

SECOND AMENDED AND RESTATED NOTE PURCHASE AND REIMBURSEMENT AGREEMENT

dated as of [_____], 2021,

between

COUNTY OF ORANGE, CALIFORNIA,

AND

WELLS FARGO BANK, NATIONAL ASSOCIATION

Relating to

\$150,000,000

COUNTY OF ORANGE, CALIFORNIA
TEETER PLAN OBLIGATIONS NOTES,
SERIES B

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EXHIBITS

EXHIBIT A – FORM OF REQUEST FOR PURCHASE

SECOND AMENDED AND RESTATED NOTE PURCHASE AND REIMBURSEMENT AGREEMENT

THIS SECOND AMENDED AND RESTATED NOTE PURCHASE AND REIMBURSEMENT AGREEMENT, dated as of [_____], 2021 (as amended, modified, restated or otherwise modified from time to time, this “*Agreement*”), between the County of Orange, California, a county duly organized and existing under and by virtue of the Constitution and laws of the State of California and Wells Fargo Bank, National Association.

RECITALS

WHEREAS, the hereinafter defined County may issue from time to time its County of Orange, California Teeter Plan Obligations Notes, Series B (the “*Notes*”), with a maximum aggregate principal amount outstanding of up to \$150,000,000, pursuant to the terms of the Trust Agreement (as hereinafter defined); and

WHEREAS, the County and the Purchaser entered into the Amended and Restated Note Purchase and Reimbursement Agreement dated as of July 1, 2018, as amended by the First Amendment to Note Purchase and Reimbursement Agreement dated as of April 27, 2020 (the “*Original Agreement*”), relating to the Notes;

WHEREAS, the County and the Purchaser desire to amend and restate the Original Agreement in its entirety;

WHEREAS, the Purchaser has agreed to continue to purchase the Notes when issued from time to time in accordance with the terms hereof and the terms of the Trust Agreement and as a condition to the purchase of the Notes, the Purchaser has required the County to enter into this Agreement.

NOW, THEREFORE, to induce the Purchaser to purchase the Notes, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the County and the Purchaser hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Certain Defined Terms. In addition to the terms defined in the recitals and elsewhere in this Agreement and the Trust Agreement, the following terms shall have the following meanings:

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

“*Anti-Corruption Laws*” means: (a) the U.S. Foreign Corrupt Practices Act of 1977, as amended; (b) the U.K. Bribery Act 2010, as amended; and (c) any other anti-bribery or anti-

corruption laws, regulations or ordinances in any jurisdiction in which the County is located or doing business.

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

“*Anti-Money Laundering Laws*” means applicable laws or regulations in any jurisdiction in which the County is located or doing business that relates to money laundering, any predicate crime to money laundering, or any financial record keeping and reporting requirements related thereto.

“*Applicable Spread*” has the meaning set forth in the Supplemental Trust Agreement.

“*Approving Opinion*” means, with respect to any action relating to the Notes, an opinion delivered by Bond Counsel to the effect that such action (i) is permitted by this Agreement and the other Financing Documents and (ii) will not adversely affect the exclusion of interest on the Notes from the gross income of any Noteholder for purposes of federal income taxation.

“*Authorized Officer*” shall mean the County Executive Officer, the County Chief Financial Officer, the County Public Finance Director or such person at the time and from time to time authorized to act on behalf of the County by written certificate furnished to the Purchaser.

“*Available Commitment*” means, on the Effective Date, the Initial Commitment Amount and thereafter, at any time, the Initial Commitment Amount adjusted from time to time as follows: (a) downward in an amount equal to any Notes purchased by the Bank under the Commitment; (b) upward in an amount equal to the principal amount of any Notes previously purchased by the Bank hereunder that is repaid or prepaid in the manner provided herein; (c) downward in an amount equal to any permanent reduction of the Commitment effected pursuant to Section 2.01(h) or 7.02(a)(iii) hereof; and (d) downward to zero upon the expiration or termination of the Commitment in accordance with the terms hereof.

“*Base Rate*” has the meaning set forth in the Fee and Interest Rate Agreement.

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

“*Breakage Fee*” has the meaning set forth in the applicable Fixed Rate Addendum.

“*Business Day*” means a day which is not (a) a Saturday, Sunday or a day on which banking institutions in Los Angeles, California or New York, New York or the state or the principal corporate trust office of the Trustee is located are required or authorized by law to close, (b) a day on which the office of the Purchaser for purchasing Notes hereunder is required

or authorized by law to close or (c) a day on which the principal offices of the Calculation Agent or the principal office of the Purchaser is closed.

“*Calculation Agent*” has the meaning set forth in the Supplemental Trust Agreement.

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

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

“*Commitment*” means the agreement of the Purchaser pursuant to Section 2.01 hereof to purchase Notes up to the Available Commitment from time to time in effect, subject to the terms and conditions set forth herein, for the account of the County.

“*Commitment Expiration Date*” means the earliest to occur of (a) Maturity Date, (b) the date on which the Purchaser provides notice to the Trustee and the County that the Available Commitment and the Commitment have terminated pursuant to Section 7.02(a)(iii) hereof as the result of the occurrence of an Event of Default, (c) [_____], 2024 and (d) the date on which the Commitment and Available Commitment are otherwise terminated or reduced to zero in accordance with the terms hereof.

“*Commitment Fee*” has the meaning set forth in the Fee and Interest Rate Agreement.

“*Controlled Group*” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the County, are treated as a single employer under Section 414 of the Code.

“*County*” means County of Orange, California, a county duly organized and existing under and by virtue of the Constitution and laws of the State of California.

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

“*Date of Purchase*” has the meaning set forth in Section 2.01(f) hereof.

“*Debt*” shall mean at any date, without duplication, (i) all obligations of the County for borrowed money, (ii) all obligations of the County evidenced by bonds, certificates, debentures, notes or other similar instruments, (iii) all obligations of the County under capital leases, (iv) all Debt of others secured by a lien on any asset of the County, whether or not such Debt is assumed by the County, (v) all Guarantees made by the County, (vi) all obligations of the County to pay the deferred purchase price of property or services, except (a) trade accounts payable arising in the ordinary course of business and (b) payments withheld in good faith to assure performance by other parties or payments withheld while being contested in good faith, and (vii) any Off-Balance Sheet Liabilities, *provided* that no venter leases entered into by the County shall constitute “Debt” hereunder.

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

“*Default Rate*” has the meaning set forth in the Fee and Interest Rate Agreement.

“*Demand Obligation*” has the meaning set forth in the Trust Agreement.

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

(i) on the date when the County files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) on the date when the Noteholder or any former Noteholder notifies the County that it has received a written opinion by a nationally recognized firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within one hundred eighty (180) days after receipt by the County of such notification from the Noteholder or former Noteholder, the County shall deliver to the Noteholder or former Noteholder a ruling or determination letter issued to or on behalf of the County by the Commissioner or any District Director of the Internal Revenue Service (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(iii) on the date when the County shall be advised in writing by the Commissioner or any District Director of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of

the County, or upon any review or audit of the County or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

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

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

“*Effective Date*” means [_____], 2021, subject to the satisfaction or waiver by the Purchaser of the conditions precedent set forth in Article IV hereof.

“*Event of Default*” with respect to this Agreement has the meaning set forth in Section 7.01 of this Agreement and, with respect to any Financing Document, has the meaning assigned therein.

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

“*Excess Interest Amount*” has the meaning set forth in Section 3.04 hereof.

“*Excluded Taxes*” means, with respect to the Purchaser, or any Noteholder, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision

thereof) under the laws of which the Purchaser or such Noteholder is organized or in which its principal office is located, and (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the Purchaser is located.

“*Federal Funds Rate*” has the meaning set forth in the Fee and Interest Rate Agreement.

“*Fee and Interest Rate Agreement*” means that certain Fourth Amended and Restated Fee and Interest Rate Agreement dated [____], 2021, between the County and the Purchaser, as amended and supplemented from time to time.

“*Financing Documents*” means this Agreement, the Notes, the Tax Certificate, the Trust Agreement, the Supplemental Trust Agreement, the Resolution, the Fee and Interest Rate Agreement and any documents related thereto or executed in connection therewith, and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing.

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

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

“*Fixed Rate Addendum*” means the addendum attached to a Request for Purchase related to the Purchaser’s purchase of a Taxable Fixed Rate Note or Tax-Exempt Fixed Rate Note, as applicable, and attached as Appendix A to the Request for Purchase.

“*Fixed Rate Note*” means a Note bearing interest at the Taxable Fixed Rate or the Tax-Exempt Fixed Rate, as applicable.

“*Fixed Rate Maturity Date*” means, with respect to Fixed Rate Note, the maturity date for such Fixed Rate Note, which date shall be identified in the related Request for Purchase and which date shall not be earlier than six (6) months from the Date of Purchase and not later than the Maturity Date.

“*Fixed Rate Par Call Date*” means, with respect to a Fixed Rate Note, the date on and after which the prepayment of such Fixed Rate Note will not result in the payment of any amounts owing by the County to the Purchaser under Section 3.10 hereof, which date shall be identified in the related Request for Purchase and approved by the Purchaser, as evidenced by the Purchaser’s execution and delivery of the related Fixed Rate Addendum with the Forward Rate (as defined therein) inserted therein.

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

“*Generally Accepted Accounting Principles*” or “*GAAP*” means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the County.

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

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

“*Guarantee*” shall mean any obligation, contingent or otherwise, of the County directly or indirectly guaranteeing any Debt or obligations under any Swap Contract of any other person or in any manner providing for the payment of any Debt or obligations under any Swap Contract of any other person or otherwise protecting the holder of such Debt against loss or a counterparty under a Swap Contract against loss (whether by agreement to keep-well, to purchase assets, goods, securities or services or otherwise), including any obligation pursuant to a letter of credit, *provided* that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

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

“*Indemnitee*” has the meaning set forth in Section 8.01 hereof.

“*Initial Effective Date*” means February 1, 2013.

“*Initial Purchase*” means the initial purchase of Notes made by the Purchaser on the Effective Date pursuant to Section 2.01(a) hereof.

“*Initial Commitment Amount*” means \$150,000,000.

“*Interest Payment Date*” shall mean with respect to the Notes (i) the first Business Day of each calendar month and (ii) any date on which the related Notes mature or are purchased, repaid, prepaid or cancelled in accordance with the terms of the Trust Agreement.

“*Investor Letter*” has the meaning set forth in Section 9.12(c) hereof.

“*Law*” means any treaty or any federal, regional, state and local law, statute, rule, ordinance, regulation, code, license, authorization, decision, injunction, interpretation, order or decree of any court or other Governmental Authority.

“*Majority Noteholder*” means the Noteholders with a majority of the aggregate principal amount of Notes from time to time. As of the Effective Date, Wells Fargo Bank, National Association shall be the Majority Noteholder.

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

“*Master Trust Agreement*” shall mean the Trust Agreement, dated as of August 1, 2008, between the County and U.S. Bank National Association, as trustee as it may from time to time be supplemented, modified or amended pursuant to the provisions hereof and thereof.

“*Maturity Amount*” means an amount equal to 100% of the principal amount of the Notes then outstanding on the Maturity Date and accrued interest thereon, if applicable.

“*Maturity Date*” means the date the Notes are scheduled to mature in accordance with the terms of the Supplemented Trust Agreement (*i.e.*, [_____], 2024).

“*Maximum Federal Corporate Tax Rate*” means, for any day, the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect as of such day (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Purchaser, the maximum statutory rate of federal income taxation which could apply to the Purchaser as of such day).

“*Maximum Interest Rate*” means the lesser of (i) 25% and (ii) the maximum rate of interest on the relevant obligation permitted by applicable law.

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

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

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

“*Non-Purchaser Transferee*” has the meaning set forth in Section 9.12(c) hereof.

“*Noteholder*” means the Purchaser and each Purchaser Transferee or Non-Purchaser Transferee pursuant to Section 9.12 hereof so long as such Purchaser Transferee or Non-Purchaser Transferee is an owner of any Note or Notes.

“*Notes*” has the meaning set forth in the recitals hereof.

“*Obligations*” means all amounts payable by the County, and all other obligations to be performed by the County, pursuant to the Notes, this Agreement and the other Financing Documents (including any amounts to reimburse the Purchaser for any advances or expenditures by it under any of such documents).

“*Off-Balance Sheet Liabilities*” means, with respect to any Person, any liability or obligation of such Person under any sale and leaseback transactions or so-called “synthetic”

lease transaction, in each case, relating to the sale or lease of land or any real property or improvements thereon which is the functional equivalent of or takes the place of borrowing.

“*Original Agreement*” has the meaning set forth in recitals hereof.

“*Parity Debt*” means any Debt or obligation under Swap Contract issued, incurred or entered into by or on behalf of the County and which is a general obligation of the County payable from the General Fund of the County.

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

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

“*Pledged Revenues*” means the Series A Taxes and any other moneys or funds which are or may be hereinafter pledged to the payment of the Notes and the Obligations hereunder and under the other Financing Documents pursuant to the terms of the Trust Agreement and this Agreement.

“*Prime Rate*” has the meaning set forth in the Fee and Interest Rate Agreement.

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

“*Purchaser*” means, initially, Wells Fargo Bank, National Association, and its successors and assigns, and upon the receipt from time to time by the Trustee and the County of a notice described in Section 9.12(a) from time to time means the Person designated in such notice as the Purchaser, as more fully provided in Section 9.12(a) hereof.

