
STANDBY BOND PURCHASE AGREEMENT

among

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION,

as Issuer

U.S. BANK NATIONAL ASSOCIATION,
in its capacity as Trustee

and

BANK OF AMERICA, N.A.,
as the Bank

Dated as of November 1, 2017

in connection with

San Diego County Regional Transportation Commission
Sales Tax Revenue Bonds
(Limited Tax Bonds),
2008 Series C

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STANDBY BOND PURCHASE AGREEMENT

THIS STANDBY BOND PURCHASE AGREEMENT (this “*Agreement*”) dated November 1, 2017, among SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION, a public entity duly established and existing under the laws of the State of California (the “*Issuer*” or the “*Commission*”), U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America as trustee under the Indenture as hereinafter defined (together with any successors thereto as such trustee, the “*Trustee*”) and as tender agent (together with any successors thereto, the “*Trustee*”) and BANK OF AMERICA, N.A. (the “*Bank*”).

WITNESSETH:

WHEREAS, pursuant to that certain Indenture dated as of March 1, 2008, as amended and supplemented from time to time pursuant to its terms, including as amended and supplemented by (i) that certain First Supplemental Indenture dated as of March 1, 2008, (ii) that certain Second Supplemental Indenture dated as of July 1, 2008, (iii) that certain Third Supplemental Indenture dated as of October 1, 2010, (iv) that certain Fourth Supplemental Indenture dated as of June 1, 2012, (v) that certain Fifth Supplemental Indenture dated as of September 1, 2014, (vi) that certain Sixth Supplemental Indenture dated as of August 1, 2016 and (vii) the Seventh Supplemental Indenture dated as of June 1, 2017 (collectively, the “*Indenture*”), between the Commission and the Trustee, the Commission authorized the issuance of \$150,00,000 aggregate principal amount of its San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2008 Series C, of which \$100,575,000 aggregate principal amount remain outstanding (the “*Bonds*”); and

WHEREAS, the Commission had previously entered into a Standby Bond Purchase Agreement (the “*Prior Agreement*”) with Mizuho Corporate Bank, Ltd, acting through its New York Branch (the “*Prior Bank*”), dated as of September 1, 2011, as amended, to provide for the purchase, from time to time, by the Prior Bank of tendered or deemed tendered Bonds that were not remarketed; and

WHEREAS, the Commission has determined that it is in the best interests of the holders of the Bonds to replace the Prior Agreement with this Agreement and to provide for the purchase by the Bank on the terms and conditions specified herein of tendered or deemed tendered Bonds which cannot be remarketed; and

WHEREAS, the Bonds are subject to purchase from time to time at the option of the owners thereof and are required to be purchased in certain events and, to further assure the availability of funds for the payment of the purchase price therefor, the Commission has provided for the remarketing of such Bonds and, to the extent such remarketing may not be successful, for the purchase of such Bonds by the provider of a liquidity facility, such provider initially being the Bank under the terms hereof.

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

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms have the meanings indicated below or in the referenced Section of this Agreement, unless the context shall clearly indicate otherwise:

“*Additional Bonds*” means any bonds or other obligations issued pursuant to the Indenture and secured by a Lien on Revenues on a parity with the Lien on Revenues securing the Bonds.

“*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. When used with respect to the Commission, “*Affiliate*” shall not mean the Metropolitan Transit System and the North County Transit District.

“*Alternate Liquidity Facility*” has the meaning provided in the Indenture.

“*Assignee*” shall have the meaning provided in Section 8.01.

“*Available Commitment*” means, on any day, the sum of the Available Principal Commitment and the Available Interest Commitment on such day.

“*Available Interest Commitment*” initially means One Million One Hundred Fifty-Seven Thousand Three Hundred Two Dollars (\$1,157,302) (an amount equal to thirty-five (35) days’ interest on the Bonds based on a 365 day year, actual days elapsed, computed as if the Bonds bore interest at the rate of twelve percent (12%) per annum) and thereafter means such amount adjusted from time to time as follows: (a) downward by an amount that bears the same proportion to such amount as the amount of any reduction in the Available Principal Commitment pursuant to the definition of “*Available Principal Commitment*” bears to the Available Principal Commitment prior to such reduction; and (b) upward by an amount that bears the same proportion to such amount as the amount of any increase in the Available Principal Commitment pursuant to clause (c) of the definition of “*Available Principal Commitment*” bears to the Available Principal Commitment prior to such increase; provided that, after giving effect to such adjustment, the available interest commitment shall never exceed One Million One Hundred Fifty-Seven Thousand Three Hundred Two Dollars (\$1,157,302). Any adjustments pursuant to clause (a) or (b) above shall occur simultaneously with the event requiring such adjustment.

“*Available Principal Commitment*” initially means One Hundred Million Five Hundred Seventy-Five Thousand Dollars (\$100,575,000). and thereafter means such amount adjusted from time to time as follows: (a) downward by the amount of any reduction of the Available Principal Commitment pursuant to Section 2.03; (b) downward by the principal amount of any Bonds purchased by the Bank pursuant to Section 2.02; and (c) upward by the principal amount of any Bonds theretofore purchased by the Bank pursuant to Section 2.02, which are resold by a Purchased Bondholder pursuant to Section 2.04(b) and for which the Bank or such Purchased

Bondholder or the Trustee on behalf of the Bank or such Purchased Bondholder has received immediately available funds equal to the principal amount thereof and accrued interest thereon, or which cease to bear interest at the Purchased Bond Rate pursuant to Section 2.04(c); *provided* that, after giving effect to such adjustment, the Available Principal Commitment shall never exceed One Hundred Million Five Hundred Seventy-Five Thousand Dollars (\$100,575,000). Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

“*Bank*” shall have the meaning provided in the introductory paragraph of this Agreement, and for the purposes of Section 2.06 shall include any Person owning or controlling the Bank.

“*Bank Agreement*” has the meaning set forth in Section 6.01(r) hereof.

“*Bank Counsel*” means Nixon Peabody LLP.

“*Base Rate*” means a fluctuating rate of interest per annum equal to the highest of (a) Prime Rate plus 1.00%, (b) the Federal Funds Rate plus 2.00%, (c) the LIBOR Rate plus 2.00% and (d) 7.00%. Each change in the Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate, Federal Funds Rate or the LIBOR Rate, as the case may be.

“*Bond Register*” means the bond register maintained by the Trustee or any other bond registrar in accordance with the Indenture.

“*Bonds*” shall have the meaning provided in the recitals to this Agreement and shall include, unless the context otherwise requires, all Purchased Bonds.

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

“*Business Day*” shall have the meaning provided in the Indenture.

“*Change of Law*” means the adoption or implementation, after the Effective Date, of, or any change, after the Effective Date, in, any law, rule, treaty, regulation, statute, policy, guideline, directive or Risk-Based Capital Guidelines, or any change, after the Effective Date, in the enforcement, interpretation, implementation or administration thereof, as the case may be, by any court, central bank or other administrative or Governmental Authority or comparable agency charged with the interpretation or administration thereof (in each case whether or not having the force of law), or compliance by the Bank or any Participant or Assignee with any request or directive of any such court, central bank or other administrative or Governmental Authority or comparable agency charged with the interpretation or administration thereof (in each case whether or not having the force of law) or the occurrence of the effective date of any of the foregoing if adopted prior to the Effective Date or any change after the Effective Date in the application, interpretation or enforcement of any of the foregoing.

“*Code*” means the Internal Revenue Code of 1986, as amended.

“*Commission*” has the meaning set forth in the introductory paragraph to this Agreement.

“*Commission Financial Statements*” means the financial statements of the Commission as described in Sections 4.06 and 6.01(b).

“*Commitment Fee*” shall have the meaning provided in the Fee Letter.

“*Credit Enhancement*” shall have the meaning provided in the Indenture.

“*Daily Rate*” shall have the meaning provided in the Indenture.

“*Daily Rate Period*” shall have the meaning provided in the Indenture.

“*Debt*” of any Person means, without duplication, (i) all obligations of such Person evidenced by bonds, debentures, notes, securities or other similar instruments, (ii) all obligations of such Person for borrowed money, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (iv) obligations of such Person as lessee under any lease of property, real or personal, that, in accordance with Generally Accepted Accounting Principles, would be required to be capitalized on a balance sheet of the lessee thereof, (v) obligations of such Person to reimburse or repay any bank or other Person in respect of amounts paid or advanced under a letter of credit, credit agreement, liquidity facility or other instrument, (vi) all obligations of such Person to purchase securities (or other property) which arise out of or in connection with the sale of the same or substantially similar securities or property or obligations for the deferred purchase price of property or services (other than trade accounts payable occurring in the ordinary course of business), (vii) all Debt of others secured by a Lien on any asset of such Person whether or not such Debt is assumed by such Person, (viii) any obligation of such Person guaranteeing or in effect guaranteeing any other Debt, whether directly or indirectly and (ix) all obligations arising under or pursuant to any Swap Contract.

“*Default Rate*” means a per annum rate equal to the Base Rate from time to time in effect plus 4.00%.

“*Defaulted Interest*” means accrued interest payable on a Bond which was not paid when due under the terms of the Indenture.

“*Designated Jurisdiction*” means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

“*Differential Interest Amount*” means, with respect to any Purchased Bond, the excess of (a) interest which has accrued and is payable on such Purchased Bond at the Purchased Bond Rate, as determined in accordance with Section 3.01, up to but excluding the Sale Date less (b) the amount of interest on such Purchased Bond received by the Purchased Bondholder on the Sale Date as part of the Sale Price. “*Differential Interest Amount*” shall not include the Final Excess Interest Amount.

“*Dodd-Frank Act*” means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended, and all regulations, guidelines, interpretations, promulgations and directions in connection therewith.

“Dollars,” “US,” “\$” and “U.S. Dollars” means the lawful currency of the United States of America.

“DTC” means the Depository Trust Company.

“Effective Date” means November 2, 2017.

“Eligible Bond” means any Bonds bearing interest at a Weekly Rate or a Daily Rate, other than Bonds owned by, for the account of, or on behalf of, the Commission or any Affiliate thereof, and excludes, in any event, Purchased Bonds, or Bonds bearing interest at a Commercial Paper Rate, an Auction Period Rate, a Term Rate, or a Fixed Rate and Bonds that have been removed from coverage under this Agreement by redemption, defeasance or substitution of an Alternate Liquidity Facility.

“EMMA” means Electronic Municipal Market Access as provided by the Municipal Securities Rulemaking Board.

“Excess Interest” shall have the meaning provided in Section 3.01(c).

“Excess Interest Amount” shall have the meaning provided in Section 3.01(c).

“Event of Termination” shall have the meaning provided in Section 7.01.

“Extended Purchase Period” shall have the meaning provided in Section 8.08.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Bank on such day on such transactions as determined by the Bank.

“Fee Letter” means that certain Fee Letter dated November 2, 2017, between the Commission and the Bank, as the same may be amended, modified, or supplemented from time to time.

“Fee Payment Date” means the first Business Day of each January, April, July and October during the Purchase Period.

“Final Excess Interest Amount” shall have the meaning provided in Section 3.01(c).

“Final Excess Interest Fee Amount” shall have the meaning provided in Section 3.01(c).

“Fitch” means Fitch Ratings, Inc., and its successors and assigns.

“*Fixed Rate*” shall have the meaning provided in the Indenture.

“*Generally Accepted Accounting Principles*” means generally accepted accounting principles consistently applied and maintained throughout the period indicated and consistent with the prior financial practice of the Commission, except for changes permitted by the Governmental Accounting Standards Board or any similar accounting authority of comparable standing.

“*Governmental Authority*” means any national, state, city or other local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, tribunal, agency, bureau, court, central bank or any comparable authority and shall include the Commission.

“*Immediate Termination Event*” shall have the meaning provided in Section 7.02(a).

“*Incipient Invalidity Event*” means (i) the validity or enforceability of any provision of the Law or the Ordinance that impacts the Commission’s ability or obligation to levy or impose its one-half of one cent retail transactions and use tax in the incorporated and unincorporated territory of the County of San Diego (the “Sales Tax”) in accordance with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code or to collect Revenues or to pay the Revenues directly to the Trustee or the California Department of Tax and Fee Administration’s ability or obligation to collect the Sales Tax or to pay the Sales Tax Revenues to the Trustee is contested by duly authorized action of the Commission or the State or any instrumentality of the State with appropriate jurisdiction or is determined by a court or the State or any instrumentality of the State with appropriate jurisdiction in a proceeding subject to further appeals to be invalid or unenforceable, or (ii) the validity or enforceability of any Payment and Collateral Obligation, or of any Bond or any provision of any Related Document related to the payment of principal and interest on any Bond (including Purchased Bonds) or the pledge of Revenues securing the payment of principal or interest on any Bond (including Purchased Bonds) is contested by duly authorized action of the Commission or is declared invalid or unenforceable by duly authorized action in a proceeding subject to further appeals by the State or any instrumentality of the State with appropriate jurisdiction.

“*Indenture*” has the meaning provided in the recitals to this Agreement.

“*Interest Component*” shall have the meaning provided in Section 2.01.

“*Interest Payment Date*,” with respect to Bonds which are not Purchased Bonds, shall have the meaning provided in the Indenture and, with respect to Purchased Bonds, means the first Business Day of each calendar month following the purchase thereof and the day any such Purchased Bonds are remarketed.

“*Invalidity Event*” means (i) the Law or the Ordinance is repealed, (ii) a court or the State or any instrumentality of the State with appropriate jurisdiction determines in a final non-appealable order or judgment, as the case may be, that a provision or provisions of the Law or the Ordinance regarding (A) the Commission’s ability or obligation to levy or impose the Sales Tax or collect Revenues (which are pledged to pay principal and interest on the Bonds) or to pay

the Revenues (which are pledged to pay principal and interest on the Bonds) directly to the Trustee or (B) the California Department of Tax and Fee Administration's ability or obligation to collect the Sales Tax or make payment of the Sales Tax directly to the Trustee, or the pledge of and lien on Revenues securing the payment of the principal of or interest on the Bonds, is null and void, (iii) the Law or the Ordinance is ruled to be null and void by a court or the State or any instrumentality of the State with appropriate jurisdiction, (iv) any provision of this Agreement, any Bond or any other Related Document relating to the Commission's obligation with respect to the payment of monies for principal and interest on the Bonds (including Purchased Bonds) under the Related Documents or the pledge of the Revenues to secure the payment of principal and interest on the Bonds (each such provision, a "*Payment and Collateral Obligation*") is ruled to be null and void by a court or the State or any instrumentality of the State with appropriate jurisdiction in a final nonappealable order or judgment by such court or the State or any instrumentality of the State, as applicable, or (v) the Commission by duly authorized action denies that the Commission has any or further liability or obligation with respect to payments of monies for principal and interest on the Bonds under the Law or the Ordinance or any Payment and Collateral Obligation.

