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CONTINUING COVENANT AGREEMENT

EXECUTION VERSION

CONTINUING COVENANT AGREEMENT

dated as of May 1, 2017,

among

COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY,

COUNTY OF CONTRA COSTA,

DNT ASSET TRUST,
as Purchaser

and

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION,
as Bondholder Representative

relating to

$100,285,000
COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS
(CAPITAL PROJECTS)
2017 SERIES B

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EXHIBITS

EXHIBIT A – FORM OF COMPLIANCE CERTIFICATE

CONTINUING COVENANT AGREEMENT

This CONTINUING COVENANT AGREEMENT, dated as of May 1, 2017 (as amended, supplemented, modified or restated from time to time, this *"Agreement"*), among the COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly created by and existing under the laws of the State of California (the *"Authority"*), the COUNTY OF CONTRA COSTA, body corporate and politic and political subdivision of the State of California (the "*County*"), DNT ASSET TRUST, a Delaware business trust and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION.

RECITALS

WHEREAS, the Authority is issuing its Lease Revenue Bonds (Capital Projects) 2017 Series B (the *"Bonds"*) pursuant to a Trust Agreement dated as of May 1, 2017 (as the same may be amended, supplemented, modified or restated in accordance with the terms thereof and hereof, the *"Trust Agreement"*), between the Authority and Wells Fargo Bank, National Association, as trustee (the *"Trustee"*); and

WHEREAS, the County wishes to finance certain capital projects.

WHEREAS, pursuant to the terms of the hereinafter defined Site Lease, the County has leased to the Authority the Facilities (as hereinafter defined).

WHEREAS, pursuant to the terms of the hereinafter defined Facilities Lease, the Authority has subleased to the County the Facilities.

WHEREAS, the principal of and interest on the Bonds will be payable from the Base Rental Payments (as hereinafter defined) made by the County to the Authority pursuant to the terms of the Facilities Lease and the Authority has assigned its rights to receive such Base Rental Payments to the Trustee;

WHEREAS, the Purchaser (as hereinafter defined) has agreed to purchase the Bonds, and as a condition to such purchase, the Bondholder Representative, on behalf of the Purchaser, has required the County and the Authority to enter into this Agreement.

NOW, THEREFORE, to induce the Purchaser to purchase the Bonds, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the County, the Authority, the Bondholder Representative 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, the Trust Agreement and the Facilities Lease, the following terms shall have the following meanings:

"*1933 Act*" means the Securities Act of 1933, as amended.

"*Additional Payments*" has the meaning set forth in the Facilities Lease.

"*Affiliate*" means, with respect to any Person, any Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person. A Person shall be deemed to control another Person for the purposes of this definition if such first Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise.

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

"*Applicable Law*" means (a) all applicable common law and principles of equity and (b) all applicable provisions of all (i) constitutions, statutes, rules, regulations and orders of all Governmental Authorities, (ii) Governmental Approvals and (iii) orders, decisions, judgments, writs, injunctions and decrees of all courts (whether at law or in equity) and arbitrators.

"*Authority*" has the meaning set forth in the introductory paragraph hereof.

"*Authority Authorized Officer*" means any of the following officials of the Authority: the Chair, the Vice-Chair, the Executive Director, the Assistant Executive Director or the Deputy Executive Director or a designee of any such officer.

"*Authority Representative*" means any person authorized from time to time in writing by the Authority, or its successors and assigns, to perform a designated act or execute a designated document.

"*Bank Agreement*" means any credit agreement, liquidity agreement, standby bond purchase agreement, reimbursement agreement, direct purchase agreement, bond purchase agreement, or other agreement or instrument (or any amendment, supplement or other modification thereof) under which, directly or indirectly, any Person or Persons undertake(s) to make or provide funds to make payment of, or to purchase or provide credit enhancement for bonds or notes issued by or on behalf of the County.

"*Base Rate*" means, for any day, a fluctuating rate of interest per annum equal to the greatest of (i) the Prime Rate in effect at such time *plus* one percent (1.0%), (ii) the Federal

Funds Effective Rate in effect at such time *plus* two percent (2.0%), and (iii) seven percent (7.0%).

"*Base Rental Payments*" has the meaning set forth in the Facilities Lease.

"*Bond Counsel*" means Nixon Peabody LLP or any other firm of attorneys nationally recognized on the subject of tax-exempt municipal finance selected by the County.

"*Bondholder*" means the Purchaser and each Purchaser Transferee or Non-Purchaser Transferee pursuant to Section 9.13 hereof so long as such Purchaser Transferee or Non-Purchaser Transferee is an owner of Bonds.

"*Bondholder Representative*" means JPMorgan Chase Bank, National Association, and its successors and assigns.

"*Bonds*" has the meaning set forth in the recitals hereof.

"*Business Day*" means a day which is not (a) a Saturday, Sunday or legal holiday on which banking institutions in San Francisco, California or New York, New York or the states where the principal corporate office of the County or the principal corporate trust office of the Trustee is located are authorized by law to close, (b) a day on which the New York Stock Exchange or the Federal Reserve Bank is closed or (c) a day on which the principal office of the Bondholder Representative is closed.

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

"*Compliance Certificate*" means a certificate substantially in form of Exhibit A hereto.

"*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 or the Authority, as applicable, are treated as a single employer under Section 414 of the Code.

"*County*" has the meaning set forth in the introductory paragraph hereof.

"*County Authorized Officer*" means any of the following County officials: the Chair of the Board of Supervisors, the County Administrator of the County or the County Finance Director or by any such officials' duly appointed designee.

"*County Representative*" means any person authorized from time to time in writing by the County, or its successors and assigns, to perform a designated act or execute a designated document.

"*Cross-Default Parity Debt*" means any Debt (solely to the extent described in subparagraphs (a), (b), (c) or (e) of the definition of Debt) of the County (including, without

limitation, lease revenue bonds and certificates of participation) or issued on behalf of the County that is payable directly from, and rated based on, the County's general fund.

"Debt" of any Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person as lessee under capital leases, (d) all Guarantees by such Person of Debt of other Persons, (e) the maximum amount of all direct obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments and (f) all obligations of such Person under any Swap Contract.

"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" means, for any day, a rate of interest per annum equal to the sum of the Base Rate in effect on such day plus three percent (3.0%).

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

"Determination of Taxability" means and shall be deemed to have occurred on the first to occur of the following:

(i) the date on which the County or the Authority 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) the date on which the Bondholder or any former Bondholder notifies the Authority and 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 and the Authority of such notification from the Bondholder or any former Bondholder, the County or the Authority shall deliver to the Bondholder and any former Bondholder (A) the opinion of another nationally recognized firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that no Event of Taxability has occurred, or (B) a ruling or determination letter issued to or on behalf of the County or the Authority by the Commissioner of the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government 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) the date on which the Authority or the County shall be advised in writing by the Commissioner of the Internal Revenue Service or the Director of Tax-Exempt

Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government official exercising the same or a substantially similar function from time to time, including an employee subordinate to one of these officers who has been authorized to provide such advice) that, based upon filings of the County and/or the Authority, or upon any review or audit of the County and/or the Authority or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) the date on which the County and/or the Authority shall receive notice from the Bondholder, the Bondholder Representative, on behalf of the Purchaser, or any former Bondholder 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 Bondholder or such former Bondholder the interest on the Bonds 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 Bondholder, the Bondholder Representative, on behalf of the Purchaser, or former Bondholder, the Authority shall promptly reimburse, as Additional Payments, but solely from payments made by the County, such Bondholder, the Bondholder Representative, on behalf of the Purchaser, or former Bondholder for any payments, including any taxes, interest, penalties or other charges, such Bondholder (or former Bondholder) shall be obligated to make as a result of the Determination of Taxability.

"Effective Date" means May 26, 2017 subject to the satisfaction or waiver by the Bondholder Representative, on behalf of the Purchaser, of all of the conditions precedent set forth in Article IV hereof.

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

"Environmental Laws" means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

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

"*Event of Default*" with respect to this Agreement has the meaning set forth in Section 7.01 hereof and, with respect to any Related Document, has the meaning set forth therein.

"*Event of Taxability*" means the occurrence or existence of any fact, event or circumstance resulting from the taking of any action by the County or the Authority, or the failure to take any action by the County or the Authority, or the making by the County or the Authority of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Bonds which has the effect of causing interest paid or payable on the Bonds to become includable, in whole or in part, in the gross income of the Bondholder or any former Bondholder for federal income tax purposes.

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

"*Excluded Taxes*" means, with respect to the Purchaser or any Bondholder, (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 Bondholder is organized or in which its principal office is located, and (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which the Purchaser is located.

"*Executive Order*" has the meaning set forth in Section 5.01(aa) hereof.

"*Facilities*" has the meaning set forth in the Facilities Lease.

"*Facilities Lease*" means the lease, entitled "Facilities Lease" by and between the County and the Authority, dated as of May 1, 2017, which facilities lease or a memorandum thereof was recorded in the office of the County Recorder of the County of Contra Costa on May 26, 2017, having the document number identified in the Trust Agreement, as originally executed and recorded or as it may from time to time be amended, supplemented, modified or restated pursuant to the provisions hereof and thereof.

"*Federal Funds Effective Rate*" means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions, as determined in such manner as the NYFRB shall set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as the federal funds effective rate, provided that if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to zero for the purposes of this Agreement. Notwithstanding anything herein to the contrary, if the Federal Funds Rate as determined as provided above would be less than zero percent (0.0%), then the Federal Funds Rate shall be deemed to be zero percent (0.0%).