“*Purchaser Affiliate*” means the Purchaser and any Affiliate of the Purchaser, and includes, without limitation, Wells Fargo Municipal Capital Strategies, LLC and Wells Fargo Securities (a trade name).

“*Purchaser Transferee*” has the meaning set forth in Section 9.12(b) hereof.

“*Purchaser’s Office*” means the Purchaser’s address and, as appropriate, the account as set forth in Section 9.05 hereof, or such other address or account as the Purchaser may from time to time specify by written notice to the County.

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

“*Related Law*” shall mean Section 4701 through 4717 of the Revenue and Taxation Code of the State of California, as amended from time to time.

“*Request for Purchase*” means any request for the purchase of a Note or Notes made by the County to the Purchaser, in the form of Exhibit A hereto, executed and delivered on behalf of the County by the manual or facsimile signatures of any Authorized Officer.

“*Required Balance*” shall mean for any year an amount equal to the current minimum balance required to be maintained by the County in the Tax Losses Reserve Fund under the Related Law.

“*Resolution*” means Resolution No. 13-007 adopted by the County on January 29, 2013, together with any other resolutions or proceedings taken by the County in connection with the execution and delivery of this Agreement, the Notes and the other Financing Documents.

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

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

“*Sanction*” or “*Sanctions*” means any and all economic or financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes and restrictions and anti-terrorism laws imposed, administered or enforced from time to time by: (a) the United States of America, including those administered by the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC), the U.S. Department of State, the U.S. Department of Commerce, or through any existing or future statute or Executive Order, (b) the United Nations Security Council, (c) the European Union, (d) the United Kingdom, (e) any other governmental authority with jurisdiction over the County.

“*Sanctioned Target*” means any target of Sanctions, including: (a) Persons on any list of targets identified or designated pursuant to any Sanctions, (b) Persons, countries, or territories that are the target of any territorial or country-based Sanctions program, (c) Persons that are a target of Sanctions due to their ownership or control by any Sanctioned Target(s), or (d) otherwise a target of Sanctions, including vessels and aircraft, that are designated under any Sanctions program.

“*Series A Taxes*” has the meaning set forth in the Trust Agreement.

“*Series B Obligations*” has the meaning set forth in the Trust Agreement.

“*Series B Payment Fund*” has the meaning set forth in the Trust Agreement.

“*State*” means the State of California.

“*Subsequent Purchase*” has the meaning set forth in Section 2.01(c) hereof.

“*Submitted Financial Statements*” has the meaning set forth in Section 5.08 hereof.

“*Supplemental Trust Agreement*” means the Sixth Supplemental Trust Agreement dated as of [_____], 2021, between the County and the Trustee and any additional supplemental trust agreement entered into between the County and the Trustee in accordance with the terms of the Trust Agreement.

“*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.

“*Tax Certificate*” means any Tax Certificate of the County relating to any Tax-Exempt Notes, as the same may be amended or supplemented from time to time.

“*Taxable Date*” means the date on which interest on any Tax-Exempt Notes is first includable in gross income of the Noteholder (including, without limitation, any previous Noteholder) thereof as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.

“*Taxable Fixed Rate*” has the meaning set forth in the Supplemental Trust Agreement.

“*Taxable Fixed Rate Note*” has the meaning set forth in the Supplemental Trust Agreement.

“*Taxable LIBOR Index Rate*” has the meaning set forth in the Supplemental Trust Agreement.

“*Taxable Note*” means any Note delivered in connection with a written direction of the County delivered pursuant to Section 3.01(b) of the Supplemental Trust Agreement stating that the interest on the Series B Notes shall be included in the gross income of the holder thereof for federal income tax purposes.

“*Taxable Period*” has the meaning set forth in Section 3.03 hereof.

“*Taxable Rate*” means, (a) with respect to any Variable Rate Note, the Taxable LIBOR Index Rate during the Taxable Period, and (b) with respect to any Fixed Rate Note, the product of (i) the applicable Tax-Exempt Fixed Rate for such Fixed Rate Note and (ii) the Taxable Rate Factor.

“*Taxable Rate Factor*” means, for each day that the Taxable Rate is determined, the quotient of (i) one *divided by* (ii) one minus the Maximum Federal Corporate Tax Rate in effect as of such day, rounded upward to the second decimal place.

“*Tax-Exempt Fixed Rate*” has the meaning set forth in the Supplemental Trust Agreement.

“*Tax-Exempt Fixed Rate Note*” has the meaning set forth in the Supplemental Trust Agreement.

“*Tax-Exempt LIBOR Index Rate*” has the meaning set forth in the Supplemental Trust Agreement.

“*Tax-Exempt Note*” means any Note delivered in connection with a written direction of the County delivered pursuant to Section 3.01(b) of the Supplemental Trust Agreement stating that the interest on the Series B Notes shall be excluded from the gross income of the Noteholder or former Noteholder for federal income tax purposes.

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

“*Trust Agreement*” means, collectively, the Master Trust Agreement and the Supplemental Trust Agreement.

“*Trustee*” has the meaning set forth in the recitals hereof.

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

“*Variable Rate Note*” means a Note bearing interest at the Taxable LIBOR Index Rate or the Tax-Exempt LIBOR Index Rate.

Section 1.02. 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 1.03. Construction. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, to the singular include the plural and to the part include the whole. The word “including” shall be deemed to mean “including but not limited to,” 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 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 1.04. Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP. If, after the Effective Date, there shall occur any change in GAAP from those used in the preparation of the financial statements referred to in Sections 6.05 hereof and such change shall result in a change in the method of calculation of any financial covenant, standard or term found in this Agreement including, without limitation, a recharacterization of operating leases to the effect that certain operating leases are to be treated as capital leases, either the County or the Purchaser may by notice to the other party hereto, require that the Purchaser and the County negotiate in good faith to amend such covenants, standards, and terms so as equitably to reflect such change in accounting principles, with the desired result being that the criteria for evaluating the financial condition of the County shall be the same as if such change had not been made. No delay by the County or the Purchaser in requiring such negotiation shall limit their right to so require such a negotiation at any time after such a change in accounting principles. Until any such covenant, standard, or term is amended in accordance with this Section 1.05, financial covenants shall be computed and determined in accordance with GAAP in effect prior to such change in accounting principles.

Section 1.05. Relation to Other Documents; Acknowledgment of Different Provisions of Financing Documents; Incorporation by Reference. (a) Nothing in this Agreement shall be deemed to amend, or relieve the County of its obligations under, any Financing Document to which it is a party. Conversely, to the extent that the provisions of any Financing Document allow the County to take certain actions, or not to take certain actions, with regard for example to permitted liens, transfers of assets, maintenance of financial ratios and similar matters, the County nevertheless shall be fully bound by the provisions of this Agreement.

(b) Except as provided in subsection (c) of this Section 1.05, all references to other documents shall be deemed to include all amendments, modifications and supplements thereto to the extent such amendment, modification or supplement is made in accordance with the provisions of such document and this Agreement.

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

shall be effective as to this Agreement until specifically agreed to in writing by the parties hereto with specific reference to this Agreement.

ARTICLE II

PURCHASE OF NOTES

Section 2.01. Purchase of Notes. (a) *Initial Purchase.* Upon satisfaction of the conditions set forth in Article IV hereof and based on the representations, warranties and covenants of the County set forth in the Trust Agreement and herein, the County shall issue the initial Note to the Purchaser and the Purchaser shall purchase such Note in a maximum amount not to exceed the Initial Commitment Amount and make the Initial Purchase of Notes on the Effective Date in an amount so requested by the County.

(b) *Closing.* On the Effective Date, the County shall deliver to the Purchaser the documents described in Article IV hereof. Upon delivery of such documents, the Purchaser shall make the Initial Purchase in an amount so requested by the County, up to the Initial Commitment Amount, in immediately available federal funds payable to the Trustee on behalf of the County. One fully registered Note, in the aggregate principal amount equal to the Initial Purchase, shall be issued to and registered in the name of the Purchaser, or as otherwise directed by the Purchaser. The Notes shall be so issued and registered to and held by the Purchaser, or as otherwise directed by the Purchaser.

(c) *Subsequent Purchases.* On any date prior to the Commitment Expiration Date and upon the satisfaction of the conditions precedent set forth in Section 4.07 hereof, the Purchaser shall purchase Notes from time to time in amounts not to exceed the Available Commitment from time to time in effect (each a “*Subsequent Purchase*”); *provided* that the purchase price of any Subsequent Purchase of Notes shall not exceed the Available Commitment in effect on such date and that aggregate principal amount of all outstanding Notes shall not exceed the Initial Commitment Amount. The Purchaser’s Obligation to purchase Notes and the Commitment shall terminate on the Commitment Expiration Date. On the date of each Subsequent Purchase of Notes, one fully registered Note, in the aggregate principal amount equal to the amount of such Subsequent Purchase of Notes, shall be issued to and registered in the name of the Purchaser, or as otherwise directed by the Purchaser.

(d) *Repayment and Subsequent Purchase.* Subject to the terms and conditions set forth herein and in the Trust Agreement, the County may request that the Purchaser purchase Notes from time to time and repay all or a portion of the Notes from time to time. Upon any payment or prepayment of all or a portion of the outstanding Notes, the Available Commitment shall be reinstated as set forth in the definition thereof; *provided* that in any event, the Available Commitment shall not exceed the Initial Commitment Amount.

(e) *Number of Purchases.* Notwithstanding anything to the contrary set forth herein, the County may not request, and the Purchaser shall have no obligation to purchase Notes, more than five (5) times during any calendar year (or such greater number of purchases as consented to in writing by the Purchaser).

(f) *Requests for Purchase.* The County shall give written notice to the Purchaser in the form of a Request for Purchase no later than 11:00 a.m. on a Business Day which is not less than (i) three (3) Business Days prior to the Business Day any purchase of Variable Rate Notes is to be made and (ii) five (5) Business Days prior to the Business Day any purchase of Fixed Rate Notes is to be made (each a “*Date of Purchase*”). If the Purchaser receives a Request for Purchase after 11:00 a.m. on any Business Day such Request for Purchase shall be deemed to have been received on the following Business Day. Requests for Purchases shall be delivered to the Purchaser via facsimile at the facsimile number(s) set forth in Section 9.05 hereof and shall specify the Date of Purchase (which shall be a Business Day), and the amount of the requested Purchase. The County acknowledges that the Purchaser shall not be obligated to purchase Notes except in accordance with the provisions of this Agreement and the Trust Agreement. The Purchaser agrees that the purchase of Notes shall be made in the manner and upon the terms and conditions set forth in this Agreement and the Trust Agreement. The County shall not use the proceeds of any Notes for any payment which is not permitted by the Code, the Trust Agreement or this Agreement.

(g) *Minimum Amounts.* Subject to the terms and conditions of this Agreement, the Initial Purchase of Notes shall be in the principal amount of \$[_____] and any Subsequent Purchase shall be in the minimum principal amount of \$5,000,000 and integral multiples of \$1,000 thereafter, as identified in a Request for Purchase.

(h) *Permanent Reduction and Termination of Available Commitment.* (i) The Available Commitment shall be reduced from time to time as requested by the County within three (3) days of the County’s written notice to the Purchaser requesting such reduction; *provided*, that each such reduction amount shall be in an amount equal to \$1,000,000 or an integral multiple thereof.

(ii) The County may at any time and at its sole option terminate the Commitment upon three (3) days’ prior written notice to the Purchaser. After any such termination of the Commitment, the Purchaser shall not purchase any Notes and the Notes outstanding at the time of such termination shall become due and payable on the Maturity Date.

ARTICLE III

THE COUNTY’S OBLIGATIONS

Section 3.01. Payment Obligations. (a) The County hereby unconditionally, irrevocably and absolutely agrees to make prompt and full payment of all payment obligations owed to the Purchaser under the Notes and the other Financing Documents and to pay any other Obligations owing to the Purchaser whether now existing or hereafter arising, irrespective of their nature, whether direct or indirect, absolute or contingent, with interest thereon at the rate or rates provided in such Financing Documents and under such Obligations.

(b) The County shall pay or cause to be paid in full each Note and all interest thereon on the Maturity Date.

(c) The County shall pay within thirty (30) days after demand:

(i) if an Event of Default shall have occurred, all costs and expenses of the Purchaser in connection with the enforcement (whether by means of legal proceedings or otherwise) of any of its rights under this Agreement, the other Financing Documents and such other documents which may be delivered in connection therewith;

(ii) a fee for each amendment to this Agreement or any other Financing Document or any consent or waiver by the Purchaser with respect to any Financing Document, in each case, in a minimum amount of \$2,500 plus the reasonable fees and expenses of counsel to the Purchaser;

(iii) the reasonable fees and out-of-pocket expenses for counsel or other reasonably required consultants to the Purchaser in connection with advising the Purchaser as to its rights and responsibilities under this Agreement and the other Financing Documents or in connection with responding to requests from the County for approvals, consents and waivers; and

(iv) any amounts advanced by or on behalf of the Purchaser to the extent required to cure any Default, Event of Default or event of nonperformance hereunder or any Financing Document, together with interest at the Default Rate.