"*Law*" has the meaning set forth in the Indenture.

"*Legal Requirements*" applicable to the transactions contemplated under this Agreement, the Fee Letter or any other Related Document, or any Person, means (a) all decisions, statutes, ordinances, rulings, directions, rules, regulations, orders, writs, decrees, injunctions, permits, certificates, or other requirements of any court or other Governmental Authority in any way applicable to or affecting such property, such transactions or such Person, (b) all such Person's organizational documents, and (c) all other written contractual obligations of any nature applicable to or affecting such property or such Person.

"*LIBOR Rate*" means, for any date of determination, the rate per annum equal to the London Interbank Offered Rate or, if the London Interbank Offered Rate is no longer published, a comparable or successor rate which rate is approved by the Bank, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Bank from time to time) (in such case, the "*LIBOR Rate*") at or about 11:00 a.m., London time, two (2) London Business Days prior to such date, for United States dollar deposits with a term of one month commencing that day); *provided* that (i) to the extent a comparable or successor rate is approved by the Bank in connection herewith, the approved rate shall be applied in a manner consistent with market practice; *provided, further* that to the extent such market practice is not administratively feasible for the Bank, such approved rate shall be applied in a manner as otherwise reasonably determined by the Bank, and (ii) if the LIBOR Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

"*Lien*" on any asset means any mortgage, deed of trust, lien, pledge, charge, security interest, hypothecation, assignment, deposit arrangement or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected or effective under applicable law, as well as the interest of a vendor or lessor under any conditional sale agreement, capital or finance lease or other title retention agreement relating to such asset.

“*Liquidity Facility*” shall have the meaning provided in the Indenture.

“*London Business Day*” means any day on which dealings in United States dollar deposits are conducted by and between banks in the London interbank eurodollar market.

“*Maximum Rate*” means twelve percent (12%) per annum.

“*Material Event Notice*” means any material event notice disseminated, distributed or provided by the Commission in satisfaction of or as may be required pursuant to Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended (17 C.F.R. Sec. 240-15c2-12), or any successor or similar legal requirement during any period of time the Commission is subject to any continuing disclosure undertaking or requirements relating thereto.

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

“*Non-Covered Interest Rate*” means the Purchased Bond Rate or a rate of interest borne by the Bonds other than a Weekly Rate or a Daily Rate.

“*Notice of Extension*” means a notice in the form of *Exhibit E* attached hereto.

“*Notice of Purchase*” means a notice in the form of *Exhibit A* attached hereto.

“*Notice of Termination*” means a notice in the form of *Exhibit B* attached hereto.

“*OFAC*” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“*Ordinance*” has the meaning set forth in the Indenture.

“*Outstanding*” has the meaning provided in the Indenture.

“*Parity Debt*” means (a) Bonds and (b) other Debt of the Commission payable from or secured by Sales Tax Revenues (including Revenues) and described in clauses (i), (iv), (v) and (ix) of the definition of “Debt” herein (and (1) in the case of (iv), excluding any lease, the obligation of which is subject to appropriation at the discretion of the Commission, (2) in the case of (v), other than a failure to pay any amount which has been accelerated pursuant to the terms of the applicable agreement and excluding any obligations relating to the reimbursement or repayment of fees, and (3) in the case of obligations arising under or pursuant to any Swap Contract as described in clause (ix) of the definition of “Debt” herein, only with respect to (x) Swap Contracts that provide interest rate support and (y) obligations that constitute regularly scheduled payments that relate to Bonds and other obligations described in clause (i) of the definition thereof) the payment of which is secured by a pledge of or Lien on Sales Tax Revenues senior to or on a parity with the payment of the Bonds.

“*Parity Obligations*” has the meaning set forth in the Indenture.

“*Participant*” means any entity to which the Bank has sold a participation in this Agreement pursuant to Section 8.01.

“*Payment and Collateral Obligation*” has the meaning assigned to that term in the definition of Invalidation Event.

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

“*Prime Rate*” means on any day, the rate of interest in effect for such day as publicly announced from time to time by the Bank as its “prime rate.” The “*prime rate*” is a rate set by the Bank based upon various factors including the Bank’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by the Bank shall take effect at the opening of business on the day specified in the public announcement of such change, which date shall be no earlier than the date on which such public announcement was made.

“*Prior Agreement*” shall have the meaning provided in the recitals hereto.

“*Prior Bank*” shall have the meaning provided in the recitals hereto.

“*Purchase Date*” means a Business Day during the Purchase Period on which the Bank is required to purchase Tendered Bonds pursuant to Section 2.02.

“*Purchase Period*” means the period from the Effective Date to and including 5:00 p.m. on the earliest of (i) the Stated Expiration Date, (ii) the date of receipt by the Bank of a certificate signed by the Trustee stating that this Agreement has been terminated pursuant to the terms of the Indenture because (a) an Alternate Liquidity Facility has been provided and become effective under the Indenture, (b) no Bonds remain Outstanding under the Indenture or (c) all of the Bonds have been converted to a Non-Covered Interest Rate, (iii) the date specified in a written notice delivered by the Commission to the Bank that the Commission has elected to terminate this Agreement pursuant to Section 8.07(b), or (iv) the Purchase Termination Date.

“*Purchase Price*” means an amount equal to 100% of the unpaid principal amount of any Tendered Bond, plus accrued and unpaid interest thereon from and including the Interest Payment Date next preceding the Purchase Date thereof, in each case without premium to the Purchase Date; *provided, however*, that if the Purchase Date is an Interest Payment Date, then the Purchase Price shall not include accrued and unpaid interest; and *provided further* that the aggregate amount of the Purchase Price constituting the Interest Component shall not exceed the amount specified in Section 2.01(a) and the aggregate amount of the Purchase Price constituting the principal component shall not exceed the Available Principal Commitment.

“*Purchase Termination Date*” means the date on which the Bank is no longer required to purchase Tendered Bonds pursuant to Section 7.02(b).

“*Purchased Bond Rate*” means the interest rate applicable from time to time to Purchased Bonds determined as specified in Section 3.01(a).

“*Purchased Bondholder*” means the Bank (in its capacity as owner (which term shall include beneficial owner if the Bonds are Book-Entry Bonds) of Purchased Bonds pursuant to this Agreement) and any Assignee and other Person to whom the Bank has sold Purchased Bonds or beneficial interests therein pursuant to Section 2.04(a).

“*Purchased Bonds*” means each Bond purchased with funds provided by the Bank under this Agreement, until such Bonds are remarketed in accordance with Section 2.04(b) or cease to bear interest at the Purchased Bond Rate pursuant to Section 2.04(d). Purchased Bonds are referred to as “Liquidity Facility Bonds” in the Indenture.

“*Rating Agency*” means any one or both of S&P or Moody’s.

“*Related Documents*” means this Agreement, the Fee Letter, the Bonds, the Indenture, and all amendments, supplements and modifications thereto.

“*Remarketing Agent*” means J.P. Morgan Securities LLC and its permitted successors and permitted assigns.

“*Remarketing Agreement*” shall have the meaning provided in the Indenture.

“*Remarketing Memorandum*” means the Remarketing Memorandum dated October 30, 2017, relating to the Bonds and any supplement or amendment thereto.

“*Reportable Event Notice*” means any listed or reportable event notice disseminated, distributed or provided by the Commission in satisfaction of or as may be required pursuant to Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended (17 C.F.R. Sec. 240-15c2-12), or any successor or similar legal requirement during any period of time the Commission is subject to any continuing disclosure undertaking or requirements relating thereto.

“*Revenues*” shall have the meaning provided in the Indenture.

“*Risk-Based Capital Guidelines*” means (i) the risk-based capital guidelines in effect in the United States on the date of this Agreement, 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 adopted prior to the date of this Agreement.

“*Sale Date*” shall have the meaning provided in Section 2.04(b) and shall not be earlier than the second Business Day following the Business Day on which a Purchased Bondholder receives a Purchase Notice.

“*Sale Price*” shall have the meaning provided in Section 2.04(b).

“*Sales Tax Revenues*” shall have the meaning provided in the Indenture.

“*Sanctioned Country*” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions.

“*Sanctioned Person*” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) and (b).

“*Sanction(s)*” means any international economic sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty’s Treasury (“HMT”) or other relevant sanctions authority.

“*S&P*” means S&P Global Ratings, a division of Standard & Poor’s Financial Services LLC, and its successors and assigns.

“*Section 3.01(a)1(b) Rate*” shall have the meaning set forth in Section 3.01(c).

“*Semi-Annual Payment Date*” shall mean the first Business Day of each April and October.

“*State*” means the State of California.

“*Stated Expiration Date*” means the later of (i) November 2, 2020 or (ii) the last day of any extension of such date pursuant to Section 8.08; *provided, however*, that if the date specified in (i) or (ii), as applicable, is not a Business Day, the next preceding Business Day.

“*Suspension Event*” has the meaning assigned to that term in Section 7.02(c).

“*Swap Contract*” means (a) any and all rate swap transactions, 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.

“*Taxes*” shall have the meaning set forth in Section 2.07(c).

“*Tendered Bonds*” means, as of any date, Eligible Bonds which are tendered or deemed tendered for purchase pursuant to the Indenture.

“*Term Out Commencement Date*” shall have the meaning set forth in Section 3.04.

“*Term Out Period*” shall have the meaning set forth in Section 3.04 of this Agreement.

“*Trustee*” means U.S. Bank National Association, or its permitted successor as Trustee under the Indenture from time to time.

“*Underlying Rating*” means the long-term rating unenhanced assigned by either of Moody’s or S&P.

“*Weekly Rate*” shall have the meaning provided in the Indenture “*Weekly Rate Period*” shall have the meaning provided in the Indenture.

“*Written*” or “*In Writing*” means any form of written communication or a communication by means of facsimile and electronic means if acceptable to the recipient; provided that electronic communication may not be used to provide notice to the Bank of requests for purchase of Bonds hereunder (including any and all Notice(s) of Purchase) and it may not be used to satisfy the Commission’s obligations under Sections 6.01(a), (c), (d) and (e).

Section 1.02. Incorporation of Certain Definitions by Reference. Each capitalized term used herein and not defined herein shall have the meaning provided therefor in the Indenture.

Section 1.03. Computation of Time Periods. In this Agreement, 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 mean “to but excluding.”

Section 1.04. Construction. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, the singular includes the plural, the part includes the whole and “or” has the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereunder” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The word “including” has the meaning “including, but not limited to.” The section headings contained in this Agreement and the table of contents preceding this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation thereof in any respect. Section, subsection and exhibit references are to this Agreement unless otherwise specified.

Section 1.05. Accounting Matters. 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, including the Commission Financial Statements, shall be prepared, in accordance with Generally Accepted Accounting Principles.

Section 1.06. Time. All times are the times then in effect in New York, New York.

Section 1.07. This Agreement and the Related Documents. The Bank is a Liquidity Provider as such term is defined in the Indenture. There is no Credit Enhancement or Credit Provider with respect to the Bonds.

ARTICLE II

THE COMMITMENT; FEES AND CERTAIN PAYMENTS

Section 2.01. Commitment to Purchase Bonds.

(a) *Commitment.* The Bank agrees, on the terms and subject to the satisfaction of all of the conditions contained in this Agreement, to extend credit to the Commission by purchasing Tendered Bonds which are Eligible Bonds, for the Bank's own account, from time to time during the Purchase Period at the Purchase Price. The aggregate principal amount (or portion thereof) of any Bond purchased by the Bank on any Purchase Date shall be an authorized denomination applicable to Bonds pursuant to the Indenture, and the aggregate principal amount of all Bonds purchased on any Purchase Date shall not exceed the Available Principal Commitment on such date. The aggregate amount of the Purchase Price comprising interest on the Bonds (the "*Interest Component*") purchased on any Purchase Date shall not exceed the lesser of (i) the Available Interest Commitment on such date or (ii) the actual aggregate amount of interest accrued on each such Bond, other than Defaulted Interest, to such Purchase Date; provided, however, that in the event the Purchase Date is also an Interest Payment Date, no accrued interest on such Bonds shall be included in the Purchase Price. Any Bonds so purchased shall thereupon constitute Purchased Bonds and from the date of such purchase and while they are Purchased Bonds, shall bear interest at the Purchased Bond Rate and have other characteristics of Purchased Bonds as set forth herein and in the Indenture.

(b) *Limited Commitment; Liquidity Facility.* The Bank's commitment under this Agreement is limited to the purchase of Tendered Bonds that are Eligible Bonds (*i.e.*, "*liquidity support*") and does not cover the payment of principal of or interest on the Bonds (*i.e.*, "*credit support*") or constitute Credit Enhancement under the Indenture. Subject to the immediately preceding sentence, this Agreement is a Liquidity Facility as defined in the Indenture.

(c) *Rights of Bondholder.* In the event that the Bank purchases any Tendered Bond in accordance with the provisions of this Section 2.01, in addition to its rights hereunder and under the Fee Letter, the Bank shall be entitled to exercise all of the rights of (except the right to tender Bonds for purchase under the Indenture), and shall be secured to the same extent as, any other holder of Bonds under the Indenture, including, without limitation, the right to receive payments of principal and interest, the right to have such Purchased Bonds remarketed pursuant to the Indenture and the Remarketing Agreement and all rights under the Indenture upon the occurrence and continuation beyond any applicable grace period of any "event of default" under the Indenture.

Section 2.02. Method of Purchasing.