"*Fiscal Year*" means the twelve-month period from July 1 through the following June 30.

"*Fitch*" means Fitch, Inc., and any successor rating agency.

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

"Generally Accepted Accounting Principles" or *"GAAP"* means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants, statements and pronouncements of the Financial Accounting Standards Board (or any successor authority) and statements and pronouncements of the Governmental Accounting Standards Board (or any successor authority), in each case 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, permit, license, a registration or filing with any Governmental Authority.

"Governmental Authority" means the government of the United States of America 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 (including any supra-national bodies such as the European Union or European Central Bank), or any arbitrator, mediator or other Person with authority to bind a party at law.

"Guarantee" means, as to any Person, any (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Debt or other obligation payable or performable by another Person (the *"primary obligor"*) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Debt or other obligation of the payment or performance of such Debt or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Debt or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Debt or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Debt or other obligation of any other Person, whether or not such Debt or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Debt to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

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

"*Investment Policy"* means the investment policy of the County delivered to the Bondholder Representative, on behalf of the Purchaser, pursuant to Section 4.01(a)(iv) hereof.

"*Investor Letter"* has the meaning set forth in Section 9.13(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.

"*Lease Payments"* means, collectively, the Base Rental Payments and the Additional Payments.

"*Liabilities"* has the meaning set forth in Section 8.01 hereof.

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

"*Majority Bondholder"* means the Bondholders with a majority of the aggregate principal amount of Bonds from time to time. As of the Effective Date, DNT Asset Trust shall be the Majority Bondholder.

"*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.

"*Material Adverse Effect"* means: (a) a material adverse change in the financial condition of the County; (b) a material impairment of the ability of the County or the Authority to perform its respective obligations under any Related Document to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the County or the Authority of any Related Document to which it is a party.

"*Maximum Annual Rent"* means (a) for each Rental Payment Period, $8,037,050.23 or, (b) if the fair rental value of the Facilities has changed after the Effective Date (other than as described in (a) above), including through the substitution, release or addition of real property pursuant to Section 2.03 of the Facilities Lease, the fair rental value of the Facilities for such Rental Payment Period as determined by a written appraisal of an independent appraiser or as otherwise reasonably determined by the County in accordance with the Facilities Lease.

"*Maximum Interest Rate"* means the maximum rate of interest on the relevant obligation permitted by applicable law.

"*Moody's*" means Moody's Investors Service, Inc. and any successor rating agency.

"*Non-Purchaser Transferee*" has the meaning set forth in Section 9.13(c) hereof.

"*NYFRB*" means the Federal Reserve Bank of New York.

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

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

"*Other Taxes*" has the meaning set forth in Section 3.05(a) hereof.

"*Parity Debt*" means any Debt of the County (including, without limitation, lease revenue bonds and certificates of participation) or Debt issued on behalf of the County that is payable directly from, and rated based on, the County's general fund.

"*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).

"*PBGC*" means the Pension Benefit Guaranty Corporation or any successor thereto.

"*Permitted Encumbrances*" has the meaning set forth in the the Trust Agreement.

"*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.

"*Plan*" means, with respect to the County or the Authority, as applicable, at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained, or has within the preceding five plan years been maintained, by a member of the Controlled Group for employees of a member of the Controlled Group of which the County or the Authority, as applicable, is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the County or the Authority, as applicable, is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

"*Prime Rate*" means the rate of interest per annum publicly announced from time to time by the Bondholder Representative as its prime rate in effect at its principal offices in New York,

New York. Each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective. Notwithstanding anything herein to the contrary, if the Prime Rate determined as provided above would be less than zero percent (0.0%), then the Prime Rate shall be deemed to be zero percent (0.0%).

"*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.

"*Purchase Price*" has the meaning set forth in Section 2.01(a) hereof.

"*Purchaser*" means, initially, DNT Asset Trust, a Delaware business trust, 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 9.13(a) from time to time means the Person designated in such notice as the Purchaser, as more fully provided in Section 9.13(a) hereof.

"*Purchaser Affiliate*" means the Purchaser and any Affiliate of the Purchaser.

"*Purchaser Transferee*" has the meaning set forth in Section 9.13(b) hereof.

"*Rating Agency*" means any of S&P, Moody's and Fitch, as applicable.

"*Related Documents*" means this Agreement, the Trust Agreement, the Bonds, the Site Lease, the Facilities Lease and any exhibits, schedules, instruments or agreements relating thereto, as the same may be amended, modified or supplemented in accordance with the terms thereof and hereof.

"*Rental Payment Period*" has the meaning set forth in the Facilities Lease.

"*Revenues*" has the meaning set forth in the Trust Agreement.

"*S&P*" means S&P Global Ratings, and any successor rating agency.

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

"*Site Lease*" means the lease, entitled "Site Lease," by and between the County and the Authority, dated as of May 1, 2017, which lease or a memorandum thereof was recorded in the office of the County Recorder of the County of Contra Costa on May 26, 2017, having the document number identified in the Trust Agreement, as originally executed and recorded or as it may from time to time be amended, supplemented, modified or restated pursuant to the provisions hereof and thereof.

"*State*" means the State of California.

"*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.

"*Taxable Date*" means the date on which interest on the Bonds is first includable in gross income of the Bondholder (including, without limitation, any previous Bondholder) thereof as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.

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

"*Taxable Rate*" means, a per annum rate equal to 3.751%.

"*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.

"*Title Company*" means First American Title Insurance Company.

"*Trustee*" has the meaning set forth in the recitals hereof.

"*Trust Agreement*" has the meaning set forth in the recitals hereof.

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 Section 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, either the County, the Authority or the Bondholder Representative, on behalf of the Purchaser, may by notice to the other party hereto, require that the Bondholder Representative, on behalf of the Purchaser, the County and/or the Authority, as applicable, 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, the Authority or the Bondholder Representative, on behalf of 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 1.04, 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 Related Documents; Incorporation by Reference. (a) Nothing in this Agreement shall be deemed to amend, or relieve the County or the Authority of its respective obligations under, any Related Document to which they are a party. Conversely, to the extent that the provisions of any Related Document allow the County or the Authority to take certain actions, or not to take certain actions, with regard for example to permitted liens, transfers of assets, maintenance of financial ratios and similar matters, the County and the Authority 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 Related 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 Related Documents, the termination or defeasance thereof or any amendment thereto or any waiver given in connection therewith, so long as this Agreement is in effect and until all Obligations are paid in full. No amendment, modification, consent, waiver or termination with respect to any of such Sections

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

ARTICLE II

PURCHASE OF BONDS

Section 2.01. Purchase of Bonds.

(a) *Purchase Price.* Upon the conditions set forth in Article IV hereof and based on the representations, warranties and covenants of the County and the Authority set forth in the Trust Agreement, the Facilities Lease and herein, the Purchaser hereby agrees to purchase from the Authority and the Authority agrees to sell to the Purchaser, all, but not less than all, of the Bonds at par in an aggregate principal amount equal to $100,285,000 for the Bonds (the "*Purchase Price*").

(b) *Closing*. On the Effective Date, the County and the Authority shall deliver to the Bondholder Representative, on behalf of the Purchaser, the documents described in Article IV hereof. Upon delivery of such documents and the satisfaction or waiver by the Bondholder Representative, on behalf of the Purchaser, of the conditions precedent set forth in Article IV hereof, the Purchaser will pay the full Purchase Price in immediately available federal funds payable to the Trustee on behalf of the County and the Authority. One fully registered Bond, in the aggregate principal amount equal to the Purchase Price, shall be issued to and registered in the name of the Purchaser, or as otherwise directed by the Bondholder Representative, on behalf of the Purchaser. The Bonds shall be so issued and registered to and held by the Bondholder Representative, on behalf of the Purchaser, or as otherwise directed by the Purchaser.

ARTICLE III

THE COUNTY'S AND AUTHORITY'S OBLIGATIONS

Section 3.01. Payment Obligations. (a) The County or the Authority, as applicable, hereby unconditionally, irrevocably and absolutely agrees to make prompt and full payment of all payment obligations owed to the Purchaser under the Related 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 Related Documents and under such Obligations.

(b) The principal of and interest on the Bonds is due and payable on each mandatory sinking fund payment date and on the maturity date in accordance with the Trust Agreement. In the event the Bondholders have not received all payments on the Bonds due on each mandatory sinking fund payment date and on the maturity date in accordance with the Trust Agreement, it shall constitute an Event of Default hereunder and under the Trust Agreement and the County and/or the Authority shall pay or cause to be paid to the Bondholders interest on the unpaid principal amount of such Bonds from such mandatory sinking fund payment date or the maturity date, as applicable, until the date all such Bonds are paid in full at a rate per annum equal to the Default Rate, payable on demand. The Bonds shall mature on the maturity date in accordance with the Trust Agreement unless, prior to such date, the Bonds are accelerated pursuant to the Trust Agreement due to an Event of Default or the Bonds are redeemed or otherwise prepaid in full prior to such date at the option of the Authority in accordance with the Trust Agreement and Section 6.17(b) herein. Any optional redemption or prepayment shall be subject to Section 3.07 hereof.