In addition, if at any time any Governmental Authority shall require revenue or other documentary stamps or any other tax in connection with the execution or delivery of this Agreement or other Financing Documents, then, if the County lawfully may pay for such stamps, taxes or fees, the County shall pay, when due and payable, for all such stamps, taxes and fees, including interest and penalties thereon, and the County agrees to save the Purchaser harmless from and against any and all liabilities with respect to or resulting from any delay of the County in paying, or omission of the County to pay, such stamps, taxes and fees hereunder.

Section 3.02. Default Rate. Upon the occurrence and during the continuance of an Event of Default, the Obligations shall bear interest at the Default Rate, which shall be payable by the County to each Noteholder (or, if applicable, the Purchaser) upon demand therefor and be calculated on the basis of a 365-day year and actual days elapsed.

Section 3.03. Determination of Taxability. (i) Solely with respect to Tax-Exempt Notes, in the event a Determination of Taxability occurs, to the extent not payable to each Noteholder (or to the Purchaser for the period that it was the Noteholder of any of the Tax-Exempt Notes) under the terms of the Trust Agreement and the Tax-Exempt Notes, the County hereby agrees to pay to each Noteholder (or, if applicable, the Purchaser) on demand therefor (1) an amount equal to the difference between (A) the amount of interest that would have been paid to such Noteholder (or, if applicable, the Purchaser) on the Tax-Exempt Notes during the period for which interest on the Tax-Exempt Notes is included in the gross income of such Noteholder (or, if applicable, the Purchaser) if the Tax-Exempt Notes had borne interest at the Taxable Rate, beginning on the Taxable Date (the "*Taxable Period*"), and (B) the amount of interest actually paid to the Noteholder (or, if applicable, the Purchaser) during the Taxable Period, and (2) an

amount equal to any interest, penalties or charges owed by such Noteholder (or, if applicable, the Purchaser) as a result of interest on the Tax-Exempt Notes becoming included in the gross income of such Noteholder (or, if applicable, the Purchaser), together with any and all attorneys' fees, court costs, or other out-of-pocket costs incurred by such Noteholder (or, if applicable, the Purchaser) in connection therewith;

(ii) Subject to the provisions of clause (iii) below, such Noteholder (or, if applicable, the Purchaser) shall afford the County the opportunity, at the County's sole cost and expense, to contest (1) the validity of any amendment to the Code which causes the interest on the Tax-Exempt Notes to be included in the gross income of such Noteholder (or, if applicable, the Purchaser) or (2) any challenge to the validity of the tax exemption with respect to the interest on the Tax-Exempt Notes, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals); and

(iii) As a condition precedent to the exercise by the County of its right to contest set forth in clause (ii) above, the County shall, on demand, immediately reimburse such Noteholder (or, if applicable, the Purchaser) for any and all expenses (including attorneys' fees for services that may be required or desirable, as determined by such Noteholder (or, if applicable, the Purchaser) in its sole discretion) that may be incurred by the Noteholder (or, if applicable, the Purchaser) in connection with any such contest, and shall, on demand, immediately reimburse the Noteholder (or, if applicable, the Purchaser) for any and all penalties or other charges payable by such Noteholder (or, if applicable, the Purchaser) for failure to include such interest in its gross income.

Section 3.04. Maximum Interest Rate. (i) If the amount of interest payable for any period in accordance with the terms hereof or the Notes exceeds the amount of interest that would be payable for such period had interest for such period been calculated at the Maximum Interest Rate, then interest for such period shall be payable in an amount calculated at the Maximum Interest Rate.

(ii) Any interest that would have been due and payable for any period but for the operation of the immediately preceding subclause (i) shall accrue and be payable as provided in this subclause (ii) and shall, less interest actually paid to each Noteholder for such period, constitute the "Excess Interest Amount." If there is any accrued and unpaid Excess Interest Amount as of any date, then the principal amount with respect to which interest is payable shall bear interest at the Maximum Interest Rate until payment to each Noteholder of the entire Excess Interest Amount.

(iii) Notwithstanding the foregoing, on the date on which no principal amount with respect to the Notes remains unpaid, the County shall pay to each Noteholder a fee equal to any accrued and unpaid Excess Interest Amount.

Section 3.05. Increased Costs.

(a) *Increased Costs Generally.* If any Change in Law shall:

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

(ii) subject the Purchaser or any Noteholder to any Tax of any kind whatsoever with respect to this Agreement or the Notes, or change the basis of taxation of payments to the Purchaser or such Noteholder in respect thereof (except for Indemnified Taxes or Miscellaneous Taxes covered by Section 3.06 and the imposition of, or any change in the rate of any Excluded Tax payable by the Purchaser or such Noteholder); or

(iii) impose on the Purchaser or any Noteholder any other condition, cost or expense affecting this Agreement or the Notes;

and the result of any of the foregoing shall be to increase the cost to the Purchaser or such Noteholder of owning the Notes (or of maintaining its Commitment to purchase Notes), or to reduce the amount of any sum received or receivable by the Purchaser or such Noteholder hereunder or under the Notes (whether of principal, interest or any other amount) then, upon written request of the Purchaser or such Noteholder as set forth in clause (c) of this Section, the County shall promptly pay to the Purchaser or such Noteholder, as the case may be, such additional amount or amounts as will compensate the Purchaser or such Noteholder, as the case may be, for such additional costs incurred or reduction suffered.

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

(c) *Certificates for Reimbursement.* A certificate of the Purchaser or any Noteholder setting forth the amount or amounts necessary to compensate the Purchaser or any such Noteholder or the Purchaser's or any such Noteholder's parent or holding company, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the County, shall be

conclusive absent manifest error. The County shall pay the Purchaser or any such Noteholder, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

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

Section 3.06. Taxes.

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

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

(c) *Indemnification by the County.* The County shall indemnify the Purchaser and each other Noteholder, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes or Miscellaneous Taxes (including Indemnified Taxes or Miscellaneous Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by the Purchaser or such Noteholder and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Miscellaneous Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate stating the amount of such payment or liability delivered to the County by the Purchaser or such Noteholder shall be conclusive absent manifest error. In addition, the County shall indemnify the Purchaser and the other Noteholders, within ten (10) days after demand therefor, for any incremental Taxes that may become payable by the Purchaser or any Noteholder as a result of any failure of the County to pay any Taxes when due to the appropriate Governmental Authority or to deliver to the Purchaser and the other Noteholders, pursuant to clause (d), documentation evidencing the payment of Taxes.

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

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

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

Section 3.07. Obligations Absolute. The payment obligations of the County under this Agreement, the Notes and under the Fee and Interest Rate Agreement shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including without limitation the following:

(a) any lack of validity or enforceability of this Agreement, the Fee and Interest Rate Agreement, the Notes or any of the other Financing Documents;

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

(c) the existence of any claim, set-off, defense or other right which the County may have at any time against the Purchaser, any other Noteholder or any other person or entity, whether in connection with this Agreement, the other Financing Documents, the transactions contemplated herein or therein or any unrelated transaction; or

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

Notwithstanding this Section, the Purchaser acknowledges the County may have the right to bring a collateral action with respect to one or more of the foregoing circumstances. The County's payment obligations shall remain in full force and effect pending the final disposition of any such action. All fees payable pursuant to this Agreement shall be deemed to be fully earned when due and non-refundable when paid.

Section 3.08. Purchaser Consent to Extension of Commitment. (a) So long as the Purchaser is the Noteholder, on or before the date ninety (90) days prior to the Maturity Date, the County may provide written notice to the Purchaser of its desire for the Purchaser to extend the Commitment and to continue to purchase the Notes and requesting the Purchaser to continue to purchase Notes and to extend the Purchaser's Commitment. The Purchaser will make reasonable efforts to respond to such request within sixty (60) days after receipt of all information necessary, in the Purchaser's reasonable judgment, to permit the Purchaser to make an informed credit decision. The Purchaser may, in its sole and absolute discretion, decide to accept or reject any such request and no consent shall become effective unless the Purchaser shall have consented thereto in writing. In the event the Purchaser fails to definitively respond to such request within such sixty (60) day period, the Purchaser shall be deemed to have refused to grant such request. The consent of the Purchaser, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance satisfactory to the Purchaser (which may include, but not be limited to the delivery of a "no adverse effect opinion" of Bond Counsel to the Purchaser with respect to the tax-exempt status of the Notes).

Section 3.09. Fees. The County agrees to pay to the Purchaser the fees set forth in the Fee and Interest Rate Agreement at the times and in the amounts set forth therein. The terms of the Fee and Interest Rate Agreement are incorporated herein by reference as if fully set forth herein. Any reference herein or in any other document to fees and/or other amounts or obligations payable hereunder shall include, without limitation, all fees and other amounts or obligations payable pursuant to the Fee and Interest Rate Agreement.

Section 3.10. Funding Indemnity. To the extent permitted by applicable law, in the event the Purchaser shall incur any loss, cost, or expense (including, without limitation, any loss, cost, or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired or contracted to be acquired by the Purchaser to purchase or hold any Fixed Rate Notes or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to the Purchaser) as a result of any prepayment of any Fixed Rate Note prior to the Fixed Rate Maturity Date or, if designated in the Request for Purchase, the Fixed Rate Par Call Date, for such Fixed Rate Note, whether before or after default, and whether or not such payment is required by any provision of this Agreement or the Trust Agreement, then upon the demand of the Purchaser, the County shall pay to the Purchaser a prepayment premium in such amount as will reimburse the Purchaser for such loss, cost, or expense. If the Purchaser requests such prepayment premium, it shall provide to the County a certificate setting forth the computation of the loss, cost, or expense giving rise to the request for such prepayment premium in reasonable detail and such certificate shall be conclusive if reasonably determined. Anything herein to the contrary notwithstanding, in the event of a failure for any reason of the County to satisfy the conditions of Section 4.07 hereof in connection with the proposed purchase of a Taxable Fixed Rate Note or a Tax-Exempt Fixed Rate Note on the proposed Date of Purchase as established in the related Request for

Purchase, the County shall pay to the Purchaser the applicable Breakage Fee as set forth in the Fixed Rate Addendum to the related Request for Purchase.

ARTICLE IV

CONDITIONS PRECEDENT

Section 4.01. Documentary Requirements. The obligation of the Purchaser to purchase the Notes is subject to the conditions precedent that the Purchaser shall have received, on or before the Effective Date, the items listed below in this Section, each dated and in form and substance as is satisfactory to the Purchaser to the extent applicable.

(a) The following County organizational documents:

(i) copies of the Resolutions of the governing body of the County approving the execution and delivery of this Agreement, the Notes and the other Financing Documents, certified by the Clerk of the County as being true and complete and in full force and effect on the Effective Date;

(ii) certified copies of all approvals, authorizations and consents of any trustee, or holder of any indebtedness or obligation of the County or any governmental agency or public authority, necessary for the County to enter into each of the Financing Documents and the transactions contemplated herein and therein;

(iii) a certificate of an Authorized Officer of the County dated the Effective Date certifying as to the authority, incumbency and specimen signatures of the Authorized Officer of the County authorized to sign this Agreement and the other Financing Documents and any other documents to be delivered by it hereunder and who will be authorized to represent the County in connection with this Agreement, upon which the Purchaser may rely until it receives a new such certificate;

(b) The following financing documents:

(i) an executed original of each of the Financing Documents delivered on the Effective Date;

(ii) a Request for Purchase as required under, and in strict conformity with, Section 2.01(f) hereof, including, if the initial Note is a Taxable Fixed Rate Note or a Tax-Exempt Fixed Rate Note, a Fixed Rate Addendum executed by the Purchaser and the County;

(iii) the initial Note.

(c) The following opinions, dated the Effective Date and addressed to the Purchaser or on which the Purchaser is otherwise expressly authorized to rely:

(i) from Bond Counsel as to the due execution and delivery and validity with respect to the County of the Notes issued on the Effective Date, the Supplemental Trust Agreement, and such other matters as the Purchaser may reasonably request, in form and substance satisfactory to the Purchaser; and

(ii) from County Counsel, in form and substance reasonably satisfactory to the Purchaser and its counsel, which provides for, among other opinions, the following: (i) the County is a political subdivision validly existing under the Constitution and the laws of the State of California, (ii) the execution, delivery and performance by the County of this Agreement, the Notes and the other Financing Documents are within the County's powers, have been duly authorized by all necessary action, and require no action by or in respect of, or filing with, any governmental body, agency or official that has not been accomplished, and (iii) this Agreement, the Notes and the other Financing Documents have been duly authorized, executed and delivered and are valid, binding and enforceable against the County, and such other matters as the Purchaser may reasonably request, in form and substance satisfactory to the Purchaser.

(d) Completion of a call back with the Purchaser and an Authorized Officer of the County identified in the certificate of the County delivered pursuant to Section 4.01(a)(iii) hereof with respect to the wiring of funds for the purchase price of the initial Notes.

Section 4.02. Litigation. The Purchaser shall have received a written description of all actions, suits or proceedings pending or threatened against the County in any court or before any arbitrator of any kind or before or by any governmental or non-governmental body which could reasonably be expected to result in a material adverse effect on the County's ability to perform its obligation under this Agreement and the Financing Documents, if any, and such other statements, certificates, agreements, documents and information with respect thereto as the Purchaser may reasonably request.