(a) *Notice of Purchase.* During both a Weekly Rate Period and a Daily Rate Period, by no later than 12:30 p.m. on the Business Day on which Bonds are subject to an optional tender or mandatory purchase, the Trustee shall give a written Notice of Purchase, by facsimile or hand delivery, in the form of *Exhibit A*. If the Bank receives

such Notice of Purchase as provided above, and subject to the satisfaction of the conditions set forth in Section 5.02(a), the Bank will transfer to the Trustee not later than 2:30 p.m. on such date (a “*Purchase Date*”), in immediately available funds, an amount equal to the aggregate Purchase Price of all or such portion of such Eligible Bonds as requested from the Trustee. Bonds purchased pursuant to this Section 2.02(a) shall be registered in the name of the Bank, or if directed in writing by the Bank, its nominee or designee, on the Bond Register and shall be held in trust by the Trustee for the benefit of the Bank, its nominee or designee, or as the Bank may otherwise direct in writing. The Bonds shall be delivered by the Trustee to the Bank, its nominee or designee, and prior to such delivery shall be held in trust by the Trustee for the benefit of the Bank. If the Bonds purchased pursuant to this Section 2.02(a) are Book-Entry Bonds, the beneficial ownership of such Bonds shall be credited to the account of the Bank, or if directed in writing by the Bank, its nominee or designee, maintained at DTC.

(b) *Remittance of Extra Funds.* In the event that any funds paid by the Bank to the Trustee pursuant to Section 2.02(a) shall not be required to be applied to purchase Bonds as provided herein, such funds shall be held and shall be returned to the Bank as soon as practicable by the Trustee and, until so returned, shall be held in trust by the Trustee for the account of the Bank. To the extent any such amounts are not returned to the Bank in immediately available funds by 4:00 p.m. on the same day on which such funds were advanced, such amounts shall bear interest until the date returned to the Bank (but in any event for not less than one day), payable by the Trustee on demand and, in any event, on the date on which such funds are returned, at a rate equal to the Federal Funds Rate from the date disbursed until the third Business Day immediately following such disbursement, and thereafter at the Default Rate payable on demand.

(c) *No Liability of the Bank.* The Bank shall not have any responsibility for, or incur any liability in respect of, any act, or any failure to act, by the Trustee (i) to credit the appropriate account with funds made available by the Bank pursuant to this Section 2.02 or (ii) to effect the purchase for the account of the Bank of Bonds with funds provided pursuant to this Section 2.02.

(d) *Payment with Own Funds.* All purchases of Tendered Bonds made by the Bank hereunder shall be made with the Bank’s own funds.

Section 2.03. Mandatory Reduction of Commitment. Upon (i) any redemption, prepayment or other payment pursuant to the Indenture of all or any portion of the principal amount of the Bonds (other than Purchased Bonds) so that such Bonds cease to be Outstanding or (ii) any conversion of all or a portion of the Bonds to a Non-Covered Interest Rate in accordance with Section 14.05 of the Indenture, the aggregate Available Principal Commitment shall automatically be reduced by the principal amount of such Bonds so redeemed, paid or converted, as the case may be, and the Available Interest Commitment shall also be simultaneously reduced as provided in the definition thereof in Section 1.01. The Trustee shall notify the Bank within one (1) Business Day of such redemption, payment or conversion of the Bonds.

Section 2.04. Sale of Purchased Bonds.

(a) *Right to Sell Purchased Bonds.* The Bank expressly reserves the right to sell, at any time, any Purchased Bond or the beneficial interest therein subject, however, to the express terms of this Agreement. The Bank agrees that such sales (other than sales made pursuant to Section 2.04(b) or to Assignees pursuant to Section 8.01) will be made only to institutional investors. The Bank agrees to notify the Trustee, Commission and the Remarketing Agent promptly in writing of any such sale (other than a sale made pursuant to Section 2.04(b)) and to notify the transferee in writing that (i) so long as such Bond remains a Purchased Bond, the Bank is not obligated to purchase it hereunder, (ii) there is no short-term investment rating assigned to such Bond so long as it remains a Purchased Bond, (iii) such Purchased Bond may not be sold except pursuant to Section 2.04(b) or to an institutional investor executing a written agreement acknowledging the restriction on transfer imposed by this Section 2.04 and (iv) such Bond is subject to sale, and may cease to be a Purchased Bond, as provided in this Section 2.04. The Bank shall provide the Trustee and the Commission with the written agreement of each Purchased Bondholder purchasing a Purchased Bond or beneficial interest therein (A) acknowledging the terms of this Agreement relating to Purchased Bonds, (B) agreeing not to sell such Purchased Bond or beneficial interest except for sales to the Bank, sales to a purchaser identified by the Remarketing Agent pursuant to Section 2.04(b) and sales to institutional investors which agree to be bound by the sale restrictions of this Section 2.04(a), (C) acknowledging that such Purchased Bondholder has no right to tender such Purchased Bond for purchase under the Indenture and (D) specifying appropriate notice and account information for purposes of all notices and payments to such Purchased Bondholder.

(b) *Sales by Remarketing Agent.* The Bank and, by its acceptance of a Purchased Bond, each other Purchased Bondholder, subject to Section 2.04(c), hereby authorize the Remarketing Agent to sell Purchased Bonds on behalf of the Bank or such other Purchased Bondholder. If less than all Purchased Bonds are remarketed on any date, the Purchased Bonds having the highest aggregate amount of Excess Interest payable with respect thereto shall be deemed to be remarketed first at a price equal to the principal amount thereof plus unpaid accrued interest thereon to the Sale Date at the interest rate to be borne by the Bonds that are not Purchased Bonds (the “*Bond Rate*”), if any, after such sale or, if the Purchased Bond Rate is less than the Bond Rate, the Purchased Bond Rate (the “*Sale Price*”).

Prior to 11:30 a.m. on any Business Day on which a Purchased Bondholder holds Purchased Bonds, the Remarketing Agent may deliver a notice (a “*Purchase Notice*”) to a Purchased Bondholder as registered on the Bond Register maintained by the Trustee or DTC and to the Bank stating that the Remarketing Agent has located a purchaser for some or all of such Purchased Bonds and that such purchaser desires to purchase an authorized denomination of such Purchased Bonds at the Sale Price on the second Business Day following the date on which a Purchased Bondholder receives a Purchase Notice (a “*Sale Date*”).

A Purchased Bondholder shall decide whether to sell any Purchased Bonds by giving written notice of such decision to the Trustee and the Remarketing Agent by 4:00 p.m. on the

Business Day preceding the Sale Date. In the event such notice is not timely delivered by a Purchased Bondholder, such Purchased Bondholder shall be deemed to have determined to sell such Purchased Bonds. If a Purchased Bondholder determines or is deemed to have determined to sell such Purchased Bonds, such Purchased Bondholder shall deliver such Purchased Bonds to the Trustee (or, in the case of Purchased Bonds which are Book-Entry Bonds, shall cause the beneficial ownership thereof to be credited to the account of the applicable Remarketing Agent at DTC) by 10:00 a.m. on the Sale Date against receipt of the Sale Price therefor, plus the Differential Interest Amount, if any, in immediately available funds to the Bank at the account specified pursuant to Section 2.07(a) or at the Purchased Bondholder's address listed in the Bond Register, as applicable, and such Bonds shall thereupon no longer be considered Purchased Bonds. Any sale of a Purchased Bond pursuant to this Section 2.04(b) shall be without recourse to the seller and without representation or warranty of any kind. When Purchased Bonds are purchased in accordance with this Section 2.04(b), the Trustee shall, upon receipt of authorization to transfer such Bonds and upon receipt by such Purchased Bondholder of the Sale Price and the Differential Interest Amount, if any, notify the Remarketing Agent, the Bank and the Commission that such Bonds are no longer Purchased Bonds and the Bank shall by 12:30 p.m. notify the Trustee, the Remarketing Agent and the Commission that the Available Commitment has been reinstated. The Trustee shall not cause the transfer of any such Purchased Bonds or beneficial interests therein, or re-register the same, pursuant to the instructions of the Remarketing Agent until the Trustee has received funds to transfer to the Purchased Bondholder.

(c) *Right to Retain Bonds.* If a Purchased Bondholder notifies the Trustee and the Remarketing Agent by 4:00 p.m. on the Business Day preceding the Sale Date that it will not sell such Purchased Bonds, such Bonds shall no longer be Purchased Bonds as of the Sale Date, and the Trustee, on the Sale Date shall give notice to such effect to the Remarketing Agent, the Commission, the Bank and such Purchased Bondholder. Such election may be revoked by the Purchased Bondholder at any time prior to 4:00 p.m. on the Business Day preceding the Sale Date.

Notwithstanding anything to the contrary herein, in the event the Commission provides written notice to the Bank and to all, if any, other Purchased Bondholders that it has elected to purchase the Purchased Bonds in accordance with Section 15.13 of the Indenture, the Bank and all, if any, other Purchased Bondholders shall not have the right to retain Purchased Bonds in accordance with this Section. Prior to the sale (through the Remarketing Agent or otherwise) of any Bonds held by the Commission or an Affiliate of the Commission, the Commission shall provide to the Bank an opinion of nationally recognized bond counsel reasonably satisfactory to the Bank, to the effect that such action is permitted under the Indenture, and that such sale will not, in and of itself, adversely affect (i) the exclusion of interest on the Bonds from gross income for purposes of federal income taxation or (ii) the enforceability against the Commission of all its obligations on the Bonds pursuant to the Related Documents.

(d) *Bonds Ceasing to be Purchased Bonds.* After any sale of Purchased Bonds by the Remarketing Agent pursuant to Section 2.04(b), or any election to retain Bonds pursuant to Section 2.04(c), Purchased Bonds, from such Sale Date or upon such election, shall cease to bear interest at the Purchased Bond Rate and shall bear interest at the rate determined by the Remarketing Agent in accordance with the Indenture. Following any sale of Purchased Bonds pursuant to Section 2.04(b), or any election to

retain Bonds pursuant to Section 2.04(c), the Bank and any other Purchased Bondholders shall retain the right to receive payment of any accrued Excess Interest Amount relating to such Purchased Bonds and interest thereon as provided herein and any other amounts then due and owing under this Agreement or the Fee Letter.

Section 2.05. Fees and Payments. The fees and payments owed by the Commission pursuant to this Agreement and the Fee Letter shall be payable from and secured by a Lien on Revenues pursuant to the Indenture.

(a) The Commission hereby agrees to pay and perform its obligations provided for in the Fee Letter, including the payment of all fees and expenses provided for therein. The terms and provisions of the Fee Letter are incorporated herein by reference. All references in this Agreement to amounts due and owing hereunder are deemed to include amounts due and owing under the Fee Letter.

(b) *Payment of Interest Component.* The Commission shall pay the Bank interest at the Purchased Bond Rate on the amount of the Interest Component, if any, included in the Purchase Price from the Purchase Date until, and such amount shall be payable on, the earliest to occur of (i) the Interest Payment Date next succeeding the Purchase Date, (ii) the date on which such Purchased Bonds are remarketed, paid at maturity or redeemed, (iii) the last day of the Purchase Period or (iv) the second Business Day immediately succeeding the related Purchase Date; *provided* that the Commission, in its discretion, may pay the Bank interest at the Purchased Bond Rate on the amount of the Interest Component on any Business Day prior to the earliest date hereinabove stated.

(c) *Overdue Amounts.* If the Commission shall fail to pay when due any amount owing to the Bank under this Agreement or the Fee Letter, then to the extent permitted by law the Commission will pay to the Bank interest at the Federal Funds Rate for period of three (3) Business Days and, thereafter, at the Default Rate and payable on demand.

(d) The Commission agrees to pay to the Bank on each Purchase Date or Sale Date, as applicable, an amount equal to any charge imposed on the Bank pursuant to the Indenture or by the Trustee or DTC in connection with the transfer or exchange of Bonds. The Trustee agrees to give the Bank and the Commission timely notice of each such charge, including the amount thereof.

Section 2.06. Yield Protection.

(a) *Reserves.* If after the Effective Date, any United States (or other Governmental Authority having jurisdiction over the Bank or any Participant or Assignee) federal, state or other law, rule, treaty, regulation, interpretation, guideline; directive or policy, whether or not having the force of law or in any other respect obligatory upon the Bank or any Participant or Assignee, including specifically but without limitation all requests, rules, guidelines or directives in connection with the Dodd-Frank Act and all rules, guidelines or directives promulgated by the Bank of International Settlements, or the Basel Committee on Banking Regulations and

Supervisory Practices (or any successor or similar authority), or any change in any existing law, regulation, policy, guideline, interpretation, or directive, or the enforcement, implementation, interpretation or administration thereof by any court or any administrative or Governmental Authority, central bank or comparable agency charged with the interpretation, enforcement, implementation or administration thereof shall at any time (i) impose, modify or deem applicable any reserve, special deposit or similar requirement (including, without limitation, pursuant to Regulation D of the Board of Governors of the Federal Reserve System) against credits or commitments to extend credit extended by, or assets (funded or contingent) of, deposits with or for the account of, or other acquisitions of funds or bonds by the Bank or any Participant or Assignee, or (ii) subject credits or commitments to extend credit extended by the Bank or any Participant or Assignee to any assessment or other cost imposed by the Federal Deposit Insurance Corporation or any successor thereto, or (iii) impose on the Bank or any Participant or Assignee any other or similar condition regarding this Agreement or the Fee Letter, the commitment or obligations of the Bank or any Participant or Assignee hereunder or the purchase or holding of Purchased Bonds, and the result of any event referred to in clause (i), (ii) or (iii) above shall be to increase the cost to the Bank or any Participant or Assignee of agreeing to issue, issuing or maintaining the Available Commitment or making, funding or maintaining (or agreeing to fund or maintain) purchases of Bonds hereunder or its holding Purchased Bonds by an amount which the Bank or any Participant or Assignee shall deem to be material (which increase in cost shall be the result of the reasonable allocation by the Bank or any Participant or Assignee of the aggregate of such cost increases resulting from such events), then, within thirty (30) days after the Commission's receipt of the Bank's written demand, the Commission shall pay to the Bank (for itself or the account of such Participant or Assignee), from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank or any Participant or Assignee for such increased cost from the date of such change, together with interest on each such amount from the date payment is due at the Base Rate, and thereafter until payment in full at the Default Rate.