(c) The County and/or the Authority, as applicable, shall pay to the Bondholder Representative, on behalf of the Purchaser, as Additional Payments, within thirty (30) days after demand:

(i) if an Event of Default shall have occurred, all costs and expenses of the Bondholder Representative and 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 Related Documents and such other documents which may be delivered in connection therewith;

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

(iii) the reasonable fees and out-of-pocket expenses for counsel or other reasonably required consultants to the Bondholder Representative and the Purchaser in connection with advising the Bondholder Representative, on behalf of the Purchaser, as to its rights and responsibilities under this Agreement and the other Related Documents in connection with responding to requests from the County or the Authority 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 Related 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 Related Documents, then, if the County and/or the Authority lawfully may pay for such stamps, taxes or fees, the County and/or the Authority, as applicable, shall pay as

Additional Payments, when due and payable, for all such stamps, taxes and fees, including interest and penalties thereon, and the County and the Authority agree to save the Purchaser harmless from and against any and all liabilities with respect to or resulting from any delay of the County and/or the Authority in paying, or omission of the County and/or the Authority 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 Authority to each Bondholder (or, if applicable, the Purchaser) upon demand therefor and be calculated on the basis of a 360-day year and actual days elapsed. Notwithstanding anything to the contrary herein, upon a Determination of Taxability, the Obligations shall bear interest at the Taxable Rate rather than the Default Rate, and, together with Section 3.03 hereof, shall be the sole remedies for a breach of Section 6.24 hereof; *provided* that if any other Event of Default shall have occurred and be continuing (other than as a result of a breach of Section 6.24 hereof), the Obligations shall bear interest at the Default Rate.

Section 3.03. Determination of Taxability. (i) In the event a Determination of Taxability occurs, to the extent not payable to each Bondholder (or to the Purchaser for the period that it was the Bondholder of any of the Bonds) under the terms of the Trust Agreement and the Bonds, the County and/or the Authority, as applicable, hereby agrees to pay as Additional Payment**s** to the Authority or each Bondholder (or, if applicable, the Purchaser), as required pursuant to the terms of the Facilities Lease, on demand therefor (1) an amount equal to the difference between (A) the amount of interest that would have been paid to such Bondholder (or, if applicable, the Purchaser) on the Bonds during the period for which interest on the Bonds is included in the gross income of such Bondholder (or, if applicable, the Purchaser) if the Bonds 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 Bondholder (or, if applicable, the Purchaser) during the Taxable Period, and (2) an amount equal to any interest, penalties or charges owed by such Bondholder (or, if applicable, the Purchaser) as a result of interest on the Bonds becoming included in the gross income of such Bondholder (or, if applicable, the Purchaser), together with any and all attorneys' fees, court costs, or other out-of-pocket costs incurred by such Bondholder (or, if applicable, the Purchaser) in connection therewith;

(ii) Subject to the provisions of clause (iii) below, such Bondholder (or, if applicable, the Purchaser) shall afford the County and/or the Authority the opportunity, at its sole cost and expense, to contest any challenge to the validity of the tax exemption with respect to the interest on the Bonds, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals); *provided* that, in no event shall a Bondholder be required to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the County and/or the Authority or any other Person; and

(iii) As a condition precedent to the exercise by the County and/or the Authority of its right to contest set forth in clause (ii) above, the County and/or the Authority, as applicable, shall, on demand, immediately reimburse such Bondholder (or, if applicable, the Purchaser), as Additional Payments, for any and all expenses (including attorneys' fees for services that may be required or desirable, as reasonably determined by such Bondholder (or, if applicable, the

Purchaser) that may be incurred by the Bondholder (or, if applicable, the Purchaser) in connection with any such contest, and shall, on demand, immediately reimburse the Bondholder (or, if applicable, the Purchaser) for any and all penalties or other charges payable by such Bondholder (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 Bonds 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 Bondholder 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 Bondholder of the entire Excess Interest Amount.

(iii) Notwithstanding the foregoing, on the date on which no principal amount with respect to the Bonds remains unpaid, the County and/or the Authority, as applicable, shall pay to each Bondholder as Additional Payments a fee equal to any accrued and unpaid Excess Interest Amount.

Section 3.05. Net of Taxes, Etc. (a) Any and all payments to the Purchaser or any Bondholder by the County and/or the Authority hereunder or with respect to the Bonds shall be made free and clear of and without deduction or withholding for any and all Indemnified Taxes. If the County and/or the Authority shall be required by law to deduct or withhold any Indemnified Taxes imposed by the United States of America or any political subdivision thereof from or in respect of any sum payable hereunder or with respect to the Bonds, then (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Purchaser or such Bondholder receives an amount equal to the sum it would have received had no such deductions been made, (ii) the County and/or the Authority, as applicable, shall make such deductions and (iii) the County and/or the Authority, as applicable, shall timely pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. If the County and/or the Authority shall make any payment under this Section to or for the benefit of the Purchaser or such Bondholder with respect to Indemnified Taxes and if the Purchaser or such Bondholder shall claim any credit or deduction for such Indemnified Taxes against any other taxes payable by the Purchaser or such Bondholder to any taxing jurisdiction in the United States of America then the Purchaser or such Bondholder shall pay to the County and/or the Authority, as applicable, an amount equal to the amount by which such other taxes are actually reduced; *provided*, that the aggregate amount payable by the Purchaser or such Bondholder pursuant to this sentence shall not exceed the aggregate amount previously paid by the County and/or the Authority with respect to such Indemnified Taxes. In addition, the County and/or the Authority, as applicable, agree to pay any present or future stamp, recording or documentary taxes and any other excise or property taxes, charges or similar levies that arise under the laws of the United States of America or any state of the United States from any payment made hereunder or under the Bonds or from the execution or delivery of this Agreement or the Bonds, or otherwise with respect to this Agreement or the Bonds (hereinafter referred to as *"Other Taxes"*). The Purchaser or such Bondholder shall provide to the County and the Authority within a reasonable time a copy of any written notification it receives with respect to Indemnified Taxes or Other Taxes owing by the County and/or the Authority to the Purchaser or such Bondholder hereunder; *provided*, that the Purchaser or such Bondholder's failure to send such notice shall not relieve the County and/or the Authority, as applicable, of its obligation to pay such amounts hereunder.

(b) The County and/or the Authority, as applicable, shall, to the fullest extent permitted by law and subject to the provisions hereof, pay the Purchaser or such Bondholder for the full amount of Indemnified Taxes and Other Taxes, as Additional Payments, including any Indemnified Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section paid by the Purchaser or such Bondholder or any liability (including penalties, interest and reasonable expenses) arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally asserted; *provided*, that the County and/or the Authority, as applicable, shall not be obligated to pay the Purchaser or such Bondholder for any penalties, interest or expenses relating to Indemnified Taxes or Other Taxes arising from the Purchaser or such Bondholder's gross negligence or willful misconduct. The Purchaser or such Bondholder agrees to give notice to the County and the Authority of the assertion of any claim against the Purchaser or such Bondholder relating to such Indemnified Taxes or Other Taxes as promptly as is practicable after being notified of such assertion;

provided, that the Purchaser or such Bondholder's failure to notify the County and the Authority promptly of such assertion shall not relieve the County and the Authority, as applicable, of its obligation under this Section. Payments by the County or the Authority, as applicable, pursuant to this Section shall be made within thirty (30) days from the date the Purchaser or such Bondholder makes written demand therefor, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof. The Purchaser or such Bondholder agrees to repay to the County or the Authority, as applicable, any refund (including that portion of any interest that was included as part of such refund) with respect to Indemnified Taxes or Other Taxes paid by the County or the Authority pursuant to this Section received by the Purchaser or such Bondholder for Indemnified Taxes or Other Taxes that were paid by the County or the Authority pursuant to this Section and to contest, with the cooperation and at the expense of the County of the Authority, any such Indemnified Taxes or Other Taxes which the Purchaser or such Bondholder or the County or the Authority reasonably believes not to have been properly assessed.

(c) Within thirty (30) days after the date of any payment of Indemnified Taxes by the County or the Authority, as applicable, the County or the Authority, as applicable, shall furnish to the Purchaser or such Bondholder, as applicable, the original or a certified copy of a receipt evidencing payment thereof.

(d) Without prejudice to the survival of any other agreement of the County or the Authority hereunder, the agreements and obligations of the County or the Authority, as applicable, contained in this Section shall survive the termination of this Agreement and the payment in full of the Bonds and the obligations of the County and the Authority thereunder and hereunder for a period of three (3) years following termination of this Agreement.

Section 3.06. Obligations Absolute. The payment obligations of the County and/or the Authority, as applicable, under this Agreement shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms of this Agreement under all circumstances.

Notwithstanding this Section, the Bondholder Representative, on behalf of the Purchaser, acknowledges the County and/or the Authority, as applicable, may have the right to bring a cause of action with respect to certain circumstances, such as any lack of validity or enforceability of this Agreement, the Bonds or any other Related Documents. The County's and the Authority'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. Notwithstanding anything to the contrary herein, nothing contained in this Section 3.06 shall abrogate or otherwise affect the rights of the County pursuant to Section 3.06 of the Facilities Lease.

Section 3.07. Prepayment; Funding Indemnity. (a) The Bonds are not subject to prepayment at the option of the County.

(b) In the event a Bondholder 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 such Bondholder to purchase or

hold the Bonds or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to the Bondholder or the Bondholder Representative, on behalf of the Purchaser, as applicable) as a result of any purchase, redemption (not including the redemptions required pursuant to Sections 4.01 or 4.03 of the Trust Agreement) or other prepayment of the Bonds for any reason, 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 such Bondholder, the County shall pay to such Bondholder or the Bondholder Representative, on behalf of the Purchaser, as applicable, a premium in such amount as will reimburse such Bondholder for such loss, cost, or expense. If such Bondholder requests such premium, it shall provide to the County, a certificate prepared in good faith and in reasonable detail setting forth the computation of the loss, cost, or expense giving rise to the request for such premium in reasonable detail and such certificate shall be conclusive if reasonably determined.