Section 4.03. Other Matters. All other legal matters pertaining to the execution and delivery of this Agreement and the Financing Documents shall be satisfactory to the Purchaser and its counsel, and the Purchaser shall have received such other statements, certificates, agreements, documents and information with respect to the County, the Issuer and the other parties to the Financing Documents and matters contemplated by this Agreement as the Purchaser may reasonably request.

Section 4.04. Payment of Fees and Expenses. On or prior to the Effective Date, the Purchaser shall have received reimbursement of the Purchaser's fees and expenses (including the legal fees and expenses of Chapman and Cutler LLP) and any other fees incurred in connection with the transaction contemplated by the Financing Documents and due on the Effective Date.

Section 4.05. No Note Rating; DTC; Offering Document. The Notes shall not be (i) assigned a separate rating by any Rating Agency, (ii) registered with The Depository Trust

Company or any other securities depository or (iii) issued pursuant to any type of offering document or official statement.

Section 4.06. Reserved.

Section 4.07. Conditions Precedent to Subsequent Purchases. The Purchaser's obligation to make Subsequent Purchases of Notes on the related Date of Purchase is subject to the following conditions:

(a) the representations and warranties of the County, set forth in Article V of this Agreement and in each other Financing Document (excluding the Tax Certificate if the Notes being issued on the such Date of Purchase are Taxable Notes) shall be true and correct in all material respects on such Date of Purchase (except to the extent any such representation or warranty expressly relates expressly relates to an earlier date);

(b) no Default or Event of Default shall have occurred and be continuing on such Date of Purchase;

(c) the Purchaser shall have received a Request for Purchase as required under, and in strict conformity with, Section 2.01(f) hereof, including, if such Note is a Taxable Fixed Rate Note or a Tax-Exempt Fixed Rate Note, a Fixed Rate Addendum executed by the Purchaser and the County;

(d) the Purchaser shall receive a Note as required in Section 2.01(c) hereof;

(e) receipt by the Purchaser of an opinion of Bond Counsel in form and substance satisfactory to the Purchaser as to the due execution and delivery and validity with respect to the County of the Notes issued on the related Date of Purchase and, solely with respect to any Tax-Exempt Notes, the exclusion of interest on such Tax-Exempt Notes issued on the related Date of Purchase from gross income for federal and state income tax purposes; and

(f) completion of a call back with the Purchaser and an Authorized Officer of the County identified in the certificate of the County delivered pursuant to Section 4.01(a)(iii) hereof with respect to the wiring of funds for the purchase price of such Notes.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

The County makes the following representations and warranties to each Noteholder:

Section 5.01. Existence and Power. The County is a county organized and existing by virtue of and under the Constitution and the laws of the State of California has the requisite power to carry on its present activities, and has and had full power, right and authority to enter

into this Agreement and the Financing Documents to which it is a party and to perform each and all of the matters and things herein and therein provided for, including the Trust Agreement.

Section 5.02. No Default. The County is in full compliance with all of the material terms and conditions of this Agreement and the Financing Documents to which it is a party and no Event of Default has occurred and is continuing, and no event, act or omission has occurred, to the best knowledge of the County, and is continuing which, with the lapse of time, the giving of notice, or both, would constitute an Event of Default.

Section 5.03. Authorization. The County has taken or caused to be taken all requisite action necessary to authorize the execution, issuance and delivery of, and the performance of its obligations under, this Agreement and the Financing Documents to which it is a party and any and all instruments and documents required to be executed or delivered pursuant to or in connection herewith or therewith.

Section 5.04. Compliance with Laws; Noncontravention. The County is not in violation of any of the provisions of the laws of the State of California, or any subdivision thereof, or the United States of America, which would affect its existence or its powers referred to in Section 5.01 hereof or its ability to comply with all of its obligations hereunder and under the other Financing Documents to which it is a party. The County is in compliance with all laws, policies and guidelines adopted by or applicable to it and its investments, except to the extent that the failure to comply could not reasonably be expected to result in a material adverse effect on the financial condition or business condition of the County or its ability to satisfy its obligations with respect to the Notes, this Agreement or any of the other Financing Documents. The execution and delivery of, and performance by the County of its obligations under, this Agreement and the Financing Documents to which it is a party, and any and all instruments or documents required to be executed in connection herewith or therewith were and are within the powers of the County and do not violate any material provision of any applicable state or federal law, regulation, decree, order or governmental authorization, and does not in any material respect violate or cause a material default under any provision of any contract, agreement, mortgage, indenture or other undertaking to which it is a party or which is binding upon it or any of its property or assets, and does not result in the imposition or creation of any lien, charge, or encumbrance upon any of its properties or assets pursuant to the provisions of any such contract, agreement, mortgage, indenture or undertaking other than as set forth in the Financing Documents.

Section 5.05. Governmental Consent or Approval. Except for state “blue sky” laws, all authorizations, licenses, consents, approvals and undertakings which are required to be obtained by the County under any applicable law in connection with the execution, delivery and performance by the County of its obligations under, or in connection with, this Agreement and the Financing Documents to which it is a party, have been received, and all such authorizations, licenses, consents, approvals and undertakings are in full force and effect.

Section 5.06. Binding Obligations. This Agreement and the Financing Documents to which it is a party each constitute valid and legally binding obligations of the County which obligations are or will be (as the case may be) enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency,

reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and provided that the availability of equitable remedies is subject to the application of equitable principles and subject to the limitation on legal remedies against counties in the State of California.

Section 5.07. Litigation. There is no action, suit, investigation or proceeding pending against the County, or to the best knowledge of the County, pending or affecting the County, or threatened in writing, against the County before any court, arbitrator or administrative or governmental body which might materially adversely affect the ability of the County to comply with its obligations hereunder or in connection with the transactions contemplated by this Agreement and the Financing Documents.

Section 5.08. Financial Statements. The audited financial statements of the County for the most recently completed Fiscal Year heretofore furnished to the Purchaser (the "*Submitted Financial Statements*"), truly and accurately reflect the financial condition of the County as at said date and the results of operations for the period covered thereby and are in conformity with generally accepted accounting principles as applicable to local governments. To the best of the County's knowledge, the County has no contingent liabilities which are material to the County other than as indicated on said Submitted Financial Statements or which have been fully disclosed to the Purchaser in writing. Since the date of the Submitted Financial Statements there have been no material adverse changes in the financial condition of the County nor any changes to the County except those occurring in the ordinary course of business or which have been fully disclosed to the Purchaser in writing.

Section 5.09. Incorporation of Representations and Warranties. The representations and warranties of the County in the Financing Documents to which it is a party are true and correct (except those representations and warranties that are specifically related to an earlier date, in which case, they are true and correct as of such earlier date), and the County makes such representations and warranties for the benefit of the Purchaser, and such representations and warranties are incorporated herein by reference, as if the same were set forth herein and the County has furnished the Purchaser a true and correct copy of all the Financing Documents as in effect on the date hereof.

Section 5.10. Accurate Information. All statements and information made in writing by the County to the Purchaser herein or in connection herewith were, taken in the aggregate and at the time the same were so furnished, true and correct in all material respects. No fact is known to the County which materially and adversely affects or in the future may (so far as it can foresee) materially and adversely affect the business, assets or liabilities, financial condition, results of operations of the County, or any of its business prospects which has not been set forth in the Submitted Financial Statements or in such information, reports, papers and data or otherwise disclosed in writing to the Purchaser by the County.

Section 5.11. Use of Proceeds. The proceeds of the Notes will be used to **[repay the County's outstanding Teeter Plan Obligations Commercial Paper Notes, Series B, to refund a Demand Obligation evidencing the County's obligation to make distributions to**

the participating taxing agencies under the Related Law and to pay costs of issuance of the Notes].

Section 5.12. Pending Legislation. To the best knowledge of the County, after reasonable investigation, and except as otherwise disclosed to the Purchaser in writing prior to the Effective Date, there is no amendment or proposed amendment, certified for placement on a statewide ballot, to the Constitution of the State of California, or any published administrative interpretation of the Constitution of the State of California or any State of California law, or any pending legislation under consideration by any conference or similar committee, or any published judicial decision interpreting any of the foregoing, the effect of which is to materially adversely affect the ability of the County to pay the Notes or to pay or perform its Obligations hereunder.

Section 5.13. Sovereign Immunity. The County is not immune from liability or suit brought in contract in respect of its obligations under this Agreement, the Notes or any of the other Financing Documents and is subject to claims and to suit brought in contract for money or damages in connection with or under this Agreement, the Notes or any of the Financing Documents pursuant to and in accordance with the laws of the State of California applicable to counties.

Section 5.14. No Debt Limitation. The County's borrowing under the Notes is permitted under the Related Law and the Notes, the Agreement and the other Financing Documents are obligations of the County imposed by law and not subject to any debt or similar limitations set forth in law or the Constitution of the State of California.

Section 5.15. Swap Contracts. There is no Debt or obligations under a Swap Contract of the County currently outstanding having a right of payment from the General Fund of the County prior to the Notes or the County's other payment obligations hereunder.

Section 5.16. Series B Payment Fund. Other than the Notes, there are no obligations of the County currently outstanding or contemplated which are or will be payable from or have a claim on the Series B Payment Fund.

Section 5.17. Tax Losses Reserve Fund. The balance in the Tax Losses Reserve Fund is at least equal to the Required Balance.

Section 5.18. Security. The obligations of the County under this Agreement, the Notes and the other Financing Documents shall be absolute, unconditional and irrevocable, shall constitute general obligations of the County payable from the General Fund of the County in accordance with Section 2.03 of the Supplemental Trust Agreement. All Obligations of the County, including the obligations of the County under this Agreement and the Notes, and in each case to pay interest thereon, shall also be secured by the Pledged Revenues, and, with respect to any obligations arising in connection therewith and shall be paid and performed, in accordance with the terms hereof, strictly in accordance with the terms of this Agreement under all circumstances whatsoever.

Section 5.19. Pledged Revenues. (a) Except as contemplated by the Trust Agreement, there are no pledges, charges, liens or other encumbrances on the Pledged Revenues (other than any lien of or relating to a taxpayer on the Series A Taxes), (b) no person has any right, title or interest (whether limited or otherwise), or claim, of any nature, in or to any Pledged Revenues other than the County, the Noteholders and Holders of Series B Obligations (other than any lien of or relating to a taxpayer on the Series A Taxes) and (c) other than as set forth in the Trust Agreement, the County has not, and has not purported to have, transferred, granted, created, otherwise disposed of, or suffered to exist, any right, title or interest (whether limited or otherwise), or claim, of any nature, in or to any Pledged Revenues, and other than as set forth in the Trust Agreement, there are no agreements relating to the Pledged Revenues to which the County is a party.

Section 5.20. Maximum Rate. The County is authorized to enter into this Agreement and the transactions contemplated hereby. The Obligations of the County hereunder and under the Fee and Interest Rate Agreement and the Notes are not subject to any limitation as to maximum rate of interest, except as expressly set forth in this Agreement and the Supplemental Resolution.

Section 5.21. Investments. The County has delivered to the Purchaser true and complete copies of the County Treasurer Investment Policy Statement. All investments of the County with respect to amounts on deposit in General Fund or in any of the funds or accounts established under the Trust Agreement have been and are made substantially in accordance with the County Treasurer Investment Policy Statement. Only the Board of Supervisors of the County may amend, rescind or otherwise modify the County Treasurer Investment Policy Statement.

Section 5.22. Sanctions. The County is not a Sanctioned Target and is not owned or controlled by, or is acting or purporting to act for or on behalf of, directly or indirectly, a Sanctioned Target. To the best of County's knowledge, after due care and inquiry, the County is not under investigation for an alleged violation of Sanction(s) by a governmental authority that enforces Sanctions.

Section 5.23. Anti-Money Laundering and Anti-Corruption Laws. To the best of County's knowledge, after due care and inquiry, the County is not under investigation for an alleged violation of Anti-Money Laundering Laws or Anti-Corruption Laws by a governmental authority that enforces such laws.

Section 5.24. Employee Benefit Plan Compliance. The County has no funding deficiency with respect to any employee benefit plan and is otherwise in compliance with terms of any such plan in which the Issuer or any of its employees participate in which would materially adversely effect the County's ability to perform its obligations hereunder or under any of the other Financing Documents. Neither the County nor any employee benefit plan maintained by the Issuer is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

ARTICLE VI

COVENANTS OF THE COUNTY

The County covenants and agrees, until the full and final payment and satisfaction of all of the Obligations, except in any instance in which the Purchaser specially agrees in writing to any performance or noncompliance, that:

Section 6.01. Payment Obligation. The County shall make all payments on the Notes as set forth herein and in the Trust Agreement and reimburse the Purchaser for any outstanding Obligations under this Agreement and the other Financing Documents as provided herein and therein.

Section 6.02. Use of Proceeds. The County shall use the proceeds of the Notes only to repay the County's outstanding Teeter Plan Obligations Commercial Paper Notes, Series A, the Notes or to refund a Demand Obligation evidencing the County's obligation to make distributions to the participating taxing agencies under the Related Lien or to pay costs of issuance of the Notes. The County shall not use the proceeds of the Notes, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System. The County shall not, directly or indirectly use any of the proceeds of the Notes to fund, finance or facilitate any activities, business or transactions: (a) that are prohibited by Sanctions, (b) that would be prohibited by U.S. Sanctions if conducted by a U.S. Person, or (c) that would be prohibited by Sanctions if conducted by the Purchaser or any

other party hereto. The County shall not, directly or indirectly use any of the credit to fund, finance or facilitate any activities, business or transactions that would be prohibited by Anti-Money Laundering Laws or Anti-Corruption Laws.