(b) *Capital Charges.* If the Bank or any Participant or Assignee shall have determined after the Effective Date that the adoption, issuance, promulgation or implementation of any applicable law, rule, treaty, regulation, guideline, directive, policy, or Risk-Based Capital Guidelines (whether or not having the force of law) regarding capital adequacy by any Governmental Authority (including but not limited to any Governmental Authority having regulatory jurisdiction over the Bank or any Participant or Assignee), including specifically but without limitation all requests, rules, guidelines or directives in connection with the Dodd-Frank Act and all rules, guidelines or directives promulgated by the Bank of International Settlements, or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority), or any change in any applicable law, rule, treaty, regulation, guideline, directive, policy, Risk-Based Capital Guidelines, or any change in the enforcement, interpretation, implementation or administration thereof, as the case may be, including specifically but without limitation all requests, rules, regulations, guidelines or directives in connection with the Dodd-Frank Act and all rules, guidelines or directives promulgated by the Bank of International Settlements, or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority), or any change in the

enforcement or interpretation or administration thereof by any court or any administrative or Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Bank or any Participant or Assignee (or any lending office thereof) with any request or directive regarding capital adequacy (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency affects or would affect the amount of capital to be maintained by the Bank or any such Participant or Assignee or has or would have the effect of reducing the rate of return on capital of the Bank or any Participant or Assignee, if any, as a consequence of its obligations hereunder or its purchase or holding of Purchased Bonds to a level below that which the Bank or any Participant or Assignee could have achieved but for such circumstances (taking into consideration the policies of the Bank or any Participant or Assignee with respect to capital adequacy) by an amount deemed by the Bank or any Participant or Assignee to be material, then within thirty (30) days after the Commission's receipt of the Bank's written demand, the Commission shall pay to the Bank (for itself or for the account of such Participant or Assignee) such additional amount or amounts as will compensate the Bank or any Participant or Assignee, if any, as the case may be, for such event, together with interest on each such amount from the date payment is due until the date of payment in full thereof at the Default Rate.

(c) *Calculations.* Each demand for compensation pursuant to Section 2.06(a) or 2.06(b) shall be accompanied by a certificate of the Bank in reasonable detail setting forth the computation of such compensation (including the reason therefor), which certificate shall be conclusive, absent manifest error, as against all other Persons, including, without limitation, the Commission.

(d) *Limitations.* The amounts owed by the Commission as compensation to the Bank pursuant to this Section 2.06 shall be calculated as though the Bank were the holder of all Purchased Bonds and without regard to any sales of Purchased Bonds by the Bank pursuant to Section 2.04(a) and without regard to any assignments or participations to other financial institutions.

(e) *Third Party Beneficiaries.* The benefits of this Section 2.06 shall be available to each Assignee and each Participant.

Section 2.07. Payment Particulars.

(a) *General.* Except to the extent otherwise provided in the Indenture with respect to payments on Purchased Bonds and in Section 2.02(b), all payments by or on behalf of the Commission under this Agreement and under the Fee Letter shall be made to the Bank prior to 4:00 p.m. on the date such payment is due by means of a wire transfer of funds in Dollars to Bank of America, N.A. through the Federal Reserve Wire System to ABA No. 026009593 at the Federal Reserve Bank of New York for credit to Bank of America, N.A., New York, NY, Account No. 1366211001000, Ref: San Diego Regional Transportation Commission – 16 obligor/obligation, Attn: Transaction Processing, or such other address as the Bank may specify in writing from time to time. Any payment received by the Bank after 4:00 p.m. shall be deemed to be received by the

Bank on the next succeeding Business Day. Any amount owed to the Bank hereunder or under the Fee Letter which is not paid when due shall bear interest from the date such payment was due at the Federal Funds Rate for a period of three (3) Business Days and, thereafter, at the Default Rate, such interest to be payable on demand except as otherwise provided herein. Except as otherwise specified herein or in the Fee Letter, all computations of interest shall be made on the basis of a year of 365 days and the actual number of days elapsed and all computations of fees and other amounts due hereunder and under the Fee Letter shall be made on the basis of a year of 360 days and the actual number of days elapsed.

(b) *Payment Dates.* Except as may be otherwise provided herein, in the Fee Letter or in the Bonds, whenever any payment or action to be made or taken hereunder or under the Fee Letter shall be stated to be due on a day which is not a Business Day, such payment or action shall be made or taken on the next following Business Day, and such extension of time shall be included in computing interest or fees, if any, in connection with such payment or action.

(c) *Net of Taxes.* All payments by or on behalf of the Commission under this Agreement or under the Fee Letter shall be made without counterclaim, set-off, condition or qualification, and free and clear of, and without deduction or withholding for, or by reason of any present or future taxes, levies, imposts, deductions or charges of any nature whatsoever; excluding, however, taxes imposed on or measured by the net income or capital of the Bank by any jurisdiction or any political subdivision or taxing authority thereof or therein (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being referred to as "*Taxes*"). If requested, the Bank, any Assignee and any Participant, from time to time, shall provide the Commission, the Trustee and the United States Internal Revenue Service (to the extent such information and forms may be lawfully provided by the Bank or such Assignee or Participant) with such information and forms as may be required by Treasury Regulations Section 1.1441 (C.F.R.) or any other such information and forms as may be necessary to establish that the Commission is not subject to any withholding obligation under Section 1442 or other comparable provisions of the Code. If as a result of a Change of Law, the Commission shall be required by law to withhold or deduct any Taxes imposed by the United States, any political subdivision thereof or any other taxing authority of competent jurisdiction from or in respect of any sum payable hereunder or under the Fee Letter to the Bank, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.07(c)), the Bank receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Commission shall make such deductions and (iii) the Commission shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. If the Commission shall make any payment under this Section 2.07(c) to or for the benefit of the Bank with respect to Taxes and if the Bank shall claim any credit or deduction for such Taxes against any other taxes payable by the Bank to any taxing jurisdiction in the United States, then the Bank shall pay to the Commission an amount equal to the amount by which such other taxes are actually reduced; *provided, however*, that the aggregate

amount payable by the Bank pursuant to this sentence shall not exceed the aggregate amount previously paid by the Bank with respect to such Taxes.

(d) *Application of Payments.* Payments (other than remarketing proceeds) received by the Bank shall be applied, first, to any fees, costs, charges or expenses payable by the Commission under this Agreement or the Fee Letter; second, to past due interest; third, to current interest; and fourth, to principal.

ARTICLE III

THE PURCHASED BOND RATE

Section 3.01. Bonds to Bear Interest at Purchased Bond Rate; Other Interest Provisions.

(a) *Purchased Bond Rate.* As provided in the Bonds and the Indenture, any Bond purchased by the Bank pursuant to this Agreement shall thereupon become a Purchased Bond and shall bear interest at the Purchased Bond Rate for the period commencing from the date that the Bank shall have purchased such Bond and continuing until such Purchased Bond is paid in full, remarketed as provided in Section 2.04(b), or retained by the Purchased Bondholder as provided in Section 2.04(c). Subject to Section 3.01(c), the Purchased Bond Rate for each date of determination with respect to any Purchased Bond, shall be a rate per annum equal to: (i) from and including the related Purchase Date to and including the date which is ninety (90) calendar days immediately following the related Purchase Date, the Base Rate from time to time in effect; (ii) from and after the date which is ninety-one (91) calendar days immediately following the related Purchase Date, the Base Rate from time to time in effect plus 1.00% per annum; *provided* that, immediately upon the termination of this Agreement pursuant to Section 8.07(a) or the occurrence and continuation of an Event of Termination, the Purchased Bond Rate shall be equal to the Default Rate; *provided further* that, during the Term Out Period as provided in Section 3.04, the Purchased Bond Rate shall be determined pursuant to Section 3.04; and *provided further* that, subject to Section 3.01(c) hereof, at no time shall the Purchased Bond Rate exceed the Maximum Rate or be less than the applicable rate of interest on Bonds which are not Purchased Bonds.

(b) *Overdue Rate.* If the principal amount of any Purchased Bond or the Interest Component or, to the extent permitted by law, any interest payment required thereunder on the Purchased Bonds, the Interest Component or any other payment obligation owed to the Bank hereunder, is not paid when due (whether by acceleration, redemption or otherwise) (an “*Overdue Amount*”), such Overdue Amount shall bear interest from the date such obligation was due until paid in full (after as well as before judgment) at a rate per annum equal to the Default Rate, subject to the terms of Section 3.01(c) hereof not to exceed the Maximum Rate, such interest to be payable on demand.

(c) *Excess Interest Amount.* The rates set forth in Section 3.01(a) and Section 3.01(b), without giving effect to the reference therein to this Section 3.01(c) or to

the last proviso in Section 3.01(a) limiting the Purchased Bond Rate to the Maximum Rate or the clause in 3.01(b) limiting the Default Rate to the Maximum Rate, are referred to in this Section 3.01(c) as the “Section 3.01(a)/(b) Rate.” The amount of interest, if any, that would accrue on Purchased Bonds or an Overdue Amount at the Section 3.01(a)/(b) Rate on any date but which does not so accrue due to the limitation of the Purchased Bond Rate and the Default Rate to the Maximum Rate, shall constitute “Excess Interest” (*i.e.*, interest which would have been payable but for the Maximum Rate). Any unpaid Excess Interest with respect to (i) the Purchased Bond Rate is due and payable on the applicable Interest Payment Date and (ii) the Default Rate is due and payable on demand, as an obligation of the Commission under this Agreement, payable from and secured by a Lien on Revenues, but subordinate to the Lien on Revenues securing the payment of the principal of and interest on Bonds (including Purchased Bonds) and on amounts payable on a parity therewith. If, despite the immediately preceding sentence, any amount of Excess Interest remains unpaid, the cumulative Excess Interest, if any, on all days since the effective date hereof, reduced as set forth in the next sentence, shall constitute the “Excess Interest Amount.” If there is any Excess Interest Amount on any date when the Section 3.01(a)/(b) Rate is less than the Maximum Rate, the Purchased Bond Rate or Default Rate, as applicable, for such date shall be the Maximum Rate rather than the Section 3.01(a)/(b) Rate and the Excess Interest Amount shall be reduced on such date by the excess of the amount of interest accrued on such date at the Maximum Rate over the amount of interest that would have accrued on such date at the Section 3.01(a)/(b) Rate; *provided* that if the accrual of interest on Purchased Bonds at the Maximum Rate (or the accrual of interest on Overdue Amounts at Maximum Rate) on any date would result in a reduction of the Excess Interest Amount to a negative number, such Purchased Bonds (or Overdue Amounts, as applicable) shall accrue interest on such date at such lesser rate as shall result in the reduction of the Excess Interest Amount on such date to zero. If on the date of maturity, redemption or remarketing of any Purchased Bonds, or on the date any Purchased Bonds cease to constitute Purchased Bonds pursuant to Section 2.04(c), there remains any unpaid Excess Interest Amount with respect to such Purchased Bonds or any Overdue Amounts (the “*Final Excess Interest Amount*”), such Final Excess Interest Amount shall be paid as a fee by the Commission to the Purchased Bondholder on such date (the “*Final Excess Interest Fee Amount*”). Each Purchased Bondholder, by acceptance of the Purchased Bonds, acknowledges that payment of any Final Excess Interest Amount and any interest thereon is subordinate to the Commission’s obligation to pay principal and interest then due and owing on the Bonds.

Section 3.02. Purchased Bonds Interest Payment Dates; Notification of Rate.

(a) *Payment Dates.* Notwithstanding anything to the contrary contained in the Bonds or the Indenture, the Commission agrees that, with respect to each Purchased Bond, (i) the Interest Component, if any, included in the Purchase Price for such Bond shall be paid as set forth in Section 2.05(b); and (ii) except with respect to the Differential Interest Amount, which shall be paid as set forth in Section 2.04(b), and Excess Interest, the Excess Interest Amount and the Final Excess Interest Amount, which shall be payable in accordance with Section 3.01(c), interest payable pursuant to Section 3.01(a) shall be payable on each Interest Payment Date, upon redemption (to the extent of the interest

accrued on the amount being redeemed), at maturity (whether by acceleration or otherwise), and after maturity on demand. In the event any Purchased Bond is remarketed or otherwise transferred by the Bank before payment in full of the funds provided by the Bank hereunder with respect thereto, together with interest thereon, the provisions of this Article III shall continue to apply to such indebtedness until all sums owing for all periods during which the same was a Purchased Bond are paid (including any amounts due pursuant to the Fee Letter).

(b) *Notification of Rate.* The Bank will give telephone notice (promptly confirmed in writing) to the Commission and the Trustee not later than 10:00 a.m. on each Sale Date of the Differential Interest Amount owed by the Commission hereunder as a result of any sale of Purchased Bonds pursuant to Section 2.04(b). Notwithstanding the preceding sentence, the Commission's obligations to make payments in respect of any Differential Interest Amount (together with accrued interest thereon, if applicable) shall not be discharged or reduced in any way as a result of the Bank's failure to deliver any notice referred to in the preceding sentence. The Bank, upon the request of the Commission or the Trustee, shall notify the Commission or the Trustee, as the case may be, of the Purchased Bond Rate in effect during any period in which Purchased Bonds are held by the Bank or any other Purchased Bondholders or during which any Differential Interest Amount, Excess Interest, Final Excess Interest Fee Amount or any amount in respect of the Interest Component remains unpaid. Absent manifest error, the Bank's determination of any of the foregoing shall be binding upon the Commission and the Trustee.

Section 3.03. Redemption of Purchased Bonds First. Amounts applied for the redemption of Bonds (whether optional, pursuant to sinking fund requirements or otherwise) shall be used first to redeem Purchased Bonds of the same series and maturity.