Section 3.08. Nature of Obligations. (a) Notwithstanding the foregoing or any other term or payment obligation set forth herein, the obligations of the Authority under this Agreement are a special obligation of the Authority payable solely from the Revenues and Additional Payments.

(b) Notwithstanding the foregoing or any other term or payment obligation set forth herein, the County shall have no obligation to make Lease Payments in any Rental Payment Period under the Facilities Lease in excess of the maximum annual fair market rental value of the Facilities for such period. The County hereby represents and warrants that its obligations to make Lease Payments and the obligations of the County under this Agreement are payable in accordance with the provisions of the Facilities Lease as Lease Payments (subject to the preceding sentence) and the amounts on deposit with the Trustee and held by the Trustee under the Trust Agreement. The County further represents and warrants that the obligations of the County under the Facilities Lease to make the Lease Payments are payable from the General Fund of the County and any other legally available funds of the County.

ARTICLE IV

CONDITIONS PRECEDENT TO PURCHASE OF BONDS

Section 4.01. Documentary Requirements. The obligation of the Purchaser to purchase the Bonds is subject to the conditions precedent that the Bondholder Representative 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 Bondholder Representative.

(a) The following County and Authority authorizing resolutions and financial information:

(i) copies of the resolutions of the governing body of the County approving the execution and delivery of the Related Documents to which the County is a party, approving the form of the Related Documents to which it is not a party and the other matters contemplated hereby, certified by a County Representative as being true and complete and in full force and effect on the Effective Date;

(ii) copies of the resolutions of the governing body of the Authority approving the execution and delivery of the Related Documents to which the Authority is a party, approving the form of the Related Documents to which it is not a party and the other matters contemplated hereby, certified by an Authority Representative as being true and complete and in full force and effect on the Effective Date;

(iii) the audited annual financial statements of the County for the Fiscal Year ended June 30, 2016; and

(iv) a copy of the County's Investment Policy in effect as of the Effective Date.

(b) The following financing documents:

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

(ii) a specimen copy of the Bond.

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

(i) from counsel to the County, opinions as to the due authorization, execution and delivery of the Related Documents to which the County is a party, no pending (with service of process of the County complete) litigation (to such counsel's knowledge) against and naming the County challenging any of the Related Documents or the issuance of the Bonds, and such other customary matters as the Bondholder Representative may reasonably request;

(ii) from counsel to the Authority, opinions as to the due authorization, execution and delivery of the Related Documents to which the Authority is a party, no pending (with service of process of the Authority complete) litigation (to such counsel's knowledge) against and naming the Authority challenging any of the Related Documents or the issuance of the Bonds and such other customary matters as the Bondholder Representative may reasonably request; and

(iii) from Bond Counsel, opinions to the effect that the Related Documents to which the County and/or the Authority are a party constitute the valid and binding obligations of the County and/or the Authority, as the case may be, and the interest on the Bonds is excludable from gross income for federal income tax purposes and such other customary matters as the Bondholder Representative may reasonably request.

(d) The following documents and other information:

(i) a certificate dated the Effective Date and executed by a County Representative certifying (A) that there has been no event or circumstance since June 30, 2016, that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect, (B) that the representations and warranties contained in Article V hereof and the other Related Documents are true and correct in all material respects on the Effective Date and (C) no event has occurred and is continuing, or would result from entry into this Agreement, which would constitute a Default or Event of Default;

(ii) a certificate dated the Effective Date and executed by an Authority Representative certifying (A) that there has been no event or circumstance since June 30, 2016, that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect, (B) that the representations and warranties contained in Article V hereof and the other Related Documents are true and correct in all material respects on the Effective Date and (C) no event has occurred and is continuing, or would result from entry into this Agreement, which would constitute a Default or Event of Default;

(iii) (x) a certificate dated the Effective Date and executed by a County Representative certifying the names and signatures of the persons authorized to sign, on behalf of the County, the Related Documents to which it is a party and the other documents to be delivered by it hereunder or thereunder and (y) a certificate dated the Effective Date and executed by an Authority Representative certifying the names and signatures of the persons authorized to sign, on behalf of the Authority, the Related Documents to which it is a party and the other documents to be delivered by it hereunder or thereunder;

(iv) a certificate of the County that the fair rental value of the Facilities for each Base Rental Period is at least equal to maximum Lease Payments to be made under the Facilities Lease in any Rental Payment Period;

(v) true and correct copies of all Governmental Approvals, if any, necessary for the County and the Authority to execute, deliver and perform the Related Documents to which it is a party;

(vi) evidence of the County's hazard and rental interruption insurance for the Facilities and such other insurance in form and substance satisfactory to the Bondholder Representative;

(vii) an ALTA extended coverage leasehold policy of title insurance (2006) (or a commitment therefor), issued by the Title Company and in favor of the Trustee, in an amount not less than the aggregate principal amount of the Bonds, subject only to such exceptions as shall be acceptable to the Bondholder Representative, with such endorsements and affirmative coverages as may be reasonably required by the Bondholder Representative, and otherwise in form and substance satisfactory to the Bondholder Representative and its counsel;

(viii) a flood zone determination on the Facilities and, if located within a special flood hazard area, evidence of flood insurance on the Facilities, in each case, in form and substance satisfactory to the Bondholder Representative, on behalf of the Purchaser; and

(ix) recent evidence that the unenhanced long-term debt rating assigned by Moody's and S&P to any Parity Debt is at least "Aa3" and "AA+," respectively.

Section 4.02. Litigation. The Bondholder Representative, on behalf of the Purchaser, shall have received a written description of all actions, suits or proceedings pending, with service of process on the County or the Authority complete, against the County or the Authority in any court or before any arbitrator of any kind or before or by any governmental or non-governmental body which could reasonably be expected to result in a Material Adverse Effect, if any, and such information with respect thereto as the Bondholder Representative, on behalf of 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 Related Documents shall be satisfactory to the Bondholder Representative and its counsel, and the Bondholder Representative, on behalf of the Purchaser, shall have received such other statements, certificates, agreements, documents and information with respect to the County, the Authority and the other parties to the Related Documents and matters contemplated by this Agreement as the Bondholder Representative, on behalf of the Purchaser, may reasonably request.

Section 4.04. Payment of Fees and Expenses. On or prior to the Effective Date, the Bondholder Representative, on behalf of the Purchaser, shall have received reimbursement of the following fees and expenses of the Purchaser:

(i) the reasonable fees and expenses of Chapman and Cutler LLP; and

(ii) any fee payable to the California Debt and Investment Advisory Commission by the Purchaser with respect to the Bonds.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Section 5.01. Representations of the County. The County makes the following representations and warranties to the Bondholder Representative, on behalf of the Purchaser, and each Bondholder:

(a) *Existence and Power*. The County is a county organized and validly existing under the Constitution and general laws of the State and has the power and authority to own its properties and to carry on its businesses as now being conducted and as currently contemplated to be conducted hereafter and is duly qualified to do business in each jurisdiction in which the character of the properties owned or leased by it or in which the transactions of any material portion of its business (as now conducted and as currently contemplated to be conducted) makes such qualification necessary.

(b) *Due Authorization*. (i) The County has the corporate power, and has taken all necessary corporate action to authorize the Related Documents to which it is a party, and to execute, deliver and perform its obligations under this Agreement and each of the other Related Documents to which it is a party in accordance with their respective terms. The County has approved the form of the Related Documents to which it is not a party.

(ii) The County is duly authorized and licensed to own its Property and to operate its business under the laws, rulings, regulations and ordinances of all Governmental Authorities having the jurisdiction to license or regulate such Property or business activity and the departments, agencies and political subdivisions thereof, and the County has obtained all requisite approvals of all such governing bodies required to be obtained for such purposes. All Governmental Approvals necessary for the County to enter into this Agreement and the other Related Documents and to perform the transactions contemplated hereby and thereby and to conduct its business activities and own its property have been obtained and remain in full force and effect and are subject to no further administrative or judicial review. No other Governmental Approval or other action by, and no notice to or filing with, any Governmental Authority is required for the due execution, delivery and performance by the County of this Agreement or the due execution, delivery or performance by the County of the Related Documents.

(c) *Valid and Binding Obligations.* This Agreement has been duly executed and delivered by one or more duly authorized officers of the County, and each of the Related Documents to which the County is a party, when executed and delivered by the County will be, a legal, valid and binding obligation of the County enforceable in accordance with its terms, except as such enforceability may be limited by (a) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally, and (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) *Non-contravention; Compliance with Law*. (i) The execution, delivery and performance of this Agreement and each of the other Related Documents in accordance with

their respective terms do not and will not (A) contravene the County's authorizing legislation, (B) require any consent or approval of any creditor of the County, (C) violate any Laws (including, without limitation, Regulations T, U or X of the FRB, or any successor regulations), (D) conflict with, result in a breach of or constitute a default under any contract to which the County is a party or by which it or any of its Property may be bound, including, without limitation, the Facilities, or (E) result in or require the creation or imposition of any Lien upon or with respect to any Property now owned or hereafter acquired by the County or any Affiliate thereof, including, without limitation, the Facilities, except such Liens, if any, expressly created by a Related Document.

(ii) The County is in compliance with all Laws, except for such noncompliance that, singly or in the aggregate, has not caused or is not reasonably expected to cause a Material Adverse Effect.