Section 6.03. Further Assurance. The County shall execute and deliver to the Purchaser all such documents, consents and instruments and do all such other acts and things as may be reasonably necessary or required by the Purchaser to enable the Purchaser to exercise and enforce their rights under the Financing Documents and to realize thereon, and record and file and re-record and re-file all such documents and instruments, at such time or times, in such manner and at such place or places, all as may be necessary or required by the Purchaser to validate, preserve and protect the position of the Purchaser under the Financing Documents.

Section 6.04. Notices. The County shall give prompt notice in writing to the Purchaser of any litigation, administrative proceeding or business development which in the reasonable judgment of the County may materially adversely affect the ability of the County to perform its obligations as set forth hereunder, under the Notes or under any of the other Financing Documents. The County shall also give prompt written notice to the Purchaser of the occurrence of any Event of Default, which notice shall set forth the details of, and the actions which the County proposes to take with respect to such Event of Default. The County shall also promptly notify, and provide a copy to, the Purchaser of any amendment or modification to any of the Financing Documents. The County shall also notify the Purchaser in writing not more than one (1) Business Day after first becoming aware of any breach of any of the representations or covenants herein relating to Sanctions, Anti-Money Laundering Laws or Anti-Corruption Laws. The County shall promptly provide a copy to the Purchaser of any amendment or modification to, or annual adoption of, the County Treasurer Investment Policy Statement.

Section 6.05. Reports; Other Financial Information. (a) The County shall deliver to the Purchaser as soon as possible and in any event no later than 240 days following the end of each Fiscal Year, the audited financial statements of the County, including a balance sheet as of the end of such Fiscal Year and such accompanying statements for the period then ending as are required by applicable Generally Accepted Accounting Principles, each statements and balance sheet prepared in accordance with Generally Accepted Accounting Principles consistently applied and audited by a firm of certified public accountants. The provisions of this Section 6.05 shall be deemed satisfied if the County provides notice to the Purchaser within the timeframe set forth above that such information is available electronically and a link as to where the Purchaser may retrieve and print such information.

(b) The County shall deliver to the Purchaser, with reasonable promptness, such other information and data with respect to the business, properties, condition (financial or other), operations or prospects of the County as from time to time may be reasonably requested by the Purchaser.

Section 6.06. Compliance Certificate. Simultaneously with the delivery of the audited financial statements referred to in Section 6.05 hereof, the County shall deliver to the Purchaser a certificate of an Authorized Officer of the County stating whether there exists on the date of such certificate any Event of Default, or event which, with the passing of time or giving of notice or

both, would be an Event of Default, and, if any such event or Event of Default then exists, setting forth the details thereof and the actions which the County is taking or proposes to take with respect thereto.

Section 6.07. Budget. The County shall, promptly after its adoption and in any event not later than September 30th of each Fiscal Year, deliver to the Purchaser a copy of the final adopted annual budget of the County or notice that such budget is available electronically and a link as to where the Purchaser may retrieve and print such budget.

Section 6.08. Inspection Rights. The County shall permit any person designated by the Purchaser to visit any of the offices of the County to examine the books and financial records, including minutes of meetings of the County Board of Supervisors but excluding any attorney-client privileged matter, and make a reasonable number of copies thereof or extracts therefrom at the County's expense, and to discuss the affairs, finances and accounts of the County with its principal officials, all upon reasonable notice, at such reasonable time and as often as the Purchaser may reasonably request.

Section 6.09. Maintenance of Existence. The County shall maintain its existence as a county under the laws of the State of California.

Section 6.10. Compliance. The County shall comply, in all material respects, with all applicable laws, ordinances, rules, regulations, and requirements of governmental authorities except where the necessity of compliance therewith is contested in good faith by appropriate proceedings, *provided, however*, that the foregoing shall not require compliance with any such law, ordinance, rule, regulation and/or requirement so long as failure to comply shall not have a material adverse effect on the County's ability to perform its obligations under this Agreement and the Financing Documents. The County shall comply with all policies and guidelines adopted by or applicable to it with respect to its investments.

Section 6.11. Notice of Additional Debt. Within 30 days of incurring or issuing any obligations, including but not limited to loans, notes, bonds and agreements with respect to certificates of participation, payable in whole or in part from the General Fund of the County, the County will forward to the Purchaser a copy of any official statement, private placement or offering memorandum prepared in connection with such obligations.

Section 6.12. Sanctions. The County shall comply with Sanctions, Anti-Money Laundering Laws, and Anti-Corruption Laws. The County shall not fund any repayment of the Obligations with proceeds, or provide as collateral any property, that is directly or indirectly derived from any transaction or activity that is prohibited by Sanctions, Anti-Money Laundering Laws or Anti-Corruption Laws, or that could otherwise cause the Purchaser or any other party to this agreement to be in violation of Sanctions, Anti-Money Laundering Laws or Anti-Corruption Laws.

Section 6.13. Tax Losses Reserve Fund. Except as may be required under the Related Law, the County shall maintain a balance in the Tax Losses Reserve Fund at least equal to the Required Balance.

Section 6.14. Tax Collection. The County shall, in accordance with its customary practices, carry out its obligations and duties under California law to collect property taxes, delinquencies and penalties and to this end shall initiate and pursue tax sales proceedings to enforce such delinquencies and penalties in accordance with California law.

Section 6.15. Appropriations. The County shall make annual appropriations at levels required under the Trust Agreement in order to pay the principal of and interest on the Notes and to pay all Obligations owing to any Noteholder hereunder or under the other Financing Documents when due.

Section 6.16. Fund Balance. During the term of this Agreement, the County shall furnish to the Purchaser at the end of each quarterly accounting period a report of account balances for any fund or account relating to the Notes or established under the Trust Agreement.

Section 6.17. Books and Records. The County shall keep or cause to be kept adequate and proper records and books of account with respect to any of the Pledged Revenues or funds or accounts established under the Trust Agreement and in its possession, in which complete and correct entries shall be made.

Section 6.18. Incorporation by Reference; Performance and Enforcement of Financing Document. The County shall promptly pay all amounts payable by it hereunder and under the Notes and under the Financing Documents according to the terms hereof or thereof and shall duly perform each of its obligations under this Agreement and under the Notes and the other Financing Documents to which it is a party; which provisions, as well as related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety without giving effect to any expiration, amendment, supplement or termination of the Financing Documents to which the Purchaser has not given its express written consent. The County shall cause the Trustee, any co-trustee appointed under the Financing Documents at all times to comply with the terms of the Financing Documents to which they are a party. The County shall strictly enforce the provisions of the Financing Documents, including but not limited to, the payment provisions thereof.

Section 6.19. Payment of Obligation. The County will 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 except for those matters which are reasonably being contested in good faith by appropriate action or proceedings or for which the County has established adequate reserves in accordance with generally accepted accounting principles as applicable to local governments.

Section 6.20. Other Agreements. In the event that the County is a party to, has entered into or shall, directly or indirectly, enter into or otherwise consent to any credit agreement, standby bond purchase agreement, liquidity agreement or other agreement or instrument with a bank or other financial institution which provides liquidity or credit support for, or the direct purchase of, Debt of the County secured by or payable from the General Fund of the County or the Pledged Revenues (or any amendment, supplement or modification thereto) (each such

agreement referred to herein as a “*Bank Agreement*”) which such Bank Agreement provides such Person with different or more restrictive covenants, different or additional events of default and/or greater rights (but specifically excluding provisions in other Bank Agreements relating to remedies (including the right of subrogation), security for the obligations thereunder, fees or drawn interest rates under such Bank Agreement) (each such provision referred to herein as a “*More Favorable Provision*”) than are provided to the Purchaser in this Agreement, the County shall provide the Purchaser with a copy of each such Bank Agreement and such More Favorable Provision shall automatically be deemed to be incorporated into this Agreement and the Purchaser shall have the benefits of such More Favorable Provision as if specifically set forth herein. Upon the request of the Purchaser or the County, as applicable, the parties hereto shall promptly enter into an amendment to this Agreement to include such More Favorable Provision (provided that the Purchaser shall have and maintain the benefit of such More Favorable Provision even if no such amendment is entered into).

Section 6.21. Swap Contract. The County shall at all times require that any termination fees or settlement amounts payable in connection with any Swap Contract entered into by the County be subordinate to the lien on Pledged Revenues securing the Notes and the Obligations hereunder.

Section 6.22. Immunity. To the fullest extent permitted by law, the County agrees to waive any current or future right to immunity it may have from suit and liability for the purposes of adjudicating a claim to enforce its duties and obligations under this Agreement, the Notes or any other Financing Document or for damages for breach of this Agreement or any other Financing Document.

Section 6.23. Inconsistent Action. The County shall take no action inconsistent with the rights of the Purchaser or any Noteholder under this Agreement, the Notes or the other Financing Documents including, without limitation, its obligations to make payments to the Purchaser and the Noteholders hereunder and under the Notes.

Section 6.24. Amendments. The County shall provide the Purchaser with a copy of any proposed amendment or supplement to, or waiver or consent to waiver of any provision under, the Trust Agreement at least ten Business Days prior to the proposed effective date thereof. No such amendment, supplement, waiver or consent shall be made if the same may, in the judgment of the Purchaser, adversely affect the rights, security or interests of the Purchaser or the County’s ability to satisfy its obligations hereunder, under the Notes or any other Financing Document.

Section 6.25. Additional Obligation. The County may not issue or authorize the issuance of any obligation secured in whole or in part by Pledged Revenues or the Series B Payment Fund, other than the Notes and the Obligations, as provided in the Trust Agreement.

Section 6.26. General Fund Obligations. The County will not take any action which would result in the County’s Obligations to the Purchaser or any Noteholder under this Agreement and the Note not constituting a General Fund obligation of the County.

Section 6.27. Additional Debt. The County may not (i) issue or incur any Debt or (ii) enter into a Swap Contract the obligations under which are, in each case, payable in whole or in part from the General Fund of the County having a right of payment from the General Fund of the County prior to the right of payment thereon of the Obligations hereunder and under the Notes, except County tax and revenue anticipation notes which it may issue from time to time for working capital purposes in accordance with applicable law and to set aside amounts therefor, which shall be senior to the Notes and Obligations of the County hereunder in right of payment from the General Fund.

Section 6.28. Compliance with Law. The County covenants and agrees that it will not violate any law, rule, regulation, or governmental order to which it is subject, which violation could materially and adversely affect its ability to perform its obligations under this Agreement, the Notes or any of the other Financing Document.

Section 6.29. Permitted Investments. The County shall not invest or direct the investment of any of the funds or accounts held by the Trustee under the Trust Agreement in any investments other than those Permitted Investments approved in writing by the Purchaser in a certificate.

Section 6.30. Investment Policy. The County shall not deviate from the County Treasurer Investment Policy Statement in effect from time to time with respect to amounts on deposit in General Fund or in any of the funds or accounts established under the Trust Agreement.

Section 6.31. Tax Status of Tax-Exempt Notes. The County shall not take any action or omit to take any action that, if taken or omitted, would adversely affect the excludability of interest on any Tax-Exempt Notes from the gross income of the Noteholders or any former Noteholder for purposes of federal income taxation.

Section 6.32. Employee Benefit Plan Compliance. The County shall in a timely fashion, comply, in all material respects with all requirements under any employee benefit plan in which the County or any of its employees participate.