Section 3.04. Term Out Funding; Special Redemption of Purchased Bonds. Purchased Bonds shall be due and payable by the Commission on the earlier of (i) the last day of the Purchase Period or (ii) the one hundred eighty-first (181st) day following the date on which such Bond became a Purchased Bond (the "*Term Out Commencement Date*"), provided that the Bank shall provide term out funding in accordance with the terms of this Section 3.04 so long as the conditions precedent set forth in Section 5.02(b) are satisfied on the related Term Out Commencement Date. Commencing on the Term Out Commencement Date, Purchased Bonds are subject to special mandatory redemption over a period not to exceed five (5) years from the related Purchase Date (the "*Term Out Period*") with principal payable in equal (or nearly equal) semi-annual installments on each Semi-Annual Payment Date and interest thereon at the Purchased Bond Rate or the Default Rate, as applicable, payable monthly in arrears on the first Business Day of each calendar month, the first such principal installment to be due on the first Semi-Annual Payment Date following the sixth (6th) month anniversary of the date on which such Purchased Bonds first became Purchased Bonds. Notwithstanding anything to the contrary contained herein, all Purchased Bonds shall be purchased or due and payable on the earlier to occur of (i) any of the dates prescribed in clause (ii) or (iii) of the definition of Purchase Period or (ii) the Semi-Annual Payment Date immediately preceding the fifth (5th) anniversary of the Purchase Date on which such Bonds became Purchased Bonds. Notwithstanding anything to the contrary contained herein, in the event that on any Purchase Date the conditions precedent set

forth in Section 5.02(b) are not satisfied, the related Purchased Bonds will be due and payable on the Term Out Commencement Date. From and after the Term Out Commencement Date, the Purchased Bond Rate shall be the Base Rate plus 1.0% per annum; provided that, immediately upon the occurrence and continuation of an Event of Termination, the Purchased Bond Rate shall be equal to the Default Rate; *provided further* that, subject to Section 3.01(c) hereof, at no time shall the Purchased Bond Rate exceed the Maximum Rate or be less than the applicable rate of interest on Bonds which are not Purchased Bonds. During the Term Out Period, Purchased Bonds may be prepaid, in whole or in part, in minimum denominations of One Hundred Thousand Dollars (\$100,000) and in integral multiples of One Hundred Thousand Dollars (\$100,000) or such lesser principal amount of the Bonds that remain outstanding at any time without penalty.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

The Commission makes the following representations and warranties to the Bank:

Section 4.01. Organization, Powers, Etc. The Commission (i) is a public entity established pursuant to the laws of the State of California validly organized and existing under and by virtue of the laws of the State of California, (ii) has full power and authority to own its properties and carry on its business as now conducted, (iii) has full power and authority to execute (or adopt, if applicable), deliver and perform its obligations under this Agreement, the Fee Letter and the other Related Documents, to borrow hereunder and to execute, deliver and perform its obligations under the Bonds and (iv) may only contest the validity or enforceability of any provision of, or deny that the Commission has any liability or obligation under, the Law, the Ordinance, this Agreement, the Fee Letter, any Bond or any other Related Document by an act of its governing body.

Section 4.02. Authorization, Absence of Conflicts, Etc. The execution (or adoption, if applicable), delivery and performance of this Agreement, the Fee Letter, the Bonds and other the Related Documents (i) have been duly authorized by the Commission, (ii) do not and will not, to any material extent, conflict with, or result in violation of any applicable provision of law, including the Law and the 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 Indenture or any other resolution, agreement or instrument to which the Commission is a party or by which the Commission or any of its property is bound.

Section 4.03. Governmental Consent or Approval. The execution (or adoption, if applicable), delivery and performance of this Agreement, the Fee Letter, the Bonds 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 4.04. Binding Obligations. This Agreement, the Fee Letter, the Bonds and the other Related Documents are legal, valid and binding obligations of the Commission, enforceable against the Commission in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws, judicial discretion and principles of equity relating to or affecting creditors' rights or contractual obligations generally or limitations on remedies against public entities in California.

Section 4.05. Litigation. (a) There is no action or investigation pending against the Commission before any court or administrative agency which questions the validity of any act or the validity of any proceeding taken by the Commission in connection with the execution and delivery of this Agreement, the Fee Letter, the Bonds or the other Related Documents, or wherein an unfavorable decision, ruling or finding would in any way adversely affect the validity or enforceability of this Agreement, the Fee Letter, the Bonds or the other Related Documents. There is no action pending which questions the validity of the Law, the Ordinance or the Sales Tax Revenues nor is there any pending initiative or referendum qualified for the ballot which would seek to amend, annul, modify or replace the Law or to diminish or reallocate the Sales Tax Revenues.

(b) To the knowledge of the Commission, there is no action or investigation threatened against the Commission before any court or administrative agency which questions the validity of any act or the validity of any proceeding taken by the Commission in connection with the execution and delivery of this Agreement, the Fee Letter, the Bonds or the other Related Documents, or wherein an unfavorable decision, ruling or finding would in any way adversely affect the validity or enforceability of this Agreement, the Fee Letter, the Bonds or the other Related Documents. To the knowledge of the Commission there is no action threatened which questions the validity of the Law, the Ordinance or the Sales Tax Revenues nor is there any threatened initiative or referendum qualified for the ballot which would seek to amend, annul, modify or replace the Law or to diminish or reallocate the Sales Tax Revenues.

Section 4.06. Financial Condition. All of the Commission's financial statements which have been furnished to the Bank have been prepared in conformity with generally accepted accounting principles (except as noted therein) and are comprised of a balance sheet and a statement of revenue and expenditures and changes in fund balances. All of such financial statements accurately present, in all material respects, the financial condition of the Commission, including the Sales Tax Revenues as of the dates thereof, and other than as has been disclosed to the Bank, there has been no material adverse change in the business or affairs of the Commission or of the Sales Tax Revenues since the date the last such report was so furnished to the Bank.

Section 4.07. Remarketing Memorandum. The information contained in the Remarketing Memorandum was as of the date thereof, correct in all material respects and did not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements made in the Remarketing Memorandum, as of the date thereof and in light of the circumstances under which they were made, not misleading. The Commission makes no representation or warranty as to information in the Remarketing Memorandum under the captions "LIQUIDITY PROVIDER" in Appendix F thereto or "BOOK-ENTRY ONLY SYSTEM" in Appendix D thereto.

Section 4.08. Related Documents. Each of the Related Documents is in full force and effect. Except as previously disclosed in writing to the Bank, 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 Bank, neither the Commission nor any other party thereto has waived or deferred performance of any material obligation under any Related Document.

Section 4.09. Margin Regulations. The Commission is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U or X of the Board of Governors of the Federal Reserve System), and no part of the proceeds furnished by the Bank pursuant to a Notice of Purchase under this Agreement 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 4.10. No Event of Termination. No Event of Termination or Suspension Event has occurred and is continuing.

Section 4.11. Bonds. Each Bond will be duly issued under the Indenture and will be entitled to the benefits thereof.

Section 4.12. Security. The pledge of the Revenues in favor of the Bank contained in Section 5.01(a) of the Indenture is a valid and binding pledge of the Revenues, subject to the provisions of the Indenture, on a *pari passu* basis with the holders of the Bonds and any Parity 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 California. The Bank hereby acknowledges that payments of the Excess Interest Amount and the Final Excess Interest Amount and interest thereon is subordinate to the Commission's obligation to pay principal and interest then due and owing on the Bonds.

Section 4.13. Sovereign Immunity. The Commission is subject to claims and to suit for damages in connection with its obligations under this Agreement and the Fee Letter pursuant to and in accordance with the laws of the State of California applicable to public entities such as the Commission.

Section 4.14. Accurate Information. All information, reports and other papers and data with respect to the Commission furnished to the Bank, at the time the same were so furnished, were accurate in all material respects. Any financial, budget and other projections furnished to the Bank 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 4.15. Sanctions Concerns and Anti-Corruption Laws. (a) *Sanctions Concerns.* Neither the Commission, nor, to the knowledge of the Commission, any director, officer or employee thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and

the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction.

(b) *Anti-Corruption Laws.* The Commission has conducted its business in compliance with the United States Foreign Corrupt Practices Act of 1977 and other similar anti-corruption legislation, and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

ARTICLE V

CONDITIONS PRECEDENT

Section 5.01. Conditions Precedent to Effectiveness. This Agreement and the Fee Letter shall become effective on the Effective Date *provided* that each of the conditions enumerated in this Section 5.01 has been fulfilled to the reasonable satisfaction of the Bank. The Bank's execution and delivery of this Agreement and the Fee Letter shall evidence its agreement that such conditions have been met to its reasonable satisfaction or have been waived and that the Effective Date has occurred.

(a) *Representations.* On the Effective Date, (i) there shall exist no Event of Termination or Suspension Event and (ii) all representations and warranties made by the Commission herein or in any of the other Related Documents to which it is a party shall be true and correct with the same effect as though such representations and warranties had been made at and as of such time.

(b) *Other Documents.* On the Effective Date, the Bank shall have received executed copies of each of the following documents, together with a certificate of the Commission that all such documents are in full force and effect on the Effective Date:

(i) The Related Documents;

(ii) Resolutions of the Commission authorizing the Commission to enter into this Agreement, the Fee Letter and the Indenture and the delivery of the Remarketing Memorandum;

(iii) A certificate from the Commission to the following effect:

(A) The San Diego County Regional Transportation Commission Basic Financial Statements for the fiscal year ended as of June 30, 2016, including the balance sheet as of such date of said period, all examined and reported on by Davis Farr LLC, Certified Public Accountants, as heretofore delivered to the Bank correctly and fairly present the financial condition of the Commission as of said dates and the results of the operations of the Commission for such period, have been prepared in accordance with Generally Accepted Accounting Principles consistently applied except as stated in the notes thereto, and there has been no material adverse change in the condition, financial or otherwise, of

the Commission since June 30,2016, from that set forth in the Commission Financial Statements as of, and for the period ended on, that date except as otherwise disclosed to the Bank in the Remarketing Memorandum or in some other writing.

(B) The Commission hereby makes to the Bank the same representations and warranties as are set forth by the Commission in each other Related Document, which representations and warranties are true and correct with the same effect as though such representations and warranties had been made at and as of the date hereof.

(C) All representations and warranties made by the Commission in this Agreement are true and correct on the Effective Date with the same effect as though such representations and warranties had been made on the Effective Date.

(D) No Event of Termination or Suspension Event has occurred and is continuing as of the date hereof.

(E) Certifying as to the signature and incumbency of the signatories of the Commission executing this Agreement and the Fee Letter.

(c) *Legal Opinions.* The Bank shall have received (i) an opinion of general counsel to the Commission to the effect that this Agreement and the Fee Letter are each the duly authorized, legal, valid and binding obligation of the Commission, all in form and substance satisfactory to the Bank, addressed to the Bank and dated the Effective Date and (ii) a reliance letter from Orrick, Herrington & Sutcliffe LLP as to the final bond opinion.

(d) *Certain Payments.* The Commission shall have paid or cause to be paid upon delivery of an invoice all the fees and expenses then due referred to in Section 2.05 hereof and the Fee Letter and the fees and expenses of Bank counsel for which the Commission has been properly invoiced, as provided in the Fee Letter.

(e) *Investment Policy.* The Bank shall have received copies of the Commission's investment policy, guidelines and permitted investments, which shall be satisfactory to the Bank.

(f) *Rating.* The Bank shall have received satisfactory evidence that the Bonds shall have been rated at least "AAA/A-1" by S&P and "Aa2/VMIG1" by Moody's.

(g) *Purchased Bond CUSIP and Rating.* The Bank shall have received evidence satisfactory to the Bank that (i) a CUSIP Number has been obtained and reserved from Standard & Poor's CUSIP Services for the Purchased Bonds and (ii) the Purchased Bonds have received a long term rating of at least investment grade from any Rating Agency.

(h) *Other Supporting Documents.* There shall have been delivered to the Bank such information and copies of documents, approvals (if any) and records (certified, where appropriate) of corporate and legal proceedings as the Bank may have requested relating to the entering into and performance by each of the parties (other than the Bank) thereto, of each of the Related Documents or the transactions contemplated thereby or the tax-exempt status of the Bonds. The Bank shall have received such financial information, budgets, projections, and other documents, instruments, approvals (and, if requested by the Bank, certified duplicates or executed copies thereof) or opinions as the Bank may reasonably request.

(i) *No Material Adverse Change.* No material adverse change in the financial condition, operations or prospects of the Commission or laws, rules or regulations (or their interpretation or administration) shall have occurred that, in any case, may adversely affect the consummation of the transactions contemplated hereby (as determined in the sole discretion of the Bank).

(j) *Prior Bank and the Prior Agreement.* The Bank shall be satisfied that amounts due and owing to the Prior Bank shall have been paid and that the Prior Agreement shall be terminated.

Section 5.02. Conditions Precedent to Purchase and Term Out Funding.

(a) *Conditions Precedent to Purchase.* The obligation of the Bank to purchase Bonds on any date is subject to the satisfaction of the following conditions, unless waived in writing by the Bank:

(i) *No Event of Termination.* No Immediate Termination Event shall have occurred and no Suspension Event shall have occurred and be continuing; and

(ii) *Notice of Purchase.* The Bank shall have timely received the applicable Notice of Purchase(s) as provided in Section 2.02(a); *provided* that, if a Notice of Purchase is not received in a timely manner, the Bank will be obligated to purchase Eligible Bonds on the Business Day following receipt thereof.

(b) *Conditions Precedent to Term Out Funding.* The obligation of the Bank to provide Term Out Funding on any Term Out Commencement Date shall be subject to satisfaction of each of the following conditions precedent.

(i) No Event of Termination and no Suspension Event shall have occurred and be continuing on such Term Out Commencement Date and the representations and warranties of the Commission set forth in Sections 4.01, 4.02, 4.03, 4.04, 4.08, 4.09, 4.10, 4.11 and 4.12 of this Agreement) shall be true and correct as of such Term Out Commencement Date; and

(ii) The Related Documents shall be in full force and effect on the Term Out Commencement Date.

ARTICLE VI

COVENANTS

Section 6.01. Covenants of the Commission. Until the termination of this Agreement and the payment in full to the Bank of all amounts payable to the Bank hereunder and under the Fee Letter, the Commission hereby covenants and agrees that it will:

(a) *Notice of Default.* As promptly as practical after the Executive Director of the Commission shall have obtained knowledge of the occurrence of either an Event of Termination or a Suspension Event or breach of this Agreement or the Fee Letter, and in any case, provide to the Bank the written statement of the Commission setting forth the details of each such event and the action which the Commission proposes to take with respect thereto.

(b) *Annual Report.* Within one hundred and eighty (180) days after the end of each fiscal year of the Commission, provide to the Bank audited financial statements consisting of a balance sheet and a statement of revenues, expenditures and changes in fund balances of the Commission, including the Sales 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 (i) accompanied by an unqualified opinion of a nationally recognized independent certified public accounting firm stating that (y) they have been prepared in accordance with generally accepted accounting principles consistently applied and (z) nothing has come to the attention of the auditors which would indicate that an Event of Termination or a Suspension Event has occurred under this Agreement, and (ii) accompanied by a certification from the Executive Director of the Commission addressed to the Bank stating that neither an Event of Event of Termination, nor a Suspension Event 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 Commission proposes to take with respect thereto.