(e) *Pending Litigation and Other Proceedings*. There is no action, suit or proceeding pending in any court, any other governmental authority with jurisdiction over the County or any arbitration in which service of process has been completed against the County or, to the knowledge of the County, any other action, suit or proceeding pending in which service of process has been completed against the County in any court, any other governmental authority with jurisdiction over the County or any arbitrator, in either case against the County or any of its properties or revenues, or any of the Related Documents to which it is a party, which if determined adversely to the County would materially and adversely affect the rights, security, interests or remedies of the Purchaser hereunder or under any of the other Related Documents or which is reasonably likely to result in a Material Adverse Effect, except any action, suit or proceeding which has been brought prior to the Effective Date as to which the Bondholder Representative, on behalf of the Purchaser, has received an opinion of counsel satisfactory to the Bondholder Representative, on behalf of the Purchaser, in form and substance satisfactory to the Bondholder Representative, on behalf of the Purchaser, and the Bondholder Representative's legal counsel, to the effect that such action, suit or proceeding is without substantial merit.

(f) *Financial Statements*. The audited financial statements of the County as at June 30, 2016, and the related consolidated statement of activities and changes in net assets and the consolidated statement of cash flows for the Fiscal Year then ended, and accompanying notes thereto, which financial statements, accompanied by the audit report of Macias, Gini & O'Connell LLP, or a nationally recognized independent public accountants reasonably acceptable to the Bondholder Representative, on behalf of the Purchaser, heretofore furnished to the Bondholder Representative, on behalf of the Purchaser, (fairly present the financial condition of the County in all material respects as of such dates and the results of its operations for the periods then ended in conformity with GAAP). Since June 30, 2016, there has been no material adverse change in the financial condition or operations of the County that could reasonably be expected to result in a Material Adverse Effect.

(g) *Employee Benefit Plan Compliance.* Except as previously disclosed in writing to the Purchaser, the County has no funding liability or obligation currently due and payable with respect to any employee benefit plan which could reasonably be expected to result in a Material Adverse Effect. The County and each employee benefit plan is in compliance in all material

respects with the terms of any such plan and applicable law related thereto. Neither the County nor a member of the Controlled Group is subject to ERISA or maintains a Plan.

(h) *No Defaults*. No default by the County has occurred and is continuing in the payment of the principal of or premium, if any, or interest on any Parity Debt. No bankruptcy, insolvency or other similar proceedings pertaining to the County are pending or presently contemplated. No Default or Event of Default has occurred and is continuing hereunder. No "default" or "event of default" under, and as defined in, any of the other Related Documents has occurred and is continuing. The County is not presently in default under any material agreement to which it is a party which could reasonably be expected to have a Material Adverse Effect. The County is not in violation of any material term of the authorizing legislation applicable to the County or any material term of any bond indenture or agreement to which it is a party or by which any of its Property is bound which could reasonably be expected to result in a Material Adverse Effect.

(i) *Insurance*. The County currently maintains a system of self-insurance and extended insurance coverage with insurance companies believed by the County to be capable of performing their obligations under the respective insurance policies issued by such insurance companies to the County (as determined in its reasonable discretion) and in full compliance with the Facilities Lease and Section 6.04 hereof**.**

(j) *Title to Assets and Facilities*. The County has good and marketable title to its assets except where the failure to have good and marketable title to any of its assets would not have a Material Adverse Effect. The Facilities Lease is in full force and effect. The County, as lessee under the Facilities Lease, has beneficial use and occupancy of each of the Facilities. The Trustee has not granted to the County or the Authority any waiver, indulgence or postponement of any of the County's obligations under the Facilities Lease. There exists no event of default or event, occurrence, condition or act that, with the giving of notice, the lapse of time or the happening of any further event or condition, would become a default under the Facilities Lease. The County has a valid and enforceable fee simple interest in the Facilities, subject only to Permitted Encumbrances.

(k) *Incorporation by Reference*. The representations and warranties of the County contained in the other Related Documents to which the County is a party, together with the related definitions of terms contained therein, are hereby incorporated by reference in this Agreement as if each and every such representation and warranty and definition were set forth herein in its entirety, and the representations and warranties made by the County in such Sections are hereby made for the benefit of the Purchaser. No amendment to or waiver of such representations and warranties or definitions made pursuant to the relevant Related Document or incorporated by reference shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Bondholder Representative, on behalf of the Purchaser.

(l) *Correct Information.* All written information, reports and other papers and data with respect to the County furnished by the County to the Bondholder Representative, on behalf of the Purchaser, were, at the time the same were so furnished, correct in all material respects.

Any financial, budget and other projections furnished by the County to the Bondholder Representative, on behalf of the Purchaser, were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent (subject to the updating or supplementation of any such financial, budget or other projections by any additional information provided to the Bondholder Representative, on behalf of the Purchaser in writing, the representations contained in this Agreement being limited to financial, budget or other projections as so updated or supplemented), in the judgment of the County, a reasonable, good faith estimate of the information purported to be set forth, it being understood that uncertainty is inherent in any projections and that no assurance can be given that the results set forth in the projections will actually be obtained. No fact is known to the County that materially and adversely affects or in the future may (as far as it can reasonably foresee) materially and adversely affect the security for any of the Bonds, or the ability of the County to repay when due the Obligations, that has not been set forth in the financial statements and other documents referred to in this Section 5.01(l) or in such information, reports, papers and data or otherwise disclosed in writing to the Bondholder Representative, on behalf of the Purchaser. The documents furnished and statements made by the County in connection with the negotiation, preparation or execution of this Agreement and the Related Documents did not, as of the date furnished or made, contain untrue statements of material facts or, when taken as a whole, omit to state material facts necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

(m) *Investment Company.* The County is not an "investment company" or a company "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended.

(n) *Margin Stock.* The County is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds from the issuance of the Bonds will be used to purchase or carry any such Margin Stock or extend credit to others for the purpose of purchasing or carrying any such Margin Stock.

(o) *Tax-Exempt Status.* The County has not taken any action or omitted to take any action, and has no actual knowledge of any action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes or the exemption of interest on the Bonds from State personal income taxes.

(p) *Usury.* The interest rate on the obligations of the County under the Related Documents and the Bonds and all other Obligations hereunder will not violate California usury limitations.

(q) *Nature of Obligations.* The Bonds and the other Obligations are payable from the Lease Payments appropriated from the County's general fund.

(r) *Pending Legislation and Decisions.* There is no amendment, or to the knowledge of the County, proposed amendment to the Constitution of the State or any State law or any administrative interpretation of the Constitution of the State or any State law, or any legislation that has passed either house of the legislature of the State, or any judicial decision interpreting any of the foregoing, the effect of which will materially and adversely affect the issuance of any of the Bonds, the security for any of the Bonds or any Obligation, the creation, organization, or existence of the County or the titles to office of any officers executing this Agreement or any Related Documents to which the County is a party or the County's ability to repay when due its obligations under this Agreement, any of the Bonds or any other Obligation.

(s) *Trustee.* Wells Fargo Bank, National Association is the duly appointed and acting Trustee for the Bonds.

(t) *Environmental Matters*. (i) The operations of the County are, to the County's knowledge after reasonable diligence with respect thereto, in material compliance with all of the requirements of applicable federal, state and local environmental, health and safety statutes and regulations and are not the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, where a failure to comply with any such requirement or the need for any such remedial action could reasonably be expected to result in a Material Adverse Effect and (ii) the operations of the County with respect to the Facilities are in material compliance with all of the requirements of applicable federal, state and local environmental, health and safety statutes and regulations and are not the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, where a failure to comply with any such requirement or the need for any such remedial action could reasonably be expected to result in a Material Adverse Effect and or a material adverse effect on the annual fair market rental value of any of the Facilities.

(u) *No Immunity*. The County is not entitled to claim immunity on the grounds of sovereignty or other similar grounds (including, without limitation, governmental immunity) with respect to itself or its revenues (irrespective of their use or intended use) from (i) any action, suit or other proceeding arising under or relating to this Agreement or any other Related Document, (ii) relief by way of injunction, order for specific performance or writ of mandamus or for recovery of property or (iii) execution or enforcement of any judgment to which it or the Revenues or Additional Payments might otherwise be made subject in any action, suit or proceeding relating to this Agreement or any other Related Document, and no such immunity (whether or not claimed) may be attributed to the County or the Revenues or Additional Payments.

(v) *No Public Vote or Referendum*. To the knowledge of the County after reasonable diligence with respect thereto, there is no public vote or referendum pending, proposed or concluded, the results of which could reasonably be expected result in a Material Adverse Effect.

(w) *Fees Are Additional Payments*. Other than the principal of and interest on the Bonds which constitute Base Rental Payments under the Facilities Lease, the amounts payable by the Authority to the Purchaser and the other Bondholders hereunder constitute Additional

Payments under Section 3.02 of the Facilities Lease that the County is obligated to pay to the Authority or the Trustee for payment to the Purchaser or to the Purchaser directly.

(x) *Fair Rental Value*. The total Lease Payments for the Facilities for each Rental Payment Period do not exceed the fair rental value of the Facilities for each such period. In making such determination of fair rental value, consideration has been given to the uses and purposes which may be served by each of the Facilities and the benefits therefrom which will accrue to the County and the general public.

(y) *Essentiality*. The Facilities are essential assets of the County necessary to serve the needs of the residents of the County. The County believes that at all times while any Lease Payments or any obligation of the County under the Related Documents remains unpaid, each of the Facilities will remain essential assets of the County.

