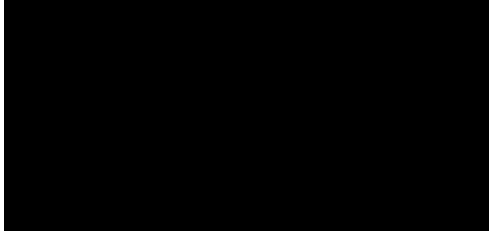
Los Angeles County Metropolitan Transportation Authority



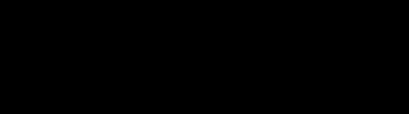
U.S. Bank National Association



State Street Public Lending Corporation



State Street Public Lending Corporation



Ladies and Gentlemen:

The undersigned, as Calculation Agent, refers to (i) the Revolving Credit Agreement, dated as of November 1, 2015 (together with any amendments or supplements thereto, the “*Agreement*”), by and between the Los Angeles County Metropolitan Transportation Authority (the “*Authority*”) and State Street Public Lending Corporation (the “*Lender*”) (the terms defined therein being used herein as therein defined), and (ii) the Request for Advance and Revolving Loan dated [\_\_\_\_\_, 20\_\_] from the Authority to the Lender (the “*Relevant Request*”), and hereby notifies you pursuant to Section 2.5 of the Agreement that:

With respect to the Revolving Loan created pursuant to the Relevant Request, the interest rate applicable thereto with respect to the Rate Reset Date of [\_\_\_\_\_, 20\_\_], is [\_\_\_\_\_] percent ([\_]%), which is the Tax-Exempt Rate applicable to such Revolving Loan, calculated as follows:

$$\text{____\% (____) x LIBOR) + .____\% = ____\%}$$

Very truly yours

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT I**

**INVESTOR LETTER**

\_\_\_\_\_, 201\_

Los Angeles County Metropolitan  
Transportation Authority



Re: Los Angeles County Metropolitan Transportation Authority  
Subordinate Measure R Sales Tax Revenue Revolving Obligations,  
Series A (the “*Note*”)

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to our purchase of all of the above-referenced note (the “*Note*”). The Note was issued pursuant to, is entitled to the benefits of, and is subject to, the provisions of the Revolving Credit Agreement, dated as of November 1, 2015 (together with any amendments or supplements thereto, the “*Agreement*”), by and between the Authority and the [Lender] (the “*Lender*,” the “*undersigned*,” “*us*” or “*we*,” as applicable) and that certain Subordinate Trust Agreement, dated as of November 1, 2015 (the “*Subordinate Trust Agreement*”), by and between the Authority and U.S. Bank National Association, as successor trustee (the “*Trustee*”), as amended from time to time in accordance with the terms thereof, by and between the Authority and the Trustee, including, without limitation, by the Supplemental Subordinate Trust Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings specified in the Agreement and the Subordinate Trust Agreement. We hereby represent and warrant to you and agree with you as follows:

We understand that the Note have not been registered pursuant to the Securities Act of 1933, as amended (the “*1933 Act*”), the securities laws of any state, nor has the Subordinate Trust Agreement or the Supplemental Subordinate Trust Agreement been qualified pursuant to the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions set forth therein. We acknowledge that the Note (i) are not being registered or otherwise qualified for sale under the “blue sky” laws and regulations of any state, (ii) will not be listed on any securities exchange, and (iii) will not carry a rating from any rating service.

We have not offered, offered to sell, offered for sale, or sold any of the Note by means of any form of general solicitation or general advertising, and we are not an underwriter of the Note[s] within the meaning of Section 2(11) of the 1933 Act.

We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Note.

The Lender is either a “qualified institutional buyer,” as defined in Rule 144A promulgated under the 1933 Act, or an “accredited investor,” as defined in Rule 501 of Regulation D under the 1933 Act, and is able to bear the economic risks of such investment.

The Lender understands that no official statement, prospectus, offering circular, or other comprehensive offering statement is being provided with respect to the Note. The Lender has made its own inquiry and analysis with respect to the Authority and the Note, and the security therefor, and other material factors affecting the security for and payment of the Note.

The Lender acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Authority, to which a reasonable investor would attach significance in making investment decisions, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Authority and the Note[s], and the security therefor, so that as a reasonable investor, it has been able to make its decision to purchase the Note.

The Note[s] are being acquired by the Lender for investment for its own account and not with a present view toward resale or distribution; *provided, however*, that the Lender reserves the right to sell, transfer, or redistribute the Note[s], but agrees that any such sale, transfer, or distribution by the Lender shall be to a Person:

- (a) that is an affiliate of the Lender;
- (b) that is a trust or other custodial arrangement established by the Lender, or one of its affiliates, the owners of any beneficial interest in which are limited to qualified institutional buyers or accredited investors;
- (c) that is a secured party, custodian or other entity in connection with a pledge by the Lender to secure public deposits or other obligations of the Lender, or one of its affiliates, to state or local governmental entities; or
- (d) that the Lender reasonably believes to be a qualified institutional buyer or accredited investor and who executes an investor letter substantially in the form of this letter.

Very truly yours,

[LENDER]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_