(c) *Offering Circulars and Material Event Notices.* The Commission agrees to use its best efforts to (i) within ten (10) days after the issuance of any securities by the Commission with respect to which a final official statement or other offering circular has been prepared by the Commission, provide the Bank with a copy of such official statement or offering circular; and (ii) during any period of time the Commission is subject to a continuing disclosure undertaking or requirements under or related to Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended (17 C.F.R. Sec. 240-15c2-12), or any successor or similar legal requirement, immediately following any dissemination, distribution or provision thereof to any Person, provide the Bank with a copy of any Material Event Notice or Reportable Event Notice disseminated,

distributed or provided in satisfaction of or as may be required pursuant to such requirements.

(d) *Notice of Adverse Change.* Notify the Bank as soon as possible after an executive officer of the Commission acquires knowledge of the occurrence of (i) the filing of a complaint against the Commission in any court or administrative agency, where the amount claimed is in excess of Twenty-Five Million Dollars (\$25,000,000), (ii) the filing of any action which could lead to an initiative or referendum which could annul, amend, modify or replace the Law or which could lead to the diminution or reallocation of the Sales Tax Revenues or (iii) any other event which, in the reasonable judgment of the Commission, is likely to have a material adverse effect on the financial condition or operations of the Commission.

(e) *Additional Debt.* Prior to the issuance and delivery of any additional debt which would constitute Parity Obligations, deliver to the Bank a copy of the Certificates of the Commission which the Commission is required to provide pursuant to Section 3.03 of the Indenture.

(f) *Other Information.* Provide to the Bank such other information respecting the business affairs, financial condition and/or operations of the Commission, as the Bank may from time to time reasonably request.

(g) *Inspections; Discussion.* Permit the Bank or its representatives, at any reasonable time during normal business hours and from time to time at the request of the Bank to the extent that the Commission is not legally precluded from permitting access thereto to visit and inspect the properties of the Commission; to examine and make copies of and take abstracts from the records and books of account of the Commission; and to discuss the affairs, finances and accounts of the Commission with the appropriate officers of the Commission; *provided* that, if required by the Commission, as a condition to the Bank being permitted by the Commission to make or conduct any such visit, inspection, examination or discussion, the Bank shall certify to the Commission that the same is being made or conducted solely in order to assist the Bank in evaluating its position under this Agreement.

(h) *Further Assurances.* Take any and all actions necessary or reasonably requested by the Bank to (i) perfect and protect, any lien, pledge or security interest or other right or interest given, or purported to be given to the Bank or any other Person under or in connection with this Agreement, the Fee Letter or the other Related Documents or (ii) enable the Bank to exercise or enforce its rights under or in connection with this Agreement or the Fee Letter.

(i) *Taxes and Liabilities.* 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 on the ability of the Commission to perform its

obligations under this Agreement, the Fee Letter or any Bond; *provided* that the Commission shall have the right to defer payment or performance of obligations to Persons other than the Bank 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) *Remarketing Agent.* The Commission will, at all times, maintain a reputable remarketing agent of recognized national standing for the Bonds, and will notify the Bank as promptly as practicable of any appointment of a successor remarketing agent (which successor remarketing agent shall not be appointed without the prior written consent of the Bank, which response to such notice shall be prompt and which consent shall not be unreasonably withheld) for the Bonds before the date such appointment is to take effect. The Commission shall use its best efforts to cause the Remarketing Agent to remarket the Bonds at rates up to the Maximum Rate, even if the Maximum Rate exceeds what would be the Purchased Bond Rate.

(k) *Reserved.*

(l) *Alternate Liquidity Facility or Conversion to a Non-Covered Interest Rate.* The Commission agrees to use its best efforts to obtain an Alternate Liquidity Facility to replace this Agreement or to convert the Bonds to a Non-Covered Interest Rate in the event (i) the Bank shall determine not to extend the Stated Expiration Date (such replacement to occur on or before the mandatory purchase date established pursuant to the Indenture), or (ii) the Bank shall give a Notice of Termination in accordance with Section 7.02(b) (such replacement to occur on or before the mandatory purchase date established pursuant to the First Supplemental Indenture), or (iii) the Commission terminates this Agreement. The Commission agrees that, as a condition to the effectiveness of the Alternate Liquidity Facility, the issuer of the Alternate Liquidity Facility will provide funds, to the extent necessary, in addition to other funds available, on the date the Alternate Liquidity Facility becomes effective for the purchase of all Purchased Bonds at a purchase price of par plus accrued interest (at the Purchased Bond Rate) through the purchase date. On such date the Commission shall pay in full all other amounts due under this Agreement and the Fee Letter (including the Final Excess Interest Fee Amount to the extent permitted by law and unpaid interest thereon). The Commission shall not permit an Alternate Liquidity Facility to become effective with respect to less than all of the Bonds bearing interest at the Daily Rate or the Weekly Rate without the prior written consent of the Bank.

(m) *Voluntary Redemption.* Except with respect to Bonds for which a notice of redemption has been provided to bondholders prior to the date on which any Bonds became Purchased Bonds, the Commission shall not voluntarily redeem any Bonds pursuant to the Indenture prior to redeeming Purchased Bonds in full.

(n) *Incorporation of Covenants.* The covenants of the Commission set forth in each of the Related Documents to which the Commission is a party are hereby incorporated by reference in this Agreement for the benefit of the Bank and other Purchased Bondholders. 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 Bank and such document, opinion, report or other instrument shall be acceptable or satisfactory to the Bank. 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 on the Bank, shall be effective to amend such incorporated covenants without the written consent of the Bank.

(o) *Use of Proceeds.* The Commission shall (i) cause the proceeds from purchases of Bonds made hereunder to be used solely to pay the Purchase Price of such Bonds as more fully described in Sections 2.01 and 2.02 hereof and (ii) use the proceeds of the Bonds solely for the purposes set forth in the Indenture.

(p) *Disclosure to Participants.* The Commission will permit the Bank to disclose the information described in Section 6.01 hereof to any Participants of the Bank in this Agreement.

(q) *Most Favored Nations.* If the Commission desires to enter into any credit agreement, bond purchase agreement, liquidity agreement or other agreement or instrument (or any amendment, supplement or modification thereto) (each such agreement referred to herein as a “*Bank Agreement*”) relating to the Bonds or any other debt obligations of the Commission payable on a parity basis with the Bonds, that would permit the acceleration of amounts due under such Bank Agreement with respect to any bank bond or provider purchased bond prior to the Bank’s right to accelerate amounts due hereunder in connection with Purchased Bonds, the Commission shall promptly notify the Bank of such proposed Bank Agreement and provide a copy thereof to the Bank and identify the applicable sections relating to acceleration set forth in such Bank Agreement. If within ten (10) days after such notification to the Bank, the Bank delivers to the Commission a proposed amendment to this Agreement containing such more favorable remedy of acceleration, and the Commission and the Bank subsequently execute and deliver such an amendment to this Agreement, such amendment shall be effective immediately after any applicable requirements of the Indenture have been satisfied, including, without limitation, any mandatory tender of the Bonds or rating confirmations, and, upon the effectiveness of such amendment (or sooner, with the written consent of the Bank), the proposed Bank Agreement shall become effective in accordance with its terms. If the Bank does not deliver to the Commission a proposed amendment to this Agreement within ten (10) days after such notification to the Bank, the proposed Bank Agreement shall become effective in accordance with its terms. If the Bank delivers a proposed amendment and such amendment cannot be agreed among the Bank and the Commission, the proposed Bank Agreement shall not become effective.

(r) *Sovereign Immunity.* In the event of a change in applicable law (a “*Change in Law Related to Sovereign Immunity*”) which permits the Commission to assert the defense of sovereign immunity in any proceeding by the Bank to enforce any of the Commission’s obligations under this Agreement or any of the other Related

Documents and such Change in Law Related to Sovereign Immunity permits the Commission to waive such right in contract or otherwise, to the extent permitted by such applicable law, the Commission agrees not to assert the defense of sovereign immunity in any proceeding by the Bank to enforce any of the obligations of the Commission under this Agreement or any other Related Document.

(s) *Maintenance of Ratings.* The Commission covenants and agrees with the Bank that at all times it shall use its best efforts to maintain at least two long-term unenhanced debt ratings assigned to the Bonds (except in the event that all Bonds are Purchased Bonds).

(t) *Maintenance of Existence.* To the extent permitted by law, the Commission shall preserve and maintain (i) its existence as a public instrumentality of the State, and (ii) its rights, franchises and privileges material to the conduct of its business as from time to time being conducted.

Section 6.02. Negative Covenants of the Commission. Until the termination of this Agreement and the payment in full to the Bank of all amounts payable to the Bank hereunder and under the Fee Letter, the Commission hereby covenants and agrees that it will not:

(a) *Compliance with Laws, Etc.* Violate any laws, rules, regulations, or governmental orders to which it is subject and of which it is aware after diligent inquiry, which violation involves a reasonable likelihood of materially and adversely affecting its financial condition.

(b) *Amendments.* Without the prior written consent of the Bank, (i) consent or agree to or permit any rescission of or amendment to the Law or the Ordinance which would reduce the amount of the Sales Tax Revenues or the obligations of the Commission hereunder or under the Fee Letter or which would in any manner materially impair or materially adversely affect the rights of the Commission to the Revenues or the security of the Indenture; or (ii) agree to the amendment of the Indenture such that payments to holders of Bonds are impaired or reduced or the priority of the obligations of the Commission under the Indenture or to the Bank hereunder or under the Fee Letter is adversely affected in any way; or (iii) agree to any amendment of the Indenture whatsoever which will materially and adversely affect the rights or obligations of the Bank or the holders of Bonds in respect thereof *provided* no consent shall be required or impairment deemed or adverse affect assumed from the issuance of Additional Bonds in accordance with the Indenture.

ARTICLE VII

EVENTS OF TERMINATION; REMEDIES

Section 7.01. Events of Termination. Each of the following shall constitute an “Event of Termination” under this Agreement:

(a) Any failure to pay principal of or interest on any Bonds when due (including any payments on Purchased Bonds other than payments on Purchased Bonds

due solely as a result of acceleration caused by the Bank pursuant to Section 7.02) or on any payments required by the express terms of any Parity Debt when due; or

(b) The Commission 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 debts 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) become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code, or (v) take any official action to authorize any of the foregoing; or

(c) Any of the following shall occur with respect to the Commission: (i) if applicable law permits the institution of such proceeding, an involuntary case or other proceeding shall be commenced against the Commission 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 case shall not be dismissed within ninety (90) days, (ii) an order for relief shall be entered against the Commission under the federal bankruptcy laws as now or hereafter in effect or pursuant to any other State or federal laws concerning insolvency or of similar purpose, (iii) a debt moratorium, debt adjustment, debt restructuring or comparable extraordinary restriction with respect to the payment of any Parity Debt shall be declared or imposed by the Commission or (iv) any Governmental Authority having appropriate jurisdiction over the Commission shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of all Parity Debt; or

(d) The occurrence of (i) an Incipient Invalidity Event, or (ii) an Invalidity Event; or

(e) Each of Moody's and S&P (i) shall withdraw or suspend the underlying rating of the Bonds or any Additional Bonds ranking on a parity with the Bonds for credit related reasons or (ii) reduce such rating, in the case of S&P, below "BBB-" and in the case of Moody's, below "Baa3"; or

(f) A final, nonappealable judgment by any court of competent jurisdiction in a principal amount of \$10,000,000 is entered against the Commission and payable from the Revenues ranking on a parity with the Bonds and such judgment is not satisfied or stayed for a period of sixty (60) days; or

(g) There is a default on any payment obligation (other than as described in Section 7.01(a) or 7.01(i) hereof) of the Commission under the Related Documents; or

(h) Any material representation or warranty made by the Commission under or in connection with this Agreement (including without limitation representations and warranties incorporated herein by reference) shall prove to be untrue in any material respect on the date as of which it was made or deemed made; or

(i) Non-payment of any amounts payable under Section 2.05 or under the Fee Letter (together with interest thereon at the Default Rate) within ten (10) days after the Trustee and the Commission have received written notice from the Bank that the same were not paid when due; or

(j) Non-payment of any other fees or amounts payable under this Agreement (together with interest thereon at the Default Rate) within twenty (20) days after written notice thereof to the Commission and the Trustee by the Bank; or

(k) The breach by the Commission of any of the terms or provisions of Section 6.01(e) or (j) or Section 6.02; or

(l) The breach by the Commission of any terms or provisions of this Agreement or the Fee Letter which is not remedied within twenty (20) days after written notice thereof shall have been received by the Commission and the Trustee from the Bank; or

(m) The occurrence of any “event of default” as defined in the Bonds or the Indenture (which is not waived pursuant to the terms thereof) which is not otherwise described in this Section 7.01, other than the failure of the Bank to provide funds for the purchase of Tendered Bonds when required by the terms and conditions of this Agreement; or

(n) Any provision of the Law or the Ordinance is supplemented, modified or amended in a manner that materially adversely impairs (A) the Commission’s ability or obligation to impose or levy the Sales Tax in the incorporated and unincorporated territory of the County of San Diego or collect Revenues and/or pay the Revenues directly to the Trustee or (B) the California Department of Tax and Fee Administration’s obligation to collect of the Sales Tax or the California Department of Tax and Fee Administration’s ability or obligation to make payment of the Sales Tax Revenues to the Trustee.

Section 7.02. Remedies. If any Event of Termination (without regard to any specified grace period) shall have occurred and be continuing:

(a) *Immediate Termination.* In the case of an Event of Termination specified in Section 7.01(a), (b), (c), (d)(ii), (e) or (f) (referred to herein as an “*Immediate Termination Event*”), the Available Commitment and Purchase Period and the obligation of the Bank to purchase Bonds shall immediately terminate without notice or demand, and thereafter the Bank shall be under no obligation to purchase Bonds. Promptly upon

the Bank obtaining knowledge of any such Event of Termination, the Bank shall give written notice of the same to the Trustee, the Remarketing Agent and the Commission; *provided* that, the Bank shall incur no liability or responsibility whatsoever by reason of its failure to give such notice, and such failure shall in no manner affect the termination of the Bank's Available Commitment and of its obligation to purchase Bonds pursuant to this Agreement.