(z) *OFAC*. To the knowledge of the County, the County, (a) is not currently the subject of any Sanctions, (b) is not located, organized or residing in any Designated Jurisdiction, or (c) is not or has not been (within the previous five (5) years) engaged in any transaction with any Person who is now or was then the subject of Sanctions or who is located, organized or residing in any Designated Jurisdiction. The proceeds from the Bonds or the transaction contemplated by this Agreement have not been used, directly or indirectly, to lend, contribute, provide or otherwise be made available to fund any activity or business in any Designated Jurisdiction or to fund any activity or business of any Person located, organized or residing in any Designated Jurisdiction or who is the subject of any Sanctions, or in any other manner that will result in any violation by any Person (including any Bondholder) of Sanctions.

Section 5.02. Representations of the Authority. The Authority makes the following representations and warranties to the Bondholder Representative, on behalf of the Purchaser, and each Bondholder:

(a) *Existence and Power*. The Authority is a joint exercise of powers authority duly organized and validly existing under the laws of the State pursuant to an agreement entitled "Amended and Restated Joint Exercise of Powers Agreement," dated June 16, 2015, by and between the County and the Contra Costa County Flood Control and Water Conservation District, and has the power and authority to own its properties and to carry on its businesses as now being conducted and as currently contemplated to be conducted hereafter and is duly qualified to do business in each jurisdiction in which the character of the properties owned or leased by it or in which the transactions of any material portion of its business (as now conducted and as currently contemplated to be conducted) makes such qualification necessary.

(b) *Due Authorization*. (i) The Authority has the corporate power, and has taken all necessary corporate action to authorize the Related Documents to which it is a party, and to execute, deliver and perform its obligations under this Agreement and each of the other Related Documents to which it is a party in accordance with their respective terms. The Authority has approved the form of the Related Documents to which it is not a party.

(ii) The Authority is duly authorized and licensed to own its Property and to operate its business under the laws, rulings, regulations and ordinances of all Governmental Authorities having the jurisdiction to license or regulate such Property or business activity and the departments, agencies and political subdivisions thereof, and the Authority has obtained all requisite approvals of all such governing bodies required to be obtained for such purposes. All Governmental Approvals necessary for the Authority to enter into this Agreement and the other Related Documents and to perform the transactions contemplated hereby and thereby and to conduct its business activities and own its property have been obtained and remain in full force and effect and are subject to no further administrative or judicial review. No other Governmental Approval or other action by, and no notice to or filing with, any Governmental Authority is required for the due execution, delivery and performance by the Authority of this Agreement or the due execution, delivery or performance by the Authority of the Related Documents.

(c) *Valid and Binding Obligations.* This Agreement has been duly executed and delivered by one or more duly authorized officers of the Authority, and each of the Related Documents to which the Authority is a party, when executed and delivered by the Authority will be, a legal, valid and binding obligation of the Authority enforceable in accordance with its terms, except as such enforceability may be limited by (a) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally, and (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) *Non-contravention; Compliance with Law*. (i) The execution, delivery and performance of this Agreement and each of the other Related Documents in accordance with their respective terms do not and will not (A) contravene the Authority's authorizing legislation, (B) require any consent or approval of any creditor of the Authority, (C) violate any Laws (including, without limitation, Regulations T, U or X of the FRB, or any successor regulations), (D) conflict with, result in a breach of or constitute a default under any contract to which the Authority is a party or by which it or any of its Property may be bound, including, without limitation, the Facilities, or (E) result in or require the creation or imposition of any Lien upon or with respect to any Property now owned or hereafter acquired by the Authority or any Affiliate thereof, including, without limitation, the Facilities, except such Liens, if any, expressly created by a Related Document.

(ii) The Authority is in compliance with all Laws, except for such noncompliance that, singly or in the aggregate, has not caused or is not reasonably expected to cause a Material Adverse Effect.

(e) *Pending Litigation and Other Proceedings*. There is no action, suit or proceeding pending in any court, any other governmental authority with jurisdiction over the Authority or any arbitration in which service of process has been completed against the Authority or, to the knowledge of the Authority, any other action, suit or proceeding pending in which service of process has been completed against the Authority in any court, any other governmental authority with jurisdiction over the Authority or any arbitrator, in either case against the Authority or any of its properties or revenues, or any of the Related Documents to which it is a party, which if determined adversely to the Authority would materially and adversely affect the rights, security,

interests or remedies of the Purchaser hereunder or under any of the other Related Documents or which is reasonably likely to result in a Material Adverse Effect, except any action, suit or proceeding which has been brought prior to the Effective Date as to which the Bondholder Representative, on behalf of the Purchaser, has received an opinion of counsel satisfactory to the Bondholder Representative, on behalf of the Purchaser, in form and substance satisfactory to the Bondholder Representative, on behalf of the Purchaser, and the Bondholder Representative's legal counsel, to the effect that such action, suit or proceeding is without substantial merit.

(f) *Employee Benefit Plan Compliance.* Except as previously disclosed in writing to the Purchaser, the Authority has no funding liability or obligation currently due and payable with respect to any employee benefit plan which could reasonably be expected to result in a Material Adverse Effect. The Authority and each employee benefit plan is in compliance in all material respects with the terms of any such plan and applicable law related thereto. Neither the Authority nor a member of the Controlled Group is subject to ERISA or maintains a Plan.

(g) *No Defaults.* No bankruptcy, insolvency or other similar proceedings pertaining to the Authority are pending or presently contemplated. No Default or Event of Default has occurred and is continuing hereunder. No "default" or "event of default" under, and as defined in, any of the other Related Documents has occurred and is continuing. The Authority is not presently in default under any material agreement to which it is a party which could reasonably be expected to have a Material Adverse Effect. The Authority is not in violation of any material term of the authorizing legislation applicable to the Authority or any material term of any bond indenture or agreement to which it is a party or by which any of its Property is bound which could reasonably be expected to result in a Material Adverse Effect.

(h) *Title to Assets and Facilities*. The Authority has good and marketable leasehold title to the Facilities pursuant to the Site Lease free and clear of all encumbrances, security interests, liens or other charges, except for Permitted Encumbrances. The Site Lease is in full force and effect. The Authority, as lessee under the Site Lease, is in peaceable possession of the Facilities. The Trust Agreement creates a valid first priority security interest in favor of the Trustee in the Revenues and, as of the Effective Date, all necessary action on the part of the Authority has been taken as required (other than delivery of possession or after acquired moneys, securities and instruments to the Trustee) to pledge and grant a valid security interest in the Revenues for the benefit of the Purchaser and the other Bondholders under the Trust Agreement prior to any pledge, lien, assignment or security interest of any other creditors of the Authority. The Base Rental Payments have been validly assigned by the Authority to the Trustee and no further action or approval is necessary.

(i) *Incorporation by Reference*. The representations and warranties of the Authority contained in the other Related Documents to which the Authority is a party, together with the related definitions of terms contained therein, are hereby incorporated by reference in this Agreement as if each and every such representation and warranty and definition were set forth herein in its entirety, and the representations and warranties made by the Authority in such Sections are hereby made for the benefit of the Purchaser. No amendment to or waiver of such representations and warranties or definitions made pursuant to the relevant Related Document or

incorporated by reference shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Purchaser.

(j) *Correct Information.* All written information, reports and other papers and data with respect to the Authority furnished by the Authority to the Bondholder Representative, on behalf of the Purchaser, were, at the time the same were so furnished, correct in all material respects. Any financial, budget and other projections furnished by the Authority to the Bondholder Representative, on behalf of the Purchaser, were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent (subject to the updating or supplementation of any such financial, budget or other projections by any additional information provided to the Bondholder Representative, on behalf of the Purchaser in writing, the representations contained in this Agreement being limited to financial, budget or other projections as so updated or supplemented), in the judgment of the Authority, a reasonable, good faith estimate of the information purported to be set forth, it being understood that uncertainty is inherent in any projections and that no assurance can be given that the results set forth in the projections will actually be obtained. No fact is known to the Authority that materially and adversely affects or in the future may (as far as it can reasonably foresee) materially and adversely affect the security for any of the Bonds, or the ability of the Authority to repay when due the Obligations, that has not been set forth in the financial statements and other documents referred to in this Section 5.02(j) or in such information, reports, papers and data or otherwise disclosed in writing to the Bondholder Representative, on behalf of the Purchaser. The documents furnished and statements made by the Authority in connection with the negotiation, preparation or execution of this Agreement and the Related Documents did not, as of the date furnished or made, contain untrue statements of material facts or, when taken as a whole, omit to state material facts necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

(k) *Investment Company.* The Authority is not an "investment company" or a company "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended.

(l) *Margin Stock.* The Authority is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds from the issuance of the Bonds will be used to purchase or carry any such Margin Stock or extend credit to others for the purpose of purchasing or carrying any such Margin Stock.

(m) *Tax-Exempt Status.* The Authority has not taken any action or omitted to take any action, and has no actual knowledge of any action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes or the exemption of interest on the Bonds from State personal income taxes.

(n) *No Immunity*. The Authority is not entitled to claim immunity on the grounds of sovereignty or other similar grounds (including, without limitation, governmental immunity)

with respect to itself or its revenues (irrespective of their use or intended use) from (i) any action, suit or other proceeding arising under or relating to this Agreement or any other Related Document, (ii) relief by way of injunction, order for specific performance or writ of mandamus or for recovery of property or (iii) execution or enforcement of any judgment to which it or the Revenues or Additional Payments might otherwise be made subject in any action, suit or proceeding relating to this Agreement or any other Related Document, and no such immunity (whether or not claimed) may be attributed to the Authority or the Revenues or Additional Payments.