ARTICLE VII

EVENTS OF DEFAULT

Section 7.01. Events of Default. The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of Law) shall be an “Event of Default” hereunder, unless waived in writing by Purchaser:

- (a) the County shall fail to pay the principal of or interest on any Notes when due;
- (b) the County shall fail to pay any Obligation (other than the obligation to pay the principal of or interest on the Notes);

(c) any representation or warranty made by or on behalf of the County in this Agreement or in any other Financing Document or in any certificate or statement delivered hereunder or thereunder by or behalf of the County shall be incorrect or untrue in any material respect when made or deemed to have been made or delivered;

(d) the County shall default in the due performance or observance of any of the covenants set forth in Section 6.01, 6.02, 6.08, 6.09, 6.13, 6.14, 6.15, 6.21, 6.23, 6.24, 6.25, 6.26, 6.27, 6.28, 6.29, 6.30 or 6.31 hereof; or

(e) the County shall default in the due performance or observance of any other term, covenant or agreement contained in this Agreement or any other Financing Document and such default shall remain unremedied for a period of thirty (30) days after the occurrence thereof;

(f) the County shall (i) have entered involuntarily against it an order for relief under the United States Bankruptcy Code, as amended, (ii) become insolvent or shall not pay, or be unable to pay, or admit in writing its inability to pay, its debts generally as they become due, (iii) make an assignment for the benefit of creditors, (iv) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its Property, (v) institute any proceeding seeking to have entered against it an order for relief under the United States Bankruptcy Code, as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, marshalling of assets, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (vi) take any corporate action in furtherance of any matter described in parts (i) through (v) above, or (vii) fail to contest in good faith any appointment or proceeding described in Section 7.01(g) of this Agreement;

(g) a custodian, receiver, trustee, examiner, liquidator or similar official shall be appointed for the County or any substantial part of its Property, or a proceeding described in Section 7.01(g)(v) shall be instituted against the County and such proceeding continues undischarged or any such proceeding continues undismissed or unstayed for a period of thirty (30) or more days;

(h) a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment when due and payable of the principal of or interest on any Debt of the County by the County or any Governmental Authority with appropriate jurisdiction;

(i) (i) any provision of this Agreement or any Financing Document related to (A) payment of principal of or interest on the Notes or any Parity Debt or (B) the validity or enforceability of the obligation to pay the Notes from the General Fund of the County or any other pledge or security interest created by the Trust Agreement shall at any time for any reason cease to be valid and binding on the County as a result of any legislative or

administrative action by a Governmental Authority with competent jurisdiction, or shall be declared, in a final nonappealable judgment by any court of competent jurisdiction, to be null and void, invalid or unenforceable; or

(ii) the validity or enforceability of any material provision of this Agreement or any Financing Document related to (A) payment of principal of or interest on the Notes, or (B) the validity or enforceability of the obligation to pay the Notes from the General Fund of the County or any other pledge or security interest created by the Trust Agreement shall be publicly contested by the County; or

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

(j) dissolution or termination of the existence of the County;

(k) the County shall (i) default on the payment of the principal of or interest on any Parity Debt, beyond the period of grace, if any, provided in the instrument or agreement under which such Parity Debt was created or incurred; or (ii) default in the observance or performance of any agreement or condition relating to any Parity Debt or contained in any instrument or agreement evidencing, securing or relating thereto, or any other default, event of default or similar event shall occur or condition exist, the effect of which default, event of default or similar event or condition is to cause (determined without regard to whether any notice is required) any such Parity Debt to become immediately due and payable in full as the result of the acceleration, mandatory redemption or mandatory tender of such Parity Debt;

(l) the County shall (i) default on the payment of the principal of or interest on any Debt (other than Parity Debt) or obligation under a Swap Contract aggregating in excess of \$1,000,000, beyond the period of grace, if any, provided in the instrument or agreement under which such Debt (other than Parity Debt) or obligation under a Swap Contract was created or incurred; or (ii) default in the observance or performance of any agreement or condition relating to any Debt (other than Parity Debt) or obligation under a Swap Contract aggregating in excess of \$1,000,000, or contained in any instrument or agreement evidencing, securing or relating thereto, or any other default, event of default or similar event shall occur or condition exist, the effect of which default, event of default or similar event or condition is to permit (determined without regard to whether any notice is required) any such Debt to become immediately due and payable in full as the result of the acceleration, mandatory redemption or mandatory tender of such Debt;

(m) one or more final, unappealable judgment or judgments, writ or writs or warrant or warrants of attachment, or any similar process or processes, which are not covered in full by insurance, with written acknowledgement of such coverage having been provided by the provider of such insurance coverage to the Purchaser, in an aggregate amount not less than \$5,000,000 shall be entered or filed against the County and which is payable in whole or in part from the General Fund of the County or against any of its Property and remain unpaid, unvacated, unbonded or unstayed for a period of thirty (30) days;

(n) any “event of default” under any Financing Document (as defined respectively therein) shall have occurred;

(o) any of Fitch, Moody’s and S&P shall have downgraded its County Rating to below “BBB-” (or its equivalent), “Baa3” (or its equivalent), or “BBB-” (or its equivalent), respectively, or suspended or withdrawn its rating of the same;

(p) any Pledged Revenues or Permitted Investments on deposit in, or otherwise to the credit of, any of the funds or accounts established under the Trust Agreement shall become subject to any writ, judgment, warrant or attachment, execution or similar process which shall not have been vacated, discharged or stayed or appealed within 60 days from the entry thereof;

(q) any pledge or security interest created by the Trust Agreement or this Agreement to secure any amount due under this Agreement or the Note shall fail to be fully enforceable with the priority required under this Agreement or the Trust Agreement as determined by a final, non appealable judgment; or

(r) the Related Law is repealed, reenacted, amended or otherwise modified (whether directly or indirectly, and including, without limitation, by legislative or judicial action) or any other legislation is enacted, repealed, reenacted, amended or otherwise modified, in a manner that has a material adverse effect on the ability of the County to enforce collection of the delinquent property taxes or assessments, if such property taxes or assessments are necessary in order to pay the principal and interest on the Notes or to pay the Obligations hereunder or under the Fee and Interest Rate Agreement.

Section 7.02. Consequences of an Event of Default. If an Event of Default specified in Section 7.01 hereof shall occur and be continuing, the Purchaser may take one or more of the following actions at any time and from time to time (regardless of whether the actions are taken at the same or different times):

(a) (i) by written notice to the Trustee and the County, declare the outstanding amount of the Obligations under this Agreement to be immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived, and an action therefor shall immediately accrue;

(ii) deliver a written notice to the Trustee and the County that an Event of Default has occurred and is continuing and direct the Trustee and the County, as applicable, to cause acceleration of the Notes or take such other remedial action as is provided for in the Trust Agreement;

(iii) by written notice to the Trustee and the County, terminate the Commitment of the Purchaser to purchase Notes hereunder;

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

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

(vi) exercise, or cause to be exercised, any and all remedies as it may have under the Financing Documents (other than as provided for in clause (ii) of this Section 7.02(a)) and as otherwise available at law and at equity.

(b) Notwithstanding the provisions of Section 7.02(a)(i) or 7.02(a)(ii), (x) the Purchaser shall not cause an acceleration of the Notes as described in Section 7.02(a)(i) or 7.02(a)(ii) until seven (7) days after the occurrence of an Event of Default specified in Section 7.01(a), 7.01(f), 7.01(g), 7.01(h), 7.01(i)(i), 7.01(i)(ii), 7.01(j) or 7.01(k) and (y) the Purchaser shall notify the County of an acceleration of the Notes at least one hundred eighty (180) days prior thereto in the case of any Event of Default not specified in the immediately preceding clause (x). Notwithstanding the foregoing sentence of this Section 7.02(b), if any other holder or credit enhancer of Debt or any counterparty under any Swap Agreement related thereto causes any such Debt or other obligations of the County to become immediately due and payable, the Purchaser may immediately, without notice, avail itself of the remedies set forth in Section 7.02(a)(i) or 7.02(a)(ii) hereof and/or declare or cause to be declared the unpaid principal amount of all outstanding Notes, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder to be immediately due and payable.

Section 7.03. Remedies Cumulative; Solely for the Benefit of Purchaser. To the extent permitted by, and subject to the mandatory requirements of, applicable Law, each and every right, power and remedy herein specifically given to the Purchaser in the Financing Documents shall be cumulative, concurrent and nonexclusive and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy (whether specifically herein given or

otherwise existing) may be exercised from time to time and as often and in such order as may be deemed expedient by the Purchaser, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy.

The rights and remedies of the Purchaser specified herein are for the sole and exclusive benefit, use and protection of the Purchaser, and the Purchaser is entitled, but shall have no duty or obligation to the County, the Trustee or any other Person or otherwise, to exercise or to refrain from exercising any right or remedy reserved to the Purchaser hereunder or under any of the other Financing Documents.

Section 7.04. Waivers or Omissions. No delay or omission by the Purchaser in the exercise of any right, remedy or power or in the pursuit of any remedy shall impair any such right remedy or power or be construed to be a waiver of any default on the part of the Purchaser or to be acquiescence therein. No express or implied waiver by the Purchaser of any Event of Default shall in any way be a waiver of any future or subsequent Event of Default.

Section 7.05. Discontinuance of Proceedings. In case the Purchaser shall proceed to invoke any right, remedy or recourse permitted hereunder or under the Financing Documents and shall thereafter elect to discontinue or abandon the same for any reason, the Purchaser shall have the unqualified right so to do and, in such event, the County and the Purchaser shall be restored to their former positions with respect to the Obligations, the Financing Documents and otherwise, and the rights, remedies, recourse and powers of the Purchaser hereunder shall continue as if the same had never been invoked.

ARTICLE VIII

INDEMNIFICATION

Section 8.01. Indemnification. In addition to any and all rights of reimbursement, indemnification, subrogation or any other rights pursuant hereto or under law or equity, the County hereby agrees (to the extent permitted by law) to indemnify and hold harmless each Noteholder and its officers, directors and agents (each, an “*Indemnatee*”) from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever (including reasonable attorneys’ fees) which may incur or which may be claimed against an Indemnatee by any Person or entity whatsoever (collectively, the “*Liabilities*”) by reason of or in connection with (a) the execution and delivery or transfer of, or payment or failure to pay under, any Financing Document; (b) the issuance and sale of the Notes; and (c) the use of the proceeds of the Notes; *provided* that the County shall not be required to indemnify an Indemnatee for any claims, damages, losses, liabilities, costs or expenses (i) to the extent, but only to the extent, caused by the willful misconduct or gross negligence of such Indemnatee or (ii) to the extent, but only to the extent, caused by any sale or transfer of the Notes in violation of applicable securities law. If any proceeding shall be brought or threatened against an Indemnatee by reason of or in connection with the events described in clause (a), (b) or (c) as a condition of indemnity hereunder each Indemnatee shall promptly notify the County in writing and the County shall assume the defense thereof, including the employment of counsel satisfactory to such Indemnatee

and the payment of all reasonable costs of litigation. Notwithstanding the preceding sentence, each Indemnitee shall have the right to employ its own counsel and to determine its own defense of such action in any such case, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless (i) the employment of such counsel shall have been authorized in writing by the County, or (ii) the County, after due notice of the action, shall not have employed counsel satisfactory to such Indemnitee to have charge of such defense, in either of which events the reasonable fees and expenses of counsel for such Indemnitee shall be borne by the County. The County shall not be liable for any settlement of any such action effected without its consent. Nothing under this Section 8.01 is intended to limit the County's payment of the Obligations.

Section 8.02. Survival. The obligations of the County under this Article VIII shall survive the payment of the Notes and the termination of this Agreement.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Patriot Act Notice. The Purchaser hereby notifies the County that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies the County, which information includes the name and address of the County and other information that will allow the Purchaser to identify the County in accordance with the Patriot Act. The County hereby agrees that it shall promptly provide such information upon request by the Purchaser.

Section 9.02. Further Assurances. From time to time upon the request of either party hereto, the other shall promptly and duly execute, acknowledge and deliver any and all such further instruments and documents as the requesting party may in its reasonable discretion deem necessary or desirable to confirm this Agreement, and the other Financing Documents, to carry out the purpose and intent hereof and thereof or to enable the requesting party to enforce any of its rights hereunder or thereunder. At any time, and from time to time, upon request by the Purchaser, the County will, at the County's expense, (a) correct any defect, error or omission which may be discovered in the form or content of any of the Financing Documents, and (b) make, execute, deliver and record, or cause to be made, executed, delivered and recorded, any and all further instruments, certificates, and other documents as may, in the opinion of the Purchaser, be necessary or desirable in order to complete, perfect or continue and preserve the lien of the Trust Agreement. Upon any failure by the County to do so, the Purchaser or the Trustee may make, execute and record any and all such instruments, certificates and other documents for and in the name of the County, all at the sole expense of the County, and the County hereby appoints the Purchaser and the Trustee the agent and attorney-in-fact of the County to do so, this appointment being coupled with an interest and being irrevocable. Without limitation of the foregoing, the County irrevocably authorizes the Purchaser at any time and from time to time to file any initial financing statements, amendments thereto and continuation statements deemed necessary or desirable by the Purchaser to establish or maintain the validity, perfection and priority of the security interests granted in the Trust Agreement, and the County ratifies any such filings made by the Purchaser prior to the date hereof. In addition, at any time, and from time to time, upon request by the Purchaser or the Trustee, the County will, at the

County's expense, provide any and all further instruments, certificates and other documents as may, in the opinion of the Purchaser or the Trustee, be necessary or desirable in order to verify the County's identity and background in a manner satisfactory to the Purchaser or the Trustee, as the case may be.

Section 9.03. Amendments and Waivers; Enforcement. The Purchaser and the County may from time to time enter into agreements amending, modifying or supplementing this Agreement or the other Financing Documents or changing the rights of the Purchaser or the County hereunder or thereunder, and the Purchaser may from time to time grant waivers or consents to a departure from the due performance of the obligations of the County hereunder or thereunder. Any such agreement, waiver or consent must be in writing and shall be effective only to the extent specifically set forth in such writing. In the case of any such waiver or consent relating to any provision hereof, any Default or Event of Default so waived or consented to shall be deemed to be cured and not continuing, but no such waiver or consent shall extend to any other or subsequent Default or Event of Default or impair any right consequent thereto.

Section 9.04. No Implied Waiver; Cumulative Remedies. No course of dealing and no delay or failure of the Purchaser in exercising any right, power or privilege under this Agreement or the other Financing Documents shall affect any other or future exercise thereof or exercise of any right, power or privilege; nor shall any single or partial exercise of any such right, power or privilege or any abandonment or discontinuance of steps to enforce such a right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies of the Purchaser under this Agreement are cumulative and not exclusive of any rights or remedies which the Purchaser would otherwise have under any Financing Document, at law or in equity.

Section 9.05. Notices. All notices, requests, demands, directions and other communications (collectively "notices") under the provisions of this Agreement shall be in writing (including facsimile communication), unless otherwise expressly permitted hereunder, and shall be sent by first-class mail or overnight delivery and shall be deemed received as follows: (i) if by first class mail, five (5) days after mailing; (ii) if by overnight delivery, on the next Business Day; (iii) if by telephone, when given to a person who confirms such receipt; and (iv) if by facsimile, when confirmation of receipt is obtained. All notices shall be sent to the applicable party at the following address or in accordance with the last unrevoked written direction from such party to the other parties hereto:

The County:

**[County of Orange
333 West Santa Ana Blvd., Third Floor
Santa Ana, California 92701
Attn: Public Finance Director
Telephone: (714) 834-2345
Facsimile: (714) 834-3346]**

The Purchaser:

With respect to Credit Matters:

**[Wells Fargo Bank, National Association
Government and Institutional Banking
333 Grand Avenue, 5th Floor
Los Angeles, California 90071
MAC E2034-056
Telephone: (213) 253-7226
Facsimile: (213) 253-7298
Attention: Lynn Love
Email: lovely@wellsfargo.com]**

With respect to Operational Matters:

**[Wells Fargo Bank, National Association
Government and Institutional Banking
333 Grand Avenue, 5th Floor
Los Angeles, California 90071
MAC E2034-056
Telephone: (213) 253-7226
Facsimile: (213) 253-7298
Attention: Lynn Love
Email: lovely@wellsfargo.com]**

with a copy to:

**[Wells Fargo Bank, National Association
375 Park Avenue
New York, New York 10152
Attention: Kristina Eng
Telephone: (212) 214-5513
Email: kristina.eng@wellsfargo.com]**

The Trustee:

**[U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, California 90071
Attention: Linda Verstuyft
Facsimile: (213) 615-6199
Telephone: (213) 615-6052
Email: linda.verstuyft@usbank.com]**

The Purchaser may rely on any notice (including telephone communication) purportedly made by or on behalf of the other, and shall have no duty to verify the identity or authority of the Person giving such notice, unless such actions or omissions would amount to gross negligence or intentional misconduct.

Section 9.06. No Third-Party Rights. Nothing in this Agreement, whether express or implied, shall be construed to give to any Person other than the parties hereto and the Noteholders any legal or equitable right, remedy or claim under or in respect of this Agreement, which is intended for the sole and exclusive benefit of the parties hereto.

Section 9.07. Severability. The provisions of this Agreement are intended to be severable. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

Section 9.08. Governing Law; Waiver of Jury Trial; Jurisdiction. (a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PROVISIONS.

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

(c) EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN THE COUNTY OF ORANGE OR THE COUNTY OF SAN FRANCISCO IN THE STATE OF CALIFORNIA, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER FINANCING DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE OR FEDERAL COURT LOCATED IN THE COUNTY OF ORANGE OR THE COUNTY OF SAN FRANCISCO IN THE STATE OF CALIFORNIA. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER FINANCING DOCUMENT SHALL AFFECT ANY RIGHT THAT EITHER PARTY MAY OTHERWISE HAVE TO BRING ANY ACTION OR

PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER FINANCING DOCUMENT AGAINST THE ANY OTHER PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(d) The covenants and waivers made pursuant to this Section 9.08 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. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

Section 9.09. Prior Understandings. This Agreement and the other Related Documents supersede all other prior understandings and agreements, whether written or oral, among the parties hereto relating to the transactions provided for herein and therein.

Section 9.10. Duration. All representations and warranties of the County contained herein or made in connection herewith shall survive the making of and shall not be waived by the execution and delivery of this Agreement or the other Related Documents. All covenants and agreements of the County contained herein shall continue in full force and effect from and after the date hereof until the Obligations have been fully discharged.

Section 9.11. Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

Section 9.12. Successors and Assigns.

(a) *Successors and Assigns Generally.* This Agreement is a continuing obligation and shall be binding upon the County, its successors, transferees and assigns and shall inure to the benefit of the Noteholders and their respective permitted successors, transferees and assigns. The County may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Purchaser. Notwithstanding anything to the contrary set forth herein, so long as no Event of Default shall have occurred and be continuing hereunder, the Purchaser may assign its respective obligations to purchase Notes pursuant to the terms of this Agreement without the prior written consent of the County (such consent not to be unreasonably withheld). Each Noteholder may, in its sole discretion and in accordance with applicable Law, from time to time assign, sell or transfer in whole or in part, this Agreement, its interest in the Notes and the Financing Documents in accordance with the provisions of paragraph (b) or (c) of this Section. Each Noteholder may at any time and from time to time enter into participation agreements in accordance with the provisions of paragraph (d) of this Section. Each Noteholder may at any time pledge or assign a security interest subject to the restrictions of paragraph (e) of this Section. Wells Fargo Bank, National Association shall be the Purchaser hereunder until such time as the Majority Noteholder designates an alternate Person to serve as the Purchaser hereunder by delivery of written notice to the County and the Trustee and such Person accepts and agrees to act as the Purchaser hereunder and under the Financing Documents. The Majority Noteholder may so designate an alternate Person to act as the Purchaser from time to time. Upon acceptance and notification thereof to the County and the Trustee, the successor to the Purchaser for such purposes shall thereupon succeed to and become vested with all of the rights, powers,

privileges and responsibilities of the Purchaser, and Wells Fargo Bank, National Association or any other Person being replaced as the Purchaser shall be discharged from its duties and obligations as the Purchaser hereunder, except for its obligation to purchase Notes as more fully set forth above.

(b) *Sales and Transfers by Noteholder to a Purchaser Transferee.* Without limitation of the foregoing generality, a Noteholder may at any time sell or otherwise transfer to one or more transferees all or a portion of the Notes to a Person that is (i) a Purchaser Affiliate or (ii) a trust or other custodial arrangement established by the Purchaser or a Purchaser Affiliate, the owners of any beneficial interest in which are limited to “qualified institutional buyers” as defined in Rule 144A promulgated under the 1933 Act (each, a “*Purchaser Transferee*”). From and after the date of such sale or transfer, Wells Fargo Bank, National Association shall continue to have all of the rights of the Purchaser hereunder and under the other Financing Documents as if no such transfer or sale had occurred; *provided, however*, that (A) no such sale or transfer referred to in clause (b)(i) or (b)(ii) hereof shall in any way affect the obligations of the Purchaser hereunder, (B) the County and the Trustee shall be required to deal only with the Purchaser with respect to any matters under this Agreement and (C) in the case of a sale or transfer referred to in clause (b)(i) or (b)(ii) hereof, only the Purchaser shall be entitled to enforce the provisions of this Agreement against the County.

(c) *Sales and Transfers by Noteholder to a Non-Purchaser Transferee.* Without limitation of the foregoing generality, a Noteholder may at any time sell or otherwise transfer all or a portion of the Notes to one or more transferees which are not Purchaser Transferees but each of which constitutes (i) a “qualified institutional buyer” as defined in Rule 144A promulgated under the 1933 Act and (ii) a commercial bank organized under the laws of the United States, or any state thereof, or any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and, in any such case, having a combined capital and surplus, determined as of the date of any transfer pursuant to this clause (c), of not less than \$5,000,000,000 (each a “*Non-Purchaser Transferee*”) all or a portion of the Notes if (A) written notice of such sale or transfer, including that such sale or transfer is to a Non-Purchaser Transferee, together with addresses and related information with respect to the Non-Purchaser Transferee, shall have been given to the County, the Trustee and the Purchaser (if different than the Noteholder) by such selling Noteholder and Non-Purchaser Transferee, and (B) the Non-Purchaser Transferee shall have delivered to the County, the Trustee and the selling Noteholder, an investment letter in substantially the form attached as Exhibit B to the Supplemental Trust Agreement (the “*Investor Letter*”).

From and after the date the County, the Trustee and the selling Noteholder have received written notice and an executed Investor Letter, (A) the Non-Purchaser Transferee thereunder shall be a party hereto and shall have the rights and obligations of a Noteholder (other than its obligation to purchase Notes, as more fully set forth in paragraph (a) of this Section 9.12) hereunder and under the other Financing Documents, and this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to effect the addition of the Non-Purchaser Transferee, and any reference to the assigning Noteholder hereunder and under the other Financing Documents shall thereafter refer to such transferring Noteholder and to the Non-Purchaser Transferee to the extent of their respective interests, and (B) if the transferring

Noteholder no longer owns any Notes, then it shall relinquish its rights and be released from its obligations hereunder and under the Financing Documents (other than its obligation to purchase Notes, as more fully set forth in paragraph (a) of this Section 9.12).

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

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

Section 9.13. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 9.14. Acknowledge and Appointment as the Calculation Agent. Wells Fargo Bank, National Association hereby acknowledges and accepts its appointment as Calculation Agent pursuant to the Supplemental Trust Agreement and acknowledges, accepts and agrees to all the duties and obligations of the Calculation Agent set forth in the Supplemental Trust Agreement.

Section 9.15. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually-signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e-mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 9.16. Waiver of Setoff. The Purchaser waives its right to offset any obligations owed to the Purchaser by the County against any Obligation owed by the County to the Purchaser.

Section 9.17. No Advisory or Fiduciary Responsibility. In connection with all aspects of the transactions contemplated by this Agreement and the Financing Documents (including in connection with any amendment, waiver or other modification of this Agreement or of any Financing Document), the County acknowledges and agrees that: (a)(i) any arranging, structuring and other services regarding this Agreement and the Financing Documents provided by the Purchaser or any Affiliate of the Purchaser are arm's length commercial transactions between the County on the one hand, and the Purchaser and any Affiliate of the Purchaser on the other hand, (ii) the County has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the County is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement and the Financing Documents; (b)(i) the Purchaser and each Affiliate of the Purchaser is and has been acting solely as a principal and has not been, is not, and will not be acting as an advisor, agent or fiduciary for the County or any other Person and (ii) neither the Purchaser nor any Affiliate of the Purchaser has any obligation to the County with respect to the transactions contemplated by this Agreement and the Financing Documents, except those obligations expressly set forth herein; and (c) the Purchaser and each Affiliate of the Purchaser may be engaged in a broad range of transactions that involve interests that differ from those of the County, and neither the Purchaser nor any Affiliate of the Purchaser has any obligation to disclose any of such interests to the County.

Section 9.18. Amendment and Restatement and Reaffirmation. This Agreement shall become effective on the Effective Date and shall supersede all provisions of the Original Agreement as of such date. From and after the Effective Date all references made to the Original Agreement in any Financing Document or in any other instrument or document shall, without further action, be deemed to refer to this Agreement. This Agreement amends and restates the Original Agreement and is not intended to be or operate as a novation or an accord and satisfaction of the Original Agreement or the indebtedness, obligations and liabilities of the County evidenced or provided for thereunder.

Section 9.19. EMMA Postings . In the event the County files with EMMA, this Agreement, any other Financing Documents or any description of the material terms thereof or notice of any agreement to covenants, events of default, remedies, priority rights or other similar terms, either voluntarily or as required pursuant a continuing disclosure agreement or Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "*Rule 15c2-12*") (each such posting, an "*EMMA Posting*"), the County shall (i) provide the Bank with a copy of each EMMA Posting prior to submitting or posting on EMMA and (ii) shall not file or permit the filing of any EMMA Posting that includes confidential information. The County acknowledges and agrees that although the Bank may request review, edits or redactions of such materials prior to filing, the Bank is not responsible for the County's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with any continuing disclosure agreement or any

applicable securities or other laws, including, but not limited to, those relating to the Rule 15c2-12.

Section 9.20. US QFC Stay Rules .

(a) *Recognition of U.S. Resolution Regimes.* In the event that any party that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of this Agreement or any other Financing Document (and any interest and obligation in or under this Agreement or any other Financing Document and any property securing this Agreement) from such Covered Entity will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement or any other Financing Document (and any such interest, obligation and property) were governed by the laws of the United States or a state of the United States. In the event that any party that is a Covered Entity or a BHC Act Affiliate of such party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights against such party with respect to this Agreement or any Financing Document are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement or such Financing Document were governed by the laws of the United States or a state of the United States. The requirements of this paragraph (a) apply notwithstanding the provisions of paragraph (b).

(b) *Limitation on the Exercise of Certain Rights Related to Affiliate Insolvency Proceedings.* Notwithstanding anything to the contrary in this Agreement or any other Financing Document, but subject to the requirements of paragraph (a), no party to this Agreement shall be permitted to exercise any Default Right against a party that is a Covered Entity with respect to this Agreement or any other Financing Document that is related, directly or indirectly, to a BHC Act Affiliate of such Covered Entity becoming subject to Insolvency Proceedings, except to the extent the exercise of such Default Right would be permitted under 12 C.F.R. § 252.84, 12 C.F.R. § 47.5, or 12 C.F.R. § 382.4, as applicable. After a BHC Act Affiliate of a party that is a Covered Entity has become subject to Insolvency Proceedings, any party that seeks to exercise a Default Right against such Covered Entity with respect to this Agreement shall have the burden of proof, by clear and convincing evidence, that the exercise of such Default Right is permitted hereunder.

(c) *Defined Terms.* As used in this Section 9.20:

“*BHC Act Affiliate*” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“*Covered Entity*” means any of the following:

(a) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(b) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(c) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“*Default Right*” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“*Insolvency Proceeding*” means a receivership, insolvency, liquidation, resolution, or similar proceeding.

“*U.S. Special Resolution Regime*” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the Effective Date.