(b) *Termination with Notice.* In the case of an Event of Termination specified in any of Section 7.01(g), (h), (i), (j), (k), (l), (m) or (n) the Bank may terminate the Available Commitment and Purchase Period by giving written notice (a "*Notice of Termination*") to the Trustee, Commission and the Remarketing Agent, specifying the date on which the Available Commitment and Purchase Period shall terminate, which shall be not less than thirty (30) days from the date of receipt of such notice by the Trustee, and on and after the Purchase Termination Date, the Bank shall be under no further obligation to purchase Bonds hereunder.

(c) *Suspensions.* During the pendency of an Event of Termination pursuant to Section 7.01(c)(i) (prior to the expiration of the ninety (90) day grace period specified in Section 7.01(c) (i)) or Section 7.01(d)(i) (each a "*Suspension Event*"), the Bank's obligations to purchase Bonds shall be immediately suspended without notice or demand and thereafter the Bank shall be under no obligation to purchase Bonds until the Available Commitment is reinstated as described in this Section 7.02(c). Promptly upon the Bank obtaining knowledge of any such Suspension Event, the Bank shall give written notice of the same to the Commission, the Trustee, and the Remarketing Agent of such suspension; *provided, however*, that the Bank shall incur no liability or responsibility whatsoever by reason of its failure to give such notice and such failure shall in no way affect the suspension of the Bank's obligations under this Agreement. In the event such Suspension Event is cured, the Bank's obligations shall be automatically reinstated and the terms of this Agreement will continue in full force and effect (unless this Agreement shall otherwise have terminated or been suspended by its terms). If such Potential Termination Event becomes an Event of Termination, (through Expiration of the ninety (90) day grace period specified above or otherwise) the provisions of Section 7.02(a) shall apply.

(d) *Other Remedies.* In addition to the rights and remedies set forth in Section 7.02(a), (b) and (c) hereof, in the case of any Event of Termination specified in Section 7.01 hereof, upon the election of the Bank (i) all amounts payable hereunder and under the Fee Letter (including but not limited to principal of and interest on any Purchased Bonds and payments of Excess Interest), shall, upon notice to the Commission, become immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Commission; and (ii) the Bank shall have all the rights and remedies available to it under this Agreement, the other Related Documents or otherwise pursuant to law or equity; *provided, however*, that the Bank shall not have the right to terminate its obligation to purchase Bonds or to declare any amount due hereunder due and payable except as expressly provided herein. This subsection shall not limit the exercise of the Bank's remedies expressly provided for under any other subsection of this Section 7.02.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Other Matters. No failure or delay on the part of the Bank in exercising any right, power or privilege hereunder or under the Fee Letter and no course of dealing shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or under the Fee Letter preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein and in the Fee Letter expressly provided are cumulative and not exclusive of any rights or remedies which the Bank would otherwise have. No notice to or demand on the Commission or any other party hereto in any case shall entitle the Commission or such other party to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Bank to any other or further action in any circumstances without notice or demand. No provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the parties hereto. The Commission shall give notice to the Rating Agencies of amendments to this Agreement to the extent required by the Indenture. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; *provided, however*, that the Commission may not assign or transfer any of its rights or obligations hereunder or under the Fee Letter without the prior written consent of the Bank, and any assignment in contravention hereof shall be void. The Bank may assign to one or more banks or other entities (each an “Assignee” and collectively, “Assignees”) all or any part of any of its rights or obligations hereunder, including, without limitation, the Purchased Bonds, and to the extent of any such assignment the Bank shall be relieved of its obligations hereunder and each Assignee shall have the same rights and benefits hereunder, under the Fee Letter and under the Bonds, as it would have if it were the Bank hereunder; *provided, however*, that any such assignment by the Bank which would relieve the Bank of any of its duties or obligations hereunder shall not result in the withdrawal or reduction of the ratings assigned by S&P or Moody’s to the Bonds and, unless the intended assignee is an Affiliate of the Bank and the then-current ratings on the Bonds have been confirmed by S&P and Moody’s, such assignment shall not be effected without the written consent of the Commission (such consent not to be unreasonably withheld or delayed) and written notice to the Trustee. Additionally, the Bank shall have the right at any time to sell, assign, grant or transfer participations (each a “Participant” and collectively, “Participants”) in all or part of its obligations hereunder and the obligations of the Commission hereunder and under the Fee Letter to any Participant without the consent of or notice to the Commission, the Trustee or any other party; *provided* that any participation shall not relieve the Bank from any of its obligations hereunder, and the Commission, the Remarketing Agent and the Trustee may deal exclusively with the Bank for all purposes of this Agreement, including the making of payment on Purchased Bonds, notwithstanding such participation. The Bank may disclose to any Participants or Assignees or prospective Participants or Assignees any information or other data or material in the Bank’s possession relating to this Agreement, any Related Documents and the Commission without the consent of or notice to the Commission.

Section 8.02. Governing Law; Waiver of Jury Trial. (a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, PROVIDED, HOWEVER, THAT THE AUTHORIZATION OF

THIS AGREEMENT AND THE OBLIGATIONS OF THE COMMISSION HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA.

(b) To THE EXTENT PERMITTED BY APPLICABLE LAW, THE COMMISSION AND THE BANK AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS.

(c) The waivers made pursuant to this Section 8.02 shall be irrevocable and unmodifiable, whether in writing or orally, and shall be applicable to any subsequent amendments, renewals, supplements or modifications of this Agreement or the Fee Letter. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

(d) If the waiver of jury trial contained in this Section 8.02 applies to any action or proceeding filed in a court of the State of California but is unenforceable for any reason, then the Bank and the Commission agree that the court shall, and is hereby directed to, make a general reference pursuant to California Code of Civil Procedure Section 638 to a referee (who shall be a single active or retired judge) to hear and determine all of the issues in such action or proceeding (whether of fact or of law) and to report a statement of decision, provided that at the option of any party to such proceeding, any such issues pertaining to a “provisional remedy” as defined in California Code of Civil Procedure Section 1281.8 shall be heard and determined by the court.

Section 8.03. Indemnification.

(a) *General.* To the extent permitted by applicable law, the Commission agrees to indemnify and hold harmless the Bank and its officers, directors and employees from and against any and all claims, damages, losses, liabilities and reasonable costs or expenses (including, without limitation, reasonable attorneys’ fees and expenses) whatsoever which the Bank and its officers, directors and employees may incur (or which may be claimed against the Bank and its officers, directors and employees by any person or entity whatsoever) by reason of or in connection with (i) the offering, sale, remarketing or resale (excluding the sale of Purchased Bonds) of the Bonds (including, without limitation, by reason of any untrue statement or alleged untrue statement of any material fact contained in the Remarketing Memorandum (other than in connection with the description of the Bank therein) or in any supplement or amendment thereof or remarketing circular relating thereto, or the omission or alleged omission to state therein a material fact necessary to make such statements, in the light of the circumstances in which they are or were made, not misleading); (ii) the validity, sufficiency or genuineness of the Related Documents, the Remarketing Memorandum (other than in connection with the description of the Bank in Appendix F thereto under the caption “LIQUIDITY PROVIDER”) any supplement or amendment thereof or remarketing circular relating thereto; or (iii) the execution and delivery of this Agreement or the Fee Letter, or the making of or the failure to make purchases of Bonds under this Agreement *provided* that the Commission shall not be required to indemnify the Bank or its officers,

directors or employees for any losses, claims, damages, liabilities, costs and expenses to the extent that there has been a final, nonappealable determination by a court of competent jurisdiction that such losses, claims, damages, liabilities, costs and expenses were caused by the willful misconduct or gross negligence of the Bank or its officers, directors or employees.

(b) *Taxes, Etc.* To the extent permitted by law, the Commission agrees to indemnify and hold the Bank harmless (on a net after-tax basis) from any present or future claim or liability for stamp, transfer, documentary, excise or other similar tax and any penalties or interest with respect thereto, which may be assessed, levied or collected by any Government Authority in connection with the execution, delivery and performance of, or any payment made under, this Agreement, the Bonds and the other Related Documents, or any amendment thereto.

Section 8.04. Obligations Absolute. The payment obligations of the Commission arising under this Agreement and the Fee Letter are secured by the Indenture in accordance with its terms, and shall be paid and performed strictly in accordance with the terms of this Agreement and the Fee Letter, under all circumstances whatsoever, including, without limitation, the following circumstances:

(a) any lack of validity or enforceability of all or any of the Related Documents;

(b) any amendment or waiver of or any consent to or departure from all or any of the Related Documents;

(c) any exchange, release or non-perfection of any collateral;

(d) the existence of any claim, set-off, defense, or other right which the Commission may have at any time against the Trustee, the Remarketing Agent, the Bank (other than the defense of the payment to the Bank in accordance with the terms of this Agreement) or any other person or entity, whether in connection with this Agreement, the other Related Documents or any unrelated transactions;

(e) any certificate, notice or any other document presented under this Agreement or the Fee Letter proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any material respect whatsoever; or

(f) any other circumstances or happening whatsoever, whether or not similar to any of the foregoing.

Section 8.05. Liability of the Bank. The Commission and the Trustee agree that the Bank and its officers, directors and employees shall have no liability or responsibility for the acts or omissions of the Remarketing Agent or the Trustee in respect of the use of this Agreement or any amounts made available by the Bank hereunder. The Bank and its officers, directors and employees shall have no responsibility for, nor incur any liability in respect of, any act, or any failure to act, by the Trustee which results in the failure of the Trustee to effect the purchase of

Tendered Bonds for the account of the Bank with funds provided by the Bank pursuant to Section 2.02 or to comply with the applicable provisions of the Indenture. Neither the Bank nor any of its officers, directors or employees shall be liable or responsible for: (a) the use which may be made of this Agreement or any amounts made available by the Bank hereunder or for any acts or omissions of the Trustee or the Remarketing Agent in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsement(s) thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; or (c) any other circumstances whatsoever in making or failing to make payment under this Agreement, except only that the Commission shall have a claim against the Bank and the Bank shall be liable to the Commission to the extent of any direct, as distinguished from consequential, damages suffered by the Commission when the Commission proves in a final, non-appealable judgment that such direct damages were caused by the Bank's willful failure to purchase Tendered Bonds when required under the terms and conditions of this Agreement or were caused by the gross negligence of the Bank.

Section 8.06. Notice. Any notice, demand, direction, request or other instrument authorized or required by this Agreement or the Fee Letter to be given to or filed with the Commission, the Trustee, the Remarketing Agent or the Bank shall be deemed to have been sufficiently given or filed, for all purposes, when delivered by hand or when sent by registered mail, return receipt requested, postage prepaid; or, if given by facsimile transmission, when receipt is acknowledged by the individual or an authorized representative of the entity specified below; *provided* that any such notice, demand, direction, request or other instrument to the Bank shall be effective only when actually received by the Bank; *provided further* that any notice by the Commission required to be given hereunder which is conditioned any right or remedy shall be valid only if executed by a duly authorized representative of the Commission:

If to the Commission: San Diego Association of Governments
401 B Street, Suite 800
San Diego, California 92101
Attention: Director of Finance
Tax ID No.: 68-0162675
Telephone: (619) 699-6931
Facsimile: (619) 699-4890

If to the Trustee: U.S. Bank National Association
633 West 5th Street, 24th Floor
Los Angeles, California 90071
Attention: Corporate Trust Division
Telephone: (213) 615-6023
Facsimile: (213) 615-6197

If to the Remarketing Agent: J.P. Morgan Securities LLC
383 Madison Avenue, FL 8
New York, New York 10179
Attention: Charlie Giffin / Peter McCarthy
Telephone: (212) 834-7224
Facsimile: (917) 456-3541

If to the Bank, to:

Addresses for Credit Matters and any Notice of Purchase:

Bank of America, N.A.
Mail Code: IL4-540-28-27
540 West Madison Street
Chicago, Illinois 60653
Attention: Christopher Littlewood
Telephone: (312) 992-2250
Email: christopher.littlewood@baml.com

and

Bank of America, N.A.
Mail Code: AZ1-200-22-32
201 East Washington Street
Phoenix, Arizona 85004-2428
Attention: Susan Mobley
Telephone: (602) 523-2168
Email: susan.e.mobley@baml.com

With a copy to:

Bank of America, N.A.
Mail Code: CA5-705-11-00
555 California Street, Suite 1160
San Francisco, California 94104
Attention: Grace Barvin
Telephone: (415) 913-2325
Email: Grace.barvin@baml.com

Section 8.07. Term of the Agreement; Right of the Commission to Terminate upon Certain Events.

(a) *General.* The Bank's obligation to purchase Bonds under this Agreement shall be until the last day of the Purchase Period (as it may be extended pursuant to Section 8.08); provided that the Commission shall still be responsible for the payment in full of the principal of and interest on all Bonds purchased by the Bank hereunder together with all other amounts due and owing to the Bank pursuant to this Agreement and the Fee Letter.

(b) *The Commission's Right to Terminate.* To the extent permitted by the Indenture, this Agreement may be terminated at any time by written notice from the Commission to the Bank if:

(i) the Bank fails to purchase Bonds when obligated to do so in accordance with the provisions of this Agreement;

(ii) a proceeding is instituted in a court having jurisdiction in the premises seeking an order for relief, rehabilitation, reorganization, conservation, liquidation or dissolution in respect of the Bank or for any substantial part of its property under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, custodian, trustee or sequestrator (or other similar official), and such proceeding is not terminated for a period of sixty (60) consecutive days, or such court enters an order granting the relief sought in such proceeding, or the Bank shall institute or take any corporate action for the purpose of instituting any such proceeding; or the Bank shall become insolvent or unable to pay its debts as they mature, shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law, shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator (or other similar official) of the Bank or for any substantial part of its property, shall make a general assignment for the benefit of creditors, shall fail generally to pay its debts or claims as they become due, or shall take any corporate action in furtherance of any of the foregoing;

(iii) two of Moody's, S&P or Fitch shall have withdrawn or reduced the short-term rating it has assigned to the Bank below "P-1"/ "A-1" / "F-1", and the Commission elects to replace the Bank with an Alternate Liquidity Facility from a provider with a higher rating than the Bank;

(iv) the Bank and the Commission fail to agree on an amendment to this Agreement as set forth in Section 8.10, and the Commission elects to replace the Bank with an Alternate Liquidity Facility;

(v) (i) the Bank shall have notified the Commission that, pursuant to Section 2.06, it requires compensation for an increase in costs, reduction in income or additional expense specified therein, (ii) the Commission shall have delivered to the Bank a certificate to the effect that the Commission has identified a financial institution which will furnish an Alternate Liquidity Facility at a price which is equal to or less than the price charged by the Bank after giving effect to such increased cost and (iii) within ten (10) Business Days following receipt by the Bank of such certificate, the Bank shall not have withdrawn or modified its imposition of increased costs so that the commitment fee charged by the Bank is not in excess of the amount proposed to be charged by such other financial institution; or

(vi) the Commission for any other reason elects to replace the Bank with an Alternate Liquidity Facility.