(o**)** *Usury.* The interest rate on obligations of the Authority under the Related Documents and the Bonds and all other Obligations will not violate any California usury limitations.

(p) *OFAC.* To the knowledge of the Authority, the Authority, (a) is not currently the subject of any Sanctions, (b) is not located, organized or residing in any Designated Jurisdiction, or (c) is not or has not been (within the previous five (5) years) engaged in any transaction with any Person who is now or was then the subject of Sanctions or who is located, organized or residing in any Designated Jurisdiction. The proceeds from the Bonds or the transaction contemplated by this Agreement have not been used, directly or indirectly, to lend, contribute, provide or otherwise be made available to fund any activity or business in any Designated Jurisdiction or to fund any activity or business of any Person located, organized or residing in any Designated Jurisdiction or who is the subject of any Sanctions, or in any other manner that will result in any violation by any Person (including any Bondholder) of Sanctions.

ARTICLE VI

COVENANTS OF THE COUNTY AND THE AUTHORITY

The County and the Authority, as applicable, covenant and agree, until the full and final payment and satisfaction of all of the Obligations, except in any instance in which the Bondholder Representative, on behalf of the Bondholder Representative, on behalf of the Purchaser, specially agrees in writing to any performance or noncompliance, that:

Section 6.01. Existence, Etc. The County shall maintain its existence pursuant to its authorizing legislation and the laws of the State. The Authority shall maintain its existence pursuant to its Joint Exercise of Powers Agreement (described in Section 5.02(a) hereof) and the laws of the State.

Section 6.02. Maintenance of Properties. Each of the County and the Authority shall, in all material respects, maintain, preserve and keep its Property, including, without limitation, the Facilities, in good repair, working order and condition (ordinary wear and tear excepted), except to the extent that the failure to do so could reasonably be expected to result in a Material Adverse Effect.

Section 6.03. Compliance with Laws; Taxes and Assessments. Each of the County and the Authority shall comply with all Laws applicable to it and its Property, including, without

limitation, the Facilities, except where non-compliance could not reasonably be expected to result in a Material Adverse Effect, such compliance to include, without limitation, paying all taxes, assessments and governmental charges imposed upon it or its Property, including, without limitation, the Facilities, before the same become delinquent, unless and to the extent that the same are being contested in good faith and by appropriate proceedings and reserves are provided therefor that in the opinion of the County or the Authority, as applicable, are adequate.

Section 6.04. Insurance. The County shall maintain a system of self-insurance and extended insurance coverage with reputable insurance companies or associations believed by the County at the time of purchase of such insurance to be financially sound and in such amounts and covering such risks as are usually carried by organizations engaged in the same or similar business and similarly situated, which insurance may provide for reasonable deductibles from coverage. With respect to the Facilities:

(a) The County, at all times, shall insure each of the Facilities against such risks as are customarily insured against with respect to similar facilities and against loss or damage from such hazards, against loss of use of such Facilities, and risks to the person and property of others as are usually insured or reserved against by those with rights and interests in projects similar to such Facilities. The foregoing shall be satisfied if the County maintains the insurance described in Sections 5.01 and 5.02 of the Facilities Lease.

(b) The County, at all times, shall maintain, or cause to be maintained, rental interruption insurance in an amount not less than the aggregate Lease Payments for a period of twenty-four (24) months, to insure against loss of rental income from any of the Facilities caused by perils covered by the insurance required in Section 5.01 of the Facilities Lease. Such insurance shall be in place as of the Effective Date and may be maintained as part of or in conjunction with any other rental interruption insurance carried by the County. The rental interruption insurance required by this Section shall not be maintained in the form of self-insurance.

(c) The County shall maintain or cause to be maintained all other insurance as required by Article V of the Facilities Lease on the Facilities.

Section 6.05. Reports. The County and the Authority, as applicable, shall furnish to the Bondholder Representative, on behalf of the Purchaser in form and detail satisfactory to the Bondholder Representative, on behalf of the Purchaser:

(a) *Annual Report.* The County has entered into continuing disclosure undertakings in connection with its publicly offered municipal securities pursuant to which not later than March 31 (or the next succeeding Business Day if March 31 is not a Business Day) of each year (each, a "*Filing Date*") the County is obligated to file with EMMA the annual audited financial statements of the County for the prior Fiscal Year together with the opinion of the County's independent accountants (collectively, the "*Audited Financial Statements*") which shall be available for review by the Purchaser, provided that if the County ceases to file its Audited Financial Statement with EMMA or such Audited Financial Statements are not otherwise available for review by the

Purchaser, the County shall provide such Audited Financial Statements to the County on or prior to each Filing Date. The County shall provide to the Bondholder Representative, on behalf of the Purchaser, not later than each Filing Date, commencing March 31, 2018, a Compliance Certificate signed by the County Representative stating that no Default or Event of Default or Default has occurred, or if such Default or Event of Default or Default has occurred, specifying the nature of such Default or Event of Default, the period of its existence, the nature and status thereof and any remedial steps taken or proposed to correct such Default or Event of Default.

(b) *Reserved.*

(c) *Trustee Notices.* As soon as available all notices, certificates, instruments, letters and written commitments in connection with the Bonds provided to the Trustee other than those notices, certificates, instruments, letters and written commitments that relate solely to the routine issuance and payment of the Bonds.

(d) *Notices of Resignation of the Trustee*. As promptly as practicable, written notice to the Bondholder Representative, on behalf of the Purchaser of any resignation of the Trustee immediately upon receiving notice of the same.

(e) *Offering Memorandum and Material Event Notices.* (A) Within ten (10) days after the issuance of any securities by or on behalf of the County with respect to which a final official statement or other offering or disclosure document has been prepared by or on behalf of the County (1) a copy of such official statement or offering circular or (2) notice that such information has been filed with EMMA and is publicly available; and (B) during any period of time the County or the Authority is subject to continuing disclosure requirements under Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended (17 C.F.R. Sec. 240-15c2-12), or any successor or similar legal requirement, immediately following any dissemination, distribution or provision thereof to any Person, (1) a copy of any reportable event notice (as described in b(5)(i)(C) of Rule 15c2-12) disseminated, distributed or provided in satisfaction of or as may be required pursuant to such requirements or (2) notice that such event notice has been filed with EMMA and is publicly available.

(f) *Notice of Default or Event of Default.* (i) Promptly upon obtaining knowledge of any Default or Event of Default, or notice thereof, and in any event within five (5) days thereafter, a certificate signed by a County Representative specifying in reasonable detail the nature and period of existence thereof and what action the County has taken or proposes to take with respect thereto; (ii) promptly following a written request of the Bondholder Representative, on behalf of the Purchaser, a certificate of a County Representative as to the existence or absence, as the case may be, of a Default or an Event of Default under this Agreement; and (iii) promptly upon obtaining knowledge of any "default" or "event of default" as defined under any Bank Agreement, notice specifying in reasonable detail the nature and period of existence thereof and what action the County has taken or proposes to take with respect thereto.

(g) *Litigation.* As promptly as practicable, written notice to the Bondholder Representative, on behalf of the Purchaser, of all actions, suits or proceedings pending or threatened against the County or the Authority in court or before any arbitrator of any kind or before any governmental authority which could reasonably be expected to result in a Material Adverse Effect.

(h) *Other Information.* Such other information regarding the business affairs, financial condition and/or operations of the County and the Authority and the Facilities as the Bondholder Representative, on behalf of the Purchaser, may from time to time reasonably request.

Section 6.06. Maintenance of Books and Records. The County and the Authority will keep proper books of record and account with respect to the County, the Authority and the Facilities in which full, true and correct entries in accordance with GAAP. All financial data required to be submitted pursuant to this Agreement shall be prepared in conformity with GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the financial statements, except as otherwise specifically prescribed herein. Except as provided in the immediately preceding sentence, in preparing any financial data or statements contemplated or referred to in this Agreement, the County and the Authority shall not vary or modify the accounting methods or principles from the accounting standards employed in the preparation of its audited financial statements described in Section 5.06 hereof.

Section 6.07. Access to Books and Records. To the extent permitted by law, the County and the Authority will permit any Person designated by the Bondholder Representative, on behalf of the Purchaser, (at the expense of the Bondholder Representative, unless and until a Default or Event of Default has occurred, at which time such expenses shall be borne by the County or the Authority, as applicable) to visit any of the offices of the County or the Authority, to examine the books and financial records (except books and financial records the examination of which by the Bondholder Representative is prohibited by law or by attorney or client privilege) or the County or the Authority, as applicable, including minutes of meetings of any relevant governmental committees or agencies, and make copies thereof or extracts therefrom, and to discuss the affairs, finances and accounts of the County or the Authority, as applicable, with their principal officials, all at such reasonable times and as often as the Bondholder Representative, on behalf of the Purchaser, may reasonably request.