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____

Name: Madaline Ann Love

Title: Senior Vice President

COUNTY OF ORANGE, CALIFORNIA

By _____

Name: Suzanne Luster

Title: Public Finance Director

EXHIBIT A

FORM OF REQUEST FOR PURCHASE

[Date]

**[Wells Fargo Bank, National Association
Government and Institutional Banking
333 Grand Avenue, 5th Floor
Los Angeles, California 90071
MAC E2034-056
Telephone: (213) 253-7226
Facsimile: (213) 253-7298
Attention: Lynn Love
Email: lovely@wellsfargo.com]**

With a copy to:

**[Wells Fargo Bank, National Association
375 Park Avenue
New York, New York 10152
Attention: Kristina Eng
Telephone: (212) 214-5513
Email: kristina.eng@wellsfargo.com]**

Ladies and Gentlemen:

The undersigned, **[Insert Name of Undersigned]** the **[Insert Title of Undersigned]** of the County of Orange, California (the "*County*") refers to that certain Amended and Restated Note Purchase and Reimbursement Agreement dated as of [_____], 2021 (the "*Agreement*"), between the County and Wells Fargo Bank, National Association (the "*Purchaser*"), the terms defined therein being used herein as therein defined, and hereby gives the Purchaser notice irrevocably, pursuant to Section 2.01(f) of the Agreement, of the purchase of Notes specified below:

1. The Business Day of the proposed purchase of Notes is _____, 20__ (which date is not less than three (3) Business Days from the date hereof if the Notes are Variable Rate Notes and not less than five (5) Business Days from the date hereof if the Notes are Fixed Rate Notes).

2. The principal amount of the proposed purchase of Notes is \$_____, which is less than the Available Commitment on the date set forth in 1 above.

3. The Notes shall bear interest at the [Tax-Exempt LIBOR Index Rate] [Taxable LIBOR Index Rate] [Tax-Exempt Fixed Rate] [Taxable Fixed Rate] (select one).

4. The Notes are Taxable Notes]¹ [Tax-Exempt Notes]² (select one).

5. The purchase price of the Notes will be paid by the Purchaser to the [Trustee for the benefit of the County] through the federal wire system, at the wiring instructions set forth below:

[6. The Fixed Rate Maturity Date for the Notes is [_____] (which date is not less than six months from the Date of Purchase and no later than the Maturity Date).]³

[7. The Fixed Rate Par Call Date for the Notes, if any, is [_____]].]⁴

[8. The County will deliver a fully executed Fixed Rate Addendum, evidencing its approval of the Forward Rate (as defined therein), on _____, 20__, which is not more than seven (7) Business Days prior to the proposed Purchase Date.]⁵

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

(a) the representations and warranties of the County set forth in Article V of the Agreement shall be true and correct in all material respects on such Date of Purchase (except to the extent any such representation or warranty expressly relates expressly relates to an earlier date); and

(b) no Default or Event of Default shall have occurred and be continuing on such Date of Purchase.

Additionally, as a condition precedent to the Purchaser’s obligation to honor this Request for Purchase, the County shall have delivered to the Purchaser an opinion from Bond Counsel in

1 Must be Taxable LIBOR Rate or Taxable Fixed Rate Notes.
2 Must be Tax-Exempt LIBOR Rate or Tax-Exempt Fixed Rate Notes
3 Applicable to Taxable Fixed Rate Notes and Tax-Exempt Fixed Rate Notes only
4 Applicable to Taxable Fixed Rate Notes and Tax-Exempt Fixed Rate Notes only
5 Applicable to Taxable Fixed Rate Notes and Tax-Exempt Fixed Rate Notes only.

Attachment D

form and substance satisfactory to the Purchaser as to the due execution and delivery and validity with respect to the County of the Notes issued on the related Date of Purchase and, with respect to Tax-Exempt Notes only, the exclusion of interest on such Notes issued on the related Date of Purchase from gross income for federal and state income tax purposes.

COUNTY OF ORANGE, CALIFORNIA

By: _____

Name: _____

Title: _____

APPENDIX A TO REQUEST FOR PURCHASE

FIXED RATE ADDENDUM

The County of Orange, California (the “County”) has requested that the Purchaser provide it with a forward rate commitment (the “Forward Rate”) for the extension of credit by the Purchaser to the County to be evidenced by the County’s Teeter Plan Obligation Notes, Series B (the “Fixed Rate Notes”) described in this Request for Purchase (the “Request for Purchase”). The Forward Rate is offered at a fixed rate of ____% per annum for a principal amount of \$_____ through the Date of Purchase. Principal and interest on the Fixed Rate Note shall be repaid as provided in the Second Amended and Restated Revolving Note Purchase Agreement dated as of [_____], 2021 (the “Agreement”), between the County and Wells Fargo Bank, National Association (the “Purchaser”) and the Sixth Supplemental Trust Indenture dated as of [_____], 2021 (the “Supplemental Trust Indenture” and collectively with the Agreement, the “Financing Documents”), between the County and U.S. Bank National Association, as trustee, and the other documents pursuant to which the Fixed Rate Note is issued. Capitalized terms not defined herein shall have the meaning given such terms in the Agreement.

The Purchaser hereby commits to the Forward Rate upon the terms and conditions specified herein; *provided, however*, the Purchaser’s purchase of the Fixed Rate Note and the loan to the County evidenced thereby is subject to the terms and conditions of the Agreement and the other Financing Documents. The Financing Documents must be executed and delivered and purchase of the Fixed Rate Note must occur on or prior to the Date of Purchase.

By executing this Fixed Rate Addendum, the County agrees that in the event that, for any reason other than failure by the Purchaser to satisfy its obligations under the Agreement, the Purchaser does not purchase the Fixed Rate Note on the Date of Purchase, the Purchaser shall not be obligated to provide the Forward Rate and the County shall pay to the Purchaser the Breakage Fee determined as provided in Schedule A-1 hereto. Such payment by the County shall be made not later than two (2) business days after the Purchaser gives notice to the County of the amount thereof, setting forth in reasonable detail the basis for the calculation thereof. A certificate by the Purchaser as to such amount shall, absent manifest error, be conclusive if made in good faith. The County acknowledges and agrees that such amount, if any, represents reasonable compensation for loss of bargain and is not a penalty.

The County agrees that the Purchaser’s willingness to lock in the Forward Rate in advance of the Date of Purchase is sufficient consideration for the County’s agreement to pay the amounts due hereunder, if any. Any amount due hereunder which is not paid when due shall bear interest until paid at the default rate set forth in the Financing Documents.

TO THE EXTENT PERMITTED BY APPLICABLE LAWS, EACH OF THE PARTIES HERETO HEREBY WAIVES ITS RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE FIXED RATE NOTE OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.

Attachment D

This Fixed Rate Addendum is governed by the laws of State of California. No modification or waiver of any of the terms of this letter will be valid unless agreed to in writing by the Purchaser. When accepted, this Fixed Rate Addendum will constitute the entire agreement between the Purchaser and the County concerning the Forward Rate, and shall supersede all prior and contemporaneous understandings and agreements (written or oral) relating thereto.

To accept this letter, please sign the enclosed copy where indicated below and return it to the Purchaser no later than the Purchaser's close of business on _____, _____. If this letter is not accepted by said date, this letter will automatically terminate without liability or further obligation of the Purchaser.

[SIGNATURE PAGE TO FOLLOW]

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

ACCEPTANCE

The County hereby agrees to the above provisions, intending to be legally bound hereby. The County understands that the above provisions may obligate the County to make a significant payment to the Purchaser in the event the Purchaser's purchase of the Fixed Rate Note does not occur by the Date of Purchase, and the amount of any such payment cannot be predicted in advance of such event. The County is fully informed of and is capable of evaluating, and has evaluated, the potential financial risks and benefits and the appropriateness in light of its individual circumstances, of this letter. The County is entering into this letter in reliance only upon its own judgment, and is not relying upon any representations, warranty, views or advice of the Purchaser.

COUNTY OF ORANGE, CALIFORNIA

By: _____
Name: _____
Title: _____

SCHEDULE A-1

CALCULATION OF BREAKAGE FEE

The Breakage Fee applicable to non-delivery of the Fixed Rate Note, in whole or in part, for any reason, shall be calculated as set forth in this Schedule A-1.

1. Capitalized terms used in this Schedule A-1 and not otherwise defined herein have the meanings assigned thereto in the Financing Documents.

The following defined terms are used in this Schedule A-1:

“*Breakage Fee*” means the premium required to be paid by the County in connection with any Termination, calculated as provided in this Schedule A-1.

“*Calculation Agent*” means Wells Fargo Bank, National Association and its affiliates or such other entity designated by the Purchaser.

“*Day Count Fraction*” is the anticipated basis on which interest is to be computed on the Fixed Rate Note. The Day Count Fraction utilizes a 360-day year and actual days elapsed.

“*Interest Payment Frequency*” is the anticipated frequency of interest payments under the Fixed Rate Note. The Interest Payment Frequency is monthly, with interest to be paid on the first business day of each calendar month, commencing on ____ 1, 20__.

“*[Maturity Date][Par Call Date]*⁶” is _____, 20__.

“*Note Rate*” means Forward Rate (as defined in the Fixed Rate Addendum).

“*Scheduled Date*” means each date specified on Schedule 1 hereto in the columns labeled Scheduled Date.

“*Schedule of Principal Amounts*” is the anticipated principal amount of the Fixed Rate Note scheduled to be outstanding on the date the Fixed Rate Note is funded and on the Scheduled Date. The Schedule of Principal Amounts for the Scheduled Dates is specified in Schedule 1 to this Exhibit A.

“*Termination*” means the failure to deliver and close the purchase of the Fixed Rate Note on the Date of Purchase for any reason other than the failure of the Purchaser to satisfy its obligations under the Agreement, in whole or in.

“*Termination Date*” means the Date of Purchase.

⁶ Definition to be incorporated as agreed to by the County and the Purchaser.

2. In connection with any Termination, a premium shall be paid by the County to the Purchaser if the Breakage Fee is a positive number. No Breakage Fee shall be payable for a Termination if the Breakage Fee for that Termination is a negative number. Breakage Fees will be determined by the Calculation Agent, on the Business Day next preceding the Termination Date, as follows:

“*Breakage Fee*” for any Termination is the difference of:

(i) the sum of the present values of a series of amounts computed for each Scheduled Date after the Termination Date through the Maturity Date, each of which amounts is equal to the product of (A) the Affected Principal Amount for the Affected Principal Period ending on that Scheduled Date, times (B) the Note Rate times (C) the Day Count Fraction for such Affected Principal Period,

minus

(ii) the sum of the present values of a series of amounts computed for each Scheduled Date after the Termination Date through the Maturity Date, each of which amounts is equal to the product of (A) the Affected Principal Amount for the Affected Principal Period ending on that Scheduled Date, times (B) the Termination Rate, times (C) the Day Count Fraction for such Affected Principal Period,

where:

(1) the Calculation Agent computes such present values by discounting each such series of amounts described in clauses (i) and (ii) above from their respective Scheduled Date to the Termination Date using a series of discount factors corresponding to those Scheduled Dates as determined by the Calculation Agent from the swap yield curve that the Calculation Agent would use as of the Termination Date in valuing a series of fixed rate interest rate swap payments similar to such series of amounts;

(2) the “*Affected Principal Amount*” for an Affected Principal Period is the principal amount of the Fixed Rate Note reflected in the Schedule of Principal Amounts scheduled to be outstanding during that Affected Principal Period determined as of the relevant Termination Date by reference to such Schedule of Principal Amounts before giving effect to any Termination on that Termination Date, and for any Termination, multiplying each such principal amount times the Termination Fraction;

(3) the “*Affected Principal Period*” is each period from and including a Scheduled Date to but excluding the next succeeding Scheduled Date; *provided, however*, if the Termination Date is not a Scheduled Date, the initial Affected Principal Period shall be the period from and including the Termination Date to but excluding the next succeeding Scheduled Date and the Affected Principal Amount for such initial Affected Principal Period shall be the amount stated in the Schedule of Principal Amounts Outstanding for the Scheduled Date next preceding the Termination Date;

(4) the “*Termination Fraction*” means, for each Scheduled Date, a fraction the numerator of which is the amount of the credit to be applied pursuant to the applicable provisions of the Agreement to reduce the amount of the payment otherwise due on such date and the denominator of which is the amount of the payment otherwise due on such date (without regard to such credit); and

(5) the “*Termination Rate*” for any Termination Date is the fixed rate the Calculation Agent determines is representative of what swap dealers would be willing to pay to the Calculation Agent (or, if required to be cleared under the Commodity Exchange Act or a Commodity Futures Trading Commission rule or regulation promulgated thereunder, to a swap clearinghouse) swap rate as fixed rate payors matching the terms of the financing in return for receiving one month LIBOR (or if LIBOR is unavailable or is not reflective of a bank’s cost of funds in the then current market, another index selected by the Calculation Agent in good faith and on the basis of then current market conditions).

3. The Calculation Agent shall determine the Breakage Fee hereunder with respect to each Termination reasonably and in good faith. The Calculation Agent’s determination in good faith shall be conclusive and binding in the absence of manifest error or the County demonstrates that the Calculation Agent has erred or used an unreasonable basis for determination of the Breakage Fee.

SCHEDULE 1

SCHEDULE OF PRINCIPAL AMOUNTS