The effective date of a termination on account of an event described in clause (i) or (ii) shall be the earlier of the effective date of an Alternate Liquidity Facility or the date of receipt by the Bank of the notice of termination, subject to the Indenture. The effective date of a termination on account of an event described in clause (iii), (iv), (v) or (vi) shall be the effective date of an Alternate Liquidity Facility. The Commission agrees to send to the Trustee and the Remarketing Agent a copy of any termination notice given by the Commission to the Bank pursuant to this Section 8.07 promptly after delivery of such notice to the Bank.

Section 8.08. Extension of Purchase Period. The Stated Expiration Date may be extended from time to time by agreement in writing between the Bank and the Commission (the period from the preceding Stated Expiration Date to such new Stated Expiration Date being herein sometimes called the “*Extended Purchase Period*”). The Extended Purchase Period may itself be extended in a like manner for additional periods. If no Event of Termination or Suspension Event has occurred and is continuing, the Commission may request in writing to the Bank, in the form of *Exhibit D* to this Agreement not later than ninety (90) days prior to the Stated Expiration Date, that the Bank extend the Stated Expiration Date. The Commission has no obligation to request an Extended Purchase Period and the Bank has no obligation to agree to any Extended Purchase Period, and all terms of the extension (including the term, commitment and other fees, interest rates and other provisions) shall be mutually acceptable to the Bank and the Commission. The Bank agrees to respond to a written extension request by the Commission within sixty (60) days of receipt of such request by the Bank and upon receipt of all information necessary, in the Bank’s reasonable judgment, to permit the Bank to make an informed credit decision. In the event the Bank fails to definitively respond to such request within such period of time, the Bank shall be deemed to have refused to grant the extension requested. If the Bank and the Commission agree to an Extended Purchase Period, the Bank shall give written notice, in the form of a Notice of Extension substantially in the form of *Exhibit E* hereto of its determination to extend, to the Commission, with a copy to the Trustee and the Remarketing Agent.

Section 8.09. Survival. All representations, warranties, covenants and agreements of the Commission contained in this Agreement as amended or supplemented from time to time or made in writing in connection herewith shall survive the execution and delivery hereof and the purchase of Bonds by the Bank hereunder and shall continue in full force and effect until payment in full of all the obligations of the Commission hereunder and under the Fee Letter, it being understood that the agreements of the Commission found in Sections 2.05, 2.06 and 8.03 and the Fee Letter shall survive the termination of this Agreement and payment in full of such obligations.

Section 8.10. Amendments to Rule 2a-7 of the Securities and Exchange Commission. If Rule 2a-7 of the Securities and Exchange Commission, promulgated under the Investment Company Act of 1940, as amended, is amended so that (a) in the opinion of counsel to the Commission, this Agreement must be amended in order for the Bonds to be considered to have a maturity of less than one year under such Rule 2a-7 and (b) the Remarketing Agent certifies in writing that the failure to so amend this Agreement will have an adverse effect on the marketability of the Bonds, then the Bank and the Commission agree to negotiate in good faith to

so amend this Agreement on or prior to the date on which the amendments to Rule 2a-7 are scheduled to be effective. If the Bank and the Commission are unable to agree on such amendment, the Commission shall have the right to replace the Bank in accordance with Section 8.07 hereof.

Section 8.11. Reserved.

Section 8.12. Beneficiaries. This Agreement is not intended and shall not be construed to confer upon any Person other than the parties hereto and their successors and permitted assigns and participants any rights or remedies hereunder *provided* that the agreement of the Bank to purchase Bonds in accordance with the terms and conditions of this Agreement is made for the benefit of the holders from time to time of the Bonds.

Section 8.13. Severability. If any provision of this Agreement shall be held or deemed to be or shall in fact be illegal, inoperative or unenforceable, the same shall not affect any other provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 8.14. Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

Section 8.15. Complete and Controlling Agreement. This Agreement and the other Related Documents completely set forth the agreements between the Bank and the Commission and fully supersede all prior agreements, both written and oral, between the Bank and the Commission relating to the matters set forth in this Agreement and the other Related Documents.

Section 8.16. Contractual Interpretation. The parties acknowledge that they have read and fully understand the terms of this Agreement and the Fee Letter, have consulted with such attorneys, accountants, advisors, or other professionals as they have deemed appropriate prior to executing this Agreement and the Fee Letter with adequate opportunity and time for review thereof, and are fully aware of its contents and of its legal effect. Accordingly, this Agreement and the Fee Letter shall not be construed against any party on the grounds that such party drafted this Agreement or the Fee Letter, rather, this Agreement and the Fee Letter shall be interpreted as though drafted equally by all parties.

Section 8.17. USA Patriot Act. The Bank hereby notifies the Commission that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "*Patriot Act*"), it is required to obtain, verify and record information that identifies the Commission, which information includes the name and address of the Commission and other information that will allow the Bank to identify the Commission in accordance with the Patriot Act, and the Commission hereby agrees to take any action necessary to enable the Bank to comply with the requirements of the Patriot Act.

Section 8.18. Assignment to Federal Reserve Bank. The Bank may assign and pledge all or any portion of the obligations owing to it to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, *provided that*

any payment in respect of such assigned obligations made by the Commission to the Bank in accordance with the terms of this Agreement shall satisfy the Commission's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

Section 8.19. 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 Commission acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) (i) the services regarding this Agreement provided by the Bank and any Affiliate thereof are arm's-length commercial transactions between the Commission, on the one hand, and the Bank and its Affiliates, on the other hand, (ii) the Commission has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Commission is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (b) (i) the Bank and its Affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Commission, or any other Person and (ii) neither the Bank nor any of its Affiliates has any obligation to the Commission with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Related Documents; and (c) the Bank and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Commission, and neither the Bank nor any of its Affiliates has any obligation to disclose any of such interests to the Commission. To the fullest extent permitted by law, the Commission, hereby waives and releases any claims that it may have against the Bank or any of its Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

[Remainder of page intentionally left blank]

[Signature page to 2008 Series C Standby Bond Purchase Agreement]

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

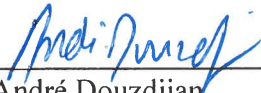
BANK OF AMERICA, N.A.

By: 
Name: Grace Barvin
Title: Senior Vice President

[Signatures continued on following page]

[Signature page to 2008 Series C Standby Bond Purchase Agreement]

**SAN DIEGO COUNTY REGIONAL
TRANSPORTATION COMMISSION**

By: 
Name: André Douzjian
Title: Director of Finance

[Signatures continued on following page]

[Signature page to 2008 Series C Standby Bond Purchase Agreement]

U.S. BANK NATIONAL ASSOCIATION,
as Trustee


By: 
Name: Fowda Hall
Title: Vice President

EXHIBIT A

NOTICE OF PURCHASE

The undersigned, a duly authorized officer of U.S. Bank National Association, as Trustee (the “Trustee”), hereby certifies to Bank of America, N.A. (the “Bank”), in accordance with the Standby Bond Purchase Agreement (the “Standby Purchase Agreement”), dated as of November 1, 2017, among the San Diego County Regional Transportation Commission, the Trustee and the Bank (all capitalized terms herein having the meanings ascribed thereto in the Standby Purchase Agreement), that:

1. [Notice of tender of Eligible Bonds for purchase having a Purchase Price of \$ _____ has been received] [Eligible Bonds having a Purchase Price of \$ _____ have been called for mandatory purchase] pursuant to Section ___ of the Indenture, of which \$ _____ constitutes principal and \$ _____ constitutes accrued interest.

2. Amounts available for the payment of the Purchase Price of such Eligible Bonds are \$ _____, of which \$ _____ is available to pay principal and of which \$ _____ is available to pay accrued interest.

3. The total principal amount requested hereby for the payment of the principal portion of the Purchase Price of Eligible Bonds is \$ _____, which amount does not exceed the Available Principal Commitment or the principal amount referred to in paragraph 1 above less the principal amount referred to in paragraph 2 above.

4. The total amount requested hereby to pay the portion of the Purchase Price for Eligible Bonds constituting accrued interest is \$ _____, which amount does not exceed the Available Interest Commitment or the amount of interest referred to in paragraph 1 above less the amount of interest referred to in paragraph 2 above.

5. Eligible Bonds referred to above having a Purchase Price of \$ _____ [the amount in paragraph 3 plus the amount in paragraph 4] are hereby tendered to the Bank for purchase pursuant to the Standby Purchase Agreement on the date hereof.

6. Upon completion of purchase, the Trustee will [register such Bonds or, if a Bond for which notice of optional tender or mandatory purchase has been given is not delivered, a new Bond issued in replacement of the undelivered Bond, in the name of the Bank, or if directed in writing by the Bank, its nominee or designee, on the Bond Register] [cause the beneficial ownership of such Bonds to be credited to the account of the Bank, or if directed in writing by the Bank, its nominee or designee, with the DTC and register such Bonds in the name of the Bank, its nominee or designee on the Bond Register] [, and will promptly hold such bonds in trust for the benefit of the Bank or deliver such Bonds as the Bank may otherwise direct in writing and, prior to such delivery, will hold such Bonds in trust for the benefit of the Bank].

7. The Purchase Date is _____.

8. The purchase price for such Bonds is to be paid to the Trustee as follows:

(a) _____;

(b) _____.

9. To the Trustee's knowledge, no Event of Termination specified in Section 7.01(a), (b), (c), (d)(ii), (e) or (f) or any Suspension Event has occurred and is uncured.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 20__.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____

Name:

Title:

EXHIBIT B

NOTICE OF TERMINATION

The undersigned, a duly authorized officer of Bank of America, N.A. (the “*Bank*”), hereby notifies the Trustee, the Remarketing Agent and the Commission, each as defined in the Standby Bond Purchase Agreement (the “*Standby Purchase Agreement*”), dated as of November 1, 2017 among the San Diego County Regional Transportation Commission, the Trustee and the Bank (all capitalized terms herein having the meanings ascribed thereto in the Standby Purchase Agreement), that this notice constitutes a “Notice of Termination” in accordance with Section 7.02(b) of the Standby Purchase Agreement as a result of the occurrence of an Event of Termination under Section 7.01() of the Agreement. The Available Commitment and Purchase Period shall terminate on _____, which date is not earlier than thirty (30) days from the date of receipt of this notice by the Trustee.

BANK OF AMERICA, N.A.

By: _____
Name:
Title:

EXHIBIT C

Reserved

EXHIBIT D
REQUEST FOR EXTENSION

[Date]

Bank of America, N.A.
Mail Code: AZ1-200-22-32
201 East Washington Street
Phoenix, Arizona 85004-2428
Attention: Susan Mobley
Telephone: (602) 523-2168
Email: susan.e.mobley@baml.com

Ladies and Gentlemen:

Reference is made to the Standby Bond Purchase Agreement dated as of November 1, 2017 (the “*Agreement*”) by and among the San Diego County Regional Transportation Commission (the “*Issuer*”), U.S. Bank National Association, as Trustee and Bank of America, N.A. (the “*Bank*”) (the terms defined therein being used herein as therein defined).

The Issuer hereby requests, pursuant to Section 8.08 of the Agreement, that the Stated Expiration Date with respect to the Available Commitment as of the date hereof be extended by up to _____ years to _____, _____. Pursuant to such Section 8.08, we have enclosed with this request the following information:

1. The outstanding principal evidenced by the Bonds;
2. A reasonably detailed description of any and all Events of Termination and/or Potential Events of Termination that have occurred and are continuing;
3. Confirmation that all representations and warranties of the Commission as set forth in Sections 4.01, 4.02, 4.03, 4.04, 4.08, 4.09, 4.10, 4.11 and 4.12 of the Agreement are true and correct as though made on the date hereof and that no Event of Termination or Suspension Event has occurred and is continuing on the date hereof except as referenced in paragraph 2 above; and
4. Any other pertinent information previously requested by Bank of America, N.A.

[Remainder of page intentionally left blank]

The Bank is required to notify the Commission of its decision with respect to this request within 60 days of the date of receipt hereof. If the Bank fails to notify the Commission of its decision within such 60-day period, the Bank shall be deemed to have rejected such request.

Very truly yours,

By: _____

Name:

Title:

EXHIBIT E

NOTICE OF EXTENSION

[Date]

San Diego County Regional Transportation
Commission
San Diego Association of Governments
401 B Street, Suite 800
San Diego, California 92101

U.S. Bank National Association
633 West 5th Street, 24th Floor
Los Angeles, California 90071

J.P. Morgan Securities LLC
383 Madison Avenue, FL 8
New York, New York 10179

Moody's Investors Service, Inc.
7 World Trade Center at
250 Greenwich Street
New York, New York 10007

Standard & Poor's Corporation
55 Water Street, 38th Floor
New York, New York 10041

Re: Standby Bond Purchase Agreement dated as of November 1, 2017 among the San Diego County Regional Transportation Commission, U.S. Bank National Association, as Trustee, and Bank of America, N.A.

Dear Sir or Madam:

Pursuant to Section 8.08 of the aforementioned Agreement, we are pleased to inform you that Bank of America, N.A., has received approval to extend the Stated Expiration Date of the Agreement. The new Stated Expiration Date shall be _____ and will be effective on _____. No further documentation is required to evidence the extension.

Please acknowledge receipt of this notice by signing and faxing such to me at (____) _____.

Sincerely,

By: _____
Name:
Title:

Received and Acknowledged:

By: _____
Name:
Title:

Date: _____