Section 6.08. Compliance With Documents. Each of the County and the Authority agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in the Trust Agreement and each of the other Related 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 all of which shall be deemed to be made for the benefit of the Purchaser and shall be enforceable against the County or the Authority, as applicable. To the extent that any such incorporated provision permits the County or the Authority or any other party to waive compliance with such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to the County or the Authority or any other party, for purposes of this Agreement, such provision shall be complied with unless

it is specifically waived by the Bondholder Representative, on behalf of the Purchaser, in writing and such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory only if it is acceptable or satisfactory to the Bondholder Representative, on behalf of the Purchaser, which shall only be evidenced by the written approval by the Bondholder Representative, on behalf of the Purchaser, of the same; provided that the Bondholder Representative shall not unreasonably withhold such written approval. Except as permitted by Section 6.15 hereof, no termination or amendment to such covenants and agreements or defined terms or release of the County or the Authority with respect thereto made pursuant to the Trust Agreement or any of the other Related Documents to which the County or the Authority is a party, shall be effective to terminate or amend such covenants and agreements and defined terms or release the County or the Authority with respect thereto in each case as incorporated by reference herein without the prior written consent of the Bondholder Representative, on behalf of the Purchaser. Notwithstanding any termination or expiration of the Trust Agreement or any such other Related Document to which the County or the Authority is a party, the County and the Authority shall continue to observe the covenants therein contained for the benefit of the Purchaser until the termination of this Agreement and the payment in full of the Bonds and all other Obligations. All such incorporated covenants shall be in addition to the express covenants contained herein and shall not be limited by the express covenants contained herein nor shall such incorporated covenants be a limitation on the express covenants contained herein.

Section 6.09. Reserved.

Section 6.10. Further Assurances. From time to time hereafter, the County and the Authority will execute and deliver such additional instruments, certificates or documents, and will take all such actions as the Bondholder Representative, on behalf of the Purchaser, may reasonably request for the purposes of implementing or effectuating the provisions of the Related Documents to which the County or the Authority is a party or for the purpose of more fully perfecting or renewing the rights of the Purchaser with respect to the rights, properties or assets subject to such documents (or with respect to any additions thereto or replacements or proceeds thereof or with respect to any other property or assets hereafter acquired by the County or the Authority which may be deemed to be a part thereof). Upon the exercise by the Purchaser of any power, right, privilege or remedy pursuant to the Related Documents to which the County or the Authority is a party which requires any consent, approval, registration, qualification or authorization of any governmental authority or instrumentality, the County and the Authority will, to the fullest extent permitted by law, execute and deliver all necessary applications, certifications, instruments and other documents and papers that the Purchaser may be required to obtain for such governmental consent, approval, registration, qualification or authorization. At any time, and from time to time, upon request by the Bondholder Representative, on behalf of the Purchaser, the County and the Authority will, at the County's expense, correct any defect, error or omission which may be discovered in the form or content of any of the Related Documents to which the County or the Authority is a party or protect the Purchaser's interests, security, rights and remedies with respect to the Revenues and Additional Payments or its security under the Trust Agreement or hereunder. At all times, the County and the Authority will defend, preserve and protect the pledge of certain funds pursuant to the Trust Agreement and all the rights of the Purchaser hereunder and under the Trust Agreement against all claims and demands of all Persons whosoever.

Section 6.11. No Impairment. Neither the County nor the Authority will take any action, or cause the Trustee to take any action, under the Trust Agreement or any other Related Document which would materially and adversely affect the rights, interests, remedies or security of the Purchaser under this Agreement or any other Related Document or which could reasonably be expected to result in a Material Adverse Effect.

Section 6.12. Application of Bond Proceeds. Neither the County nor the Authority will take or omit to take any action, which action or omission will in any way result in the proceeds from the issuance of the Bonds being applied in a manner other than as provided in the Trust Agreement**.**

Section 6.13. Trustee. Neither the County nor the Authority will, without the prior written consent of the Bondholder Representative, on behalf of the Purchaser, (which consent shall not be unreasonably withheld) remove, or seek to remove, the Trustee. The County and the Authority shall at all times maintain a Trustee pursuant to the terms of the Trust Agreement that is acceptable to the Bondholder Representative, on behalf of the Purchaser.

Section 6.14. Limitation on Voluntary Liens. Neither the Authority nor the County shall create a pledge, lien or charge on any part of the Facilities provided by the Trust Agreement other than the lien in favor of holders of the Bonds. The County and the Authority covenant (i) to keep the Facilities and all parts thereof free from Liens other than Permitted Encumbrances; and (ii) promptly, upon request of the Bondholder Representative, on behalf of the Purchaser, to take such action from time to time as may be reasonably necessary or proper to remedy or cure any cloud upon or defect in the title to the Facilities or any part thereof, whether now existing or hereafter developing, to prosecute all actions, suits, or other proceedings as may be reasonably appropriate for such purpose.

Section 6.15. Related Documents. Neither the County nor the Authority will amend or modify, or permit to be amended or modified in any manner whatsoever any Related Document in a manner which would materially and adversely affect the County's or the Authority's ability to repay Debt or which materially and adversely affects the security for the Bonds or the other Obligations or the County's or the Authority's ability to repay when due the Bonds or the other Obligations or the interests, security, rights or remedies of the Purchaser without the prior written consent of the Bondholder Representative, on behalf of the Purchaser.

Section 6.16. Lease Payments. The County and the Authority will not issue or authorize the issuance of any obligation payable from the Lease Payments due under the Facilities Lease other than the Bonds.

Section 6.17. Redemptions. (a) The County shall provide thirty (30) days written notice to the Bondholder Representative, on behalf of the Purchaser, prior to the date of any proposed optional redemption or purchase in lieu of redemption of Bonds pursuant to the Trust Agreement.

(b) The County shall cause the Bonds to be redeemed pursuant to Section 2.02(a) of the Trust Agreement in the principal amounts and by the dates specified in Schedule 6.17(b) hereto.

Section 6.18. Disclosure to Participants, Purchaser Transferees and Non-Purchaser Transferees. The County and the Authority shall permit the Purchaser to disclose the financial information received by it pursuant to this Agreement to each participant, Purchaser Transferee and Non-Purchaser Transferee pursuant to Section 9.13 of this Agreement, subject to confidentiality restrictions and use restrictions customary for financial institutions.

Section 6.19. Other Agreements. In the event that the County and/or the Authority has or shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement, which such Bank Agreement (or amendment thereto) provides the Person party thereto with different or more restrictive covenants, additional or different events of default and/or greater rights and remedies (excluding such greater rights or remedies that by their nature are inapplicable to continuing covenant agreements or similar facilities entered into in connection with direct purchase transactions) than are provided to the Purchaser in this Agreement (all such different or more restrictive covenants, additional and different events of default and/or greater rights or remedies are referred to herein as *"Additional Rights"*), then, upon the occurrence of an event of default or an event or condition that with the giving of notice or lapse of time or both would become an event of default, or if the County and/or the Authority shall engage in any discussions with a creditor under a Bank Agreement requesting a waiver or an amendment or modification of any provisions in such Bank Agreement or related agreements in advance of any such event of default or event or condition occurring (each such event referred to herein as a *"Potential Default/Event of Default"*), caused or to be caused by such Additional Rights, such Additional Rights shall automatically be deemed to be incorporated into this Agreement and the Purchaser shall have the benefits of such Additional Rights so long as such Additional Rights remain in effect; *provided, however*, that such Additional Rights shall automatically be deemed to be incorporated into this Agreement and the Purchaser shall have the benefits of such Additional Rights only from and after the occurrence of any such Potential Default/Event of Default under the related Bank Agreement caused by the Additional Rights or a failure by the County and/or the Authority to comply with such Additional Rights. The County and/or the Authority, as applicable, shall promptly, upon the occurrence of Potential Default/Event of Default under the related Bank Agreement caused by such Additional Rights or a failure by the County and/or the Authority to comply with such Additional Rights, give notice thereof to the Bondholder Representative, on behalf of the Purchaser, and enter into an amendment to this Agreement to include such Additional Rights, *provided* that the Purchaser shall maintain the benefit of such Additional Rights regardless of whether this Agreement is amended only so long as such Additional Rights remain in effect.

Section 6.20. Immunity from Jurisdiction. To the fullest extent permitted by applicable law, with respect to its obligations arising under this Agreement or any other Related Document, each of the County and the Authority irrevocably agrees that it will not assert or claim any immunity on the grounds of sovereignty or other similar grounds (including, without limitation, governmental immunity) from (i) any action, suit or other proceeding arising under or relating to this Agreement or any other Related Document, (ii) relief by way of injunction, order for specific performance or writ of mandamus or (iii) execution or enforcement of any judgment to which it or its revenues might otherwise be entitled in any such action, suit or other proceeding, and each of the County and the Authority hereby irrevocably waives, to the fullest extent permitted by

applicable law, with respect to itself and the Revenues and Additional Payments (irrespective of their use or intended use), all such immunity.

Section 6.21. Swap Contracts. Without the prior written consent of the Bondholder Representative, on behalf of the Purchaser, neither the County nor the Authority will enter into any Swap Contract relating to Debt (i) wherein any termination payments thereunder are senior in priority of payment to the payment of the Bonds or the other Obligations or (ii) which requires the County or the Authority, as applicable, to post cash collateral to secure its obligations thereunder.

Section 6.22. Budget and Appropriation. To the fullest extent permitted and/or required by State law, the County shall cause the appropriate County official(s) to take any and all ministerial actions that may be necessary to facilitate the payment of the principal of and interest on the Bonds and the payment of all other Obligations. Subject to the Facilities Lease, the County agrees to include all Lease Payments due under the Facilities Lease in each Fiscal Year in its annual budget and to make the necessary annual appropriations for all such Lease Payments, including, without limitation, upon acceleration of the Obligations pursuant to Section 7.02 hereof. The covenants on the part of the County herein contained and in the Facilities Lease shall be deemed to be and shall be construed to be duties imposed by law, and it shall be the duty of each and every public official of the County to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the County to carry out and perform such covenants and agreements.

Section 6.23. Use of