
AMENDMENT NO. 4 TO STANDBY BOND PURCHASE AGREEMENT

dated December 15, 2017

among

SACRAMENTO TRANSPORTATION AUTHORITY,

U.S. BANK NATIONAL ASSOCIATION,
as Trustee,

and

U.S. BANK NATIONAL ASSOCIATION,
as the Bank

relating to:

\$106,100,000 Sacramento Transportation Authority
Measure A Sales Tax Revenue Bonds, Series 2009C (Limited Tax Bonds)

Amending that certain Standby Bond Purchase Agreement, dated as of August 1, 2013, as amended by that certain Amendment No. 1 to Standby Bond Purchase Agreement, dated March 12, 2015, that certain Amendment No. 2 to Standby Bond Purchase Agreement, dated February 8, 2017, and that certain Amendment No. 3 to Standby Bond Purchase Agreement, dated July 12, 2017, each among Sacramento Transportation Authority, U.S. Bank National Association, as Trustee and U.S. Bank National Association, as the Bank

AMENDMENT NO. 4 TO STANDBY BOND PURCHASE AGREEMENT

THIS AMENDMENT NO. 4 TO STANDBY BOND PURCHASE AGREEMENT (this “Amendment No. 4”), dated December 15, 2017 among SACRAMENTO TRANSPORTATION AUTHORITY (together with its successors and assigns permitted hereunder, the “Authority”), a local transportation authority duly established and existing under the laws of the State of California, U.S. BANK NATIONAL ASSOCIATION, as successor trustee (the “Trustee”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association (the “Bank”), amending that certain Standby Bond Purchase Agreement, dated as of August 1, 2013 (the “Original Agreement”), among the Authority, the Trustee and the Bank, as amended by that certain Amendment No. 1 to Standby Bond Purchase Agreement, dated March 12, 2015 (the “Amendment No. 1”), among the Authority, the Trustee and the Bank, that certain Amendment No. 2 to Standby Bond Purchase Agreement, dated February 8, 2017 (the “Amendment No. 2”), among the Authority, the Trustee and the Bank and that certain Amendment No. 3 to Standby Bond Purchase Agreement, dated July 12, 2017 (the “Amendment No. 3”), among the Authority, the Trustee and the Bank (the “Original Agreement” as amended by the Amendment No. 1, the Amendment No. 2 and the Amendment No. 3 is hereinafter referred to as the “Third Amended Agreement” and the Third Amended Agreement, as further amended by this Amendment No. 4 and as it may be further amended and supplemented from time to time, the “Agreement” or “Standby Bond Purchase Agreement”).

RECITALS

WHEREAS, the Authority issued its Sacramento Transportation Authority Measure A Sales Tax Revenue Bonds, Series 2009C (Limited Tax Bonds) (the “Bonds”) pursuant to the terms of the Indenture, dated as of September 1, 2009 (the “Original Indenture”), as supplemented and amended by the First Supplemental Indenture, dated as of September 1, 2009 (the “First Supplemental Indenture”), the Second Supplemental Indenture, dated as of September 1, 2011, the Third Supplemental Indenture, dated as of July 1, 2012, the Fourth Supplemental Indenture, dated as of September 1, 2014 and the Fifth Supplemental Indenture, dated as of March 1, 2015, each between the Authority and the Trustee (collectively with the Original Indenture, including, in each case, such amendments, modifications or supplements permitted pursuant to the terms thereof and hereof, the “Indenture”); and

WHEREAS, the Bonds are currently supported by a liquidity facility established pursuant to the Third Amended Agreement; and

WHEREAS, the current Stated Expiration Date of liquidity facility established pursuant to the Third Amended Agreement is January 7, 2018 and the Authority has requested, and the Bank has agreed, to extend the Stated Expiration Date to June 20, 2019 pursuant to the terms hereof;

AGREEMENTS

NOW, THEREFORE, in consideration of the foregoing and the undertakings herein set forth and intending to be legally bound, the parties hereto hereby agree as follows:

Section 1. Authority and Definitions.

(a) This Amendment No. 4 is entered into pursuant to Section 8.01 of the Original Agreement.

(b) This Amendment No. 4 amends the Third Amended Agreement.

(c) Capitalized terms used herein without definition shall have the meanings set forth in the Third Amended Agreement.

(d) Subject to satisfaction of the conditions precedent set forth in Section 3 hereof, this Amendment No. 4 shall become effective upon the execution and delivery hereof by the parties hereto and the execution and delivery of the Amendment No. 1 to Fee Letter Agreement, dated December 15, 2017 (the "Fee Letter Agreement Amendment No. 1"), by and between the Authority and the Bank, on December 15, 2017 (the "Amendment Effective Date").

(e) The provisions of this Amendment No. 4 shall supersede and prevail over any conflicting provisions of the Third Amended Agreement. If there is any conflict between the terms, conditions and provisions of this Amendment No. 4 and those of any of the Related Documents, the terms, conditions and provisions of this Amendment No. 4, as applicable, shall prevail. Save and except as expressly amended hereby, all of the terms and provisions of the Third Amended Agreement continue in full force and effect and are applicable to the provisions of this Amendment No. 4 and the obligations of the parties hereunder. Reference to this specific Amendment No. 4 need not be made in any note, document, agreement, letter, certificate, the Standby Bond Purchase Agreement or any communication issued or made subsequent to, or with respect to, the Standby Bond Purchase Agreement, it being hereby agreed that any reference to the Standby Bond Purchase Agreement shall be sufficient to refer to the Third Amended Agreement as hereby amended. The parties hereto expressly agree that this Amendment No. 4 shall constitute a modification of the Third Amended Agreement and does not constitute a novation or substitution with respect to the Third Amended Agreement.

Section 2. Amendment of the Third Amended Agreement.

(a) The definitions of "Federal Funds Rate," "Fee Letter Agreement," "Prime Rate," "SIFMA Rate" and "Stated Expiration Date" in Section 1.01 of the Original Agreement are hereby deleted in their entirety and the following substituted therefor:

"Federal Funds Rate" means, for any day, the rate of interest per annum equal to the greater of (a) zero percent (0.0%) and (b) the rate per annum calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal

Reserve Bank of New York as the federal funds effective rate or, if such rate is not so published for any day which is a Business Day, the average of the quotations at approximately 10:00 a.m. (Central time) on such day on such transactions received by the Bank from three (3) Federal funds brokers of recognized standing selected by the Bank in its sole discretion.

“Fee Letter Agreement” means that certain Fee Letter Agreement, dated August 29, 2013, by and between the Authority and the Bank, as amended by that certain Amendment No. 1 to Fee Letter Agreement, dated December 15, 2017, by and between the Authority and the Bank, and as further amended, modified or supplemented from time to time in accordance with the terms thereof and hereof.

“Prime Rate” means on any day, the rate of interest per annum equal to the greater of (a) zero percent (0.0%) and (b) the rate of interest per annum from time to time announced by the Bank as its prime rate (which is not intended to be the lowest rate of interest charged by the Bank in connection with the extension of credit to its customers). Each change in the Prime Rate shall take effect at the time of such change in such prime rate.

“SIFMA Rate” means, on any date, the rate of interest per annum equal to the greater of (a) zero percent (0.0%) and (b) a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by SIFMA or any Person acting in cooperation with or under the sponsorship of SIFMA and acceptable to the Bank and effective from such date. In the event Municipal Market Data no longer produces an index satisfying the requirements of the preceding sentence, the SIFMA Rate (a/k/a, the “SIFMA Municipal Swap Index”) shall be deemed to be the S&P Weekly High Grade Index, or if either such index is not available, a rate equal to 0%.

“Stated Expiration Date” means the later of (i) June 20, 2019 or, if such day is not a Business Day, the immediately preceding Business Day to such day, and (ii) the last day of any extension of such date pursuant to Section 8.05 or, if such day is not a Business Day, the immediately preceding Business Day to such day.

(b) The first sentence of Section 2.02 of the Original Agreement is hereby deleted in its entirety and the following substituted therefor:

If by 12:00 p.m., noon (New York City time) on the applicable Bank Purchase Date, the Bank receives from the Trustee a notice substantially in the form of Exhibit A or Exhibit B, as the case may be (any such notice to be referred to as a “Notice of Bank Purchase”), the Bank will, during the Bank Purchase Period, subject to the satisfaction of the conditions set forth in Section 6.02 hereof, unless the Bank is no longer obligated to purchase Bonds pursuant to this Agreement, transfer not later than 2:30 p.m. (New York City time) on the Bank Purchase Date to the Trustee, in funds to be available as specified in such Notice of Bank

Purchase, an amount equal to the aggregate Purchase Price of such Bonds as set forth in the applicable Notice of Bank Purchase.

(c) Section 2.06 of the Original Agreement is hereby deleted in its entirety and the following substituted therefor:

(a) Yield Protection. If, on or after the date of this Agreement, the adoption of any law or any governmental or quasi-governmental rule, regulation, policy, guideline or directive (whether or not having the force of law), or any change in the interpretation, promulgation, implementation or administration thereof by any governmental or quasi-governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, including, notwithstanding the foregoing, all requests, rules, rulings, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act regardless of the date enacted, adopted or issued, or compliance by the Bank or any Participant with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency: (i) subjects the Bank or any Participant to any Taxes, or changes the basis of taxation of payments (other than with respect to Excluded Taxes) to the Bank or any Participant in respect of this Agreement or participations therein, or (ii) imposes or increases or deems applicable any reserve, liquidity ratio, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, the Bank or any Participant (other than reserves and assessments taken into account in determining the applicable interest rate), or (iii) imposes any other condition the result of which is to increase the cost to the Bank or any Participant of making, funding or maintaining any amount advanced under this Agreement, or of issuing or participating in this Agreement, or reduces any amount receivable by the Bank or any Participant in connection with this Agreement or participations therein, or requires the Bank or any Participant to make any payment calculated by reference to the amount of this Agreement or participations therein held or interest or Facility Fees received by it, by an amount deemed material by the Bank or such Participant, as the case may be, and the result of any of the foregoing is to increase the cost to the Bank or such Participant, as the case may be, of making or maintaining any amount advanced under this Agreement or of issuing or participating in this Agreement or to reduce the return received by the Bank or such Participant, as the case may be, in connection with this Agreement or participations therein, then, within 30 days of written demand by the Bank or any Participant, as the case may be, the Authority shall pay the Bank or such Participant, as the case may be, such additional amount or amounts as will compensate the Bank or such Participant, as the case may be, for such increased cost or reduction in amount received. The Bank shall provide to the Authority a statement of the amount and basis of calculation of any such increased cost, reduction in return and/or revenue, which statement shall be conclusive and binding on the Authority, absent manifest error. Such increased compensation shall be reduced or eliminated if the event causing such increase is modified or ceases to exist.

(b) Changes in Capital Adequacy or Liquidity Regulations. If the Bank or any Participant determines the amount of capital or liquidity required or expected to be maintained by the Bank or such Participant, or any corporation controlling the Bank or such Participant, is increased as a result of a Change, then, within 30 days of written demand by the Bank or such Participant, the Authority shall pay the Bank or such Participant the amount necessary to compensate for any shortfall in the rate of return on the portion of such increased capital or liquidity which the Bank or such Participant determines is attributable to this Agreement or participation therein, as the case may be, hereunder (after taking into account the Bank's or such Participant's policies as to capital adequacy or liquidity), which determination shall be conclusive and binding on the Authority, absent manifest error. "Change" means (x) any change after the date of this Agreement in any Risk-Based Capital Guidelines or (y) any adoption of or change in any other law, governmental or quasi-governmental rule, regulation, policy, guideline, interpretation, or directive (whether or not having the force of law) or in the interpretation, promulgation, implementation or administration thereof after the date of this Agreement which affects the amount of capital or liquidity required or expected to be maintained by the Bank or any Participant or any corporation controlling the Bank or any Participant. Notwithstanding the foregoing, for purposes of this Agreement, all requests, rules, rulings, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act shall be deemed to be a Change regardless of the date enacted, adopted or issued and all requests, rules, rulings, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or the United States financial regulatory authorities shall be deemed to be a Change regardless of the date adopted, issued, promulgated or implemented. "Risk-Based Capital Guidelines" means (i) the risk-based capital guidelines in effect in the United States on the date of this Agreement, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations adopted prior to the date of this Agreement.

Section 3. Conditions Precedent to Execution and Delivery and Effectiveness of this Amendment No. 4. The obligation of the Bank to execute and deliver this Amendment No. 4 shall be subject to the fulfillment of the following conditions precedent on or before the Amendment Effective Date, in a manner satisfactory to the Bank and its counsel:

(a) on the Amendment Effective Date, there shall exist no Event of Default, Potential Default, Rating Event or Secondary Coverage Event;

(b) all representations and warranties made by the Authority in the Third Amended Agreement or in any of the Related Documents to which it is a party shall be true and correct with the same effect as though such representations and warranties had been made at and as of such time (except that the dates referenced in Section 4.01(e) of the Original Agreement shall be June 30, 2016);

(c) since June 30, 2016 there has been no material adverse change in the business, assets, condition, financial position, results of operations, properties, revenues or prospects of the Authority;

(d) the unaudited quarterly financial information of the Authority delivered to the Bank pursuant to Section 5.01(a)(ii) of the Original Agreement for the fiscal quarters ended March 31, 2017, June 30, 2017 and September 30, 2017, is accurate in all material respects as of the Amendment Effective Date and fairly presents the amount of Measure A gross sales tax receipts received in the aggregate for such periods;

(e) on the Amendment Effective Date, after giving effect to the transactions contemplated by the Standby Bond Purchase Agreement and the other Related Documents to which it is a party, the Property (including, without limitation, the Sales Tax Revenues when and as received) of the Authority will not be less than the probable liability on its debts as such debts become due, and the Authority expects to have reasonably sufficient revenues to conduct its business;

(f) the Bank shall have received on or before the Amendment Effective Date true and complete executed originals of this Amendment No. 4 and the Fee Letter Agreement Amendment No. 1;

(g) the Bank shall have received on or before the Amendment Effective Date certified copies of the resolutions of the Authority authorizing the execution, delivery and performance of this Amendment No. 4 and the Fee Letter Agreement Amendment No. 1, certified by an appropriate official of the Authority (which certification shall include a statement to the effect that such resolutions are in full force and effect on the Amendment Effective Date);

(h) the Bank shall have received on or before the Amendment Effective Date a signature and incumbency certificate of the Authority certifying the names and true signatures of the officers of the Authority authorized to sign this Amendment No. 4 and the Fee Letter Agreement Amendment No. 1 and the other documents to be delivered by the Authority hereunder and thereunder;

(i) the Bank shall have received on or before the Amendment Effective Date a certificate of the Authority signed by a duly authorized officer of the Authority, dated the Amendment Effective Date, certifying as to the matters set forth in Section 3(a), (b), (c), (d) and (e) hereof and as to such other matters as the Bank may reasonably request;

(j) the Bank shall have received on or before the Amendment Effective Date a signature and incumbency certificate of the Trustee certifying the names and true signatures of the officers of the Trustee authorized to sign this Amendment No. 4;

(k) the Bank shall have received on or before the Amendment Effective Date an executed legal opinion, dated the Amendment Effective Date and addressed to the Bank and in form and substance satisfactory to the Bank, of counsel to the Authority, covering such matters as the Bank may reasonably request;

(l) the Bank shall have received on or before the Amendment Effective Date the Authority's (A) internally prepared financial forecast and (B) plan of finance including, without limitation debt issuances, and such other financial information, budgets and projections as may be requested by the Bank;

(m) the Bank shall have received on or before the Amendment Effective Date unaudited quarterly financial information of the Authority setting forth the amount of Measure A gross sales tax receipts received in aggregate for the fiscal quarters ended March 31, 2017, June 30, 2017 and September 30, 2017, and year to date and comparing such sales tax receipts to the same fiscal quarter in the prior fiscal year;

(n) the Bank shall have received on or before the Amendment Effective Date a copy of the investment policy and guidelines of the Authority, certified to be true, correct and complete by the chief financial officer or other appropriate officer of the Authority, which policy and guidelines shall be satisfactory to the Bank;

(o) payment (or the Bank shall be reasonably satisfied that payment will be made promptly after demand therefor after the Amendment Effective Date) of the reasonable fees and expenses of counsel to the Bank payable by the Authority pursuant to Section 5 hereof;

(p) the Bank shall have had an opportunity to review substantially final drafts of any amendments to the Initial Swaps or any other Interest Rate Swap Agreement proposed to be entered into by the Authority; and

(q) all other legal matters pertaining to the execution and delivery of this Amendment No. 4 shall be reasonably satisfactory to the Bank and its counsel.

Section 4. Representations and Warranties by the Authority. The Authority hereby represents and warrants as of the Amendment Effective Date that:

(a) all representations and warranties made by the Authority in the Third Amended Agreement or in any of the Related Documents to which it is a party are true and correct on and as of the Amendment Effective Date with the same effect as though such representations and warranties had been made at and as of such time (except that the dates referenced in Section 4.01(e) of the Original Agreement shall be June 30, 2016);

(b) no Event of Default, Potential Default, Rating Event or Secondary Coverage Event has occurred and is continuing on the Amendment Effective Date;

(c) no default has occurred and is continuing under any of the Related Documents;

(d) the Authority is in compliance with the terms and conditions of the Third Amended Agreement and has performed or complied with all of its obligations, agreements and covenants to be performed or complied with pursuant to the Third Amended Agreement on or prior to the Amendment Effective Date;

(e) since June 30, 2016 there has been no material adverse change in the business, assets, condition, financial position, results of operations, properties, revenues or prospects of the Authority;

(f) this Amendment No. 4 and the Fee Letter Agreement Amendment No. 1 have been duly authorized, executed and delivered by the Authority and the Third Amended Agreement, as amended by this Amendment No. 4, and the Fee Letter Agreement, dated August 29, 2013 (the “Original Fee Letter Agreement”), by and between the Authority and the Bank, as amended by the Fee Letter Agreement Amendment No. 1, are valid and binding and are enforceable against the Authority in accordance with their respective terms; and

(g) all information, documents, statements and certificates provided to the Bank by or on behalf of the Authority in connection with the transactions contemplated by this Amendment No. 4 and the Fee Letter Agreement Amendment No. 1 are true and correct as of the date thereof and were provided in expectation of the Bank’s reliance thereon in executing this Amendment No. 4 and the Fee Letter Agreement Amendment No. 1.

Section 5. Costs and Expenses. The Authority shall pay to the Bank the reasonable fees and expenses of counsel to the Bank incurred by the Bank in connection with the execution and delivery of this Amendment No. 4 and the Fee Letter Agreement Amendment No. 1. The Authority hereby agrees that such fees and expenses are included as obligations under paragraph (b) of the Original Fee Letter Agreement and Section 8.12 of the Original Agreement.

Section 6. Miscellaneous.

(a) No Waiver. The Authority acknowledges and agrees that, if and to the extent that the Bank has not heretofore required strict compliance with the performance by the Authority of the covenants, agreements and obligations of the Authority under the Standby Bond Purchase Agreement or the Related Documents, such action or inaction shall not constitute a waiver of, or otherwise affect in any manner, the Bank’s rights and remedies under the Standby Bond Purchase Agreement or the Related Documents, as amended hereby, including the right to require performance of such covenants, agreements and obligations strictly in accordance with the terms and provisions thereof.

(b) Counterparts. This Amendment No. 4 may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together shall constitute one and the same instrument.

(c) Severability. Any provision of this Amendment No. 4 that is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

(d) Headings. Section and paragraph headings used in this Amendment No. 4 are for convenience of reference only and shall not affect the construction of this Amendment No. 4.

(e) Integration. This Amendment No. 4 is intended to be the final agreement between the parties hereto relating to the subject matter hereof and this Amendment No. 4 and any agreement, document or instrument attached hereto or referred to herein shall supersede all oral negotiations and prior writings with respect to the subject matter hereof.

(f) Governing Law. This Amendment No. 4 will be governed by, and construed in accordance with, the laws of the State without reference to its conflict of laws doctrine.

[The Remainder of This Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 4 to Standby Bond Purchase Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

SACRAMENTO TRANSPORTATION
AUTHORITY

By: _____
Name:
Title:

U.S. BANK NATIONAL ASSOCIATION, as the
Trustee

By: _____
Name:
Title:

U.S. BANK NATIONAL ASSOCIATION, as the
Bank

By: _____
Name:
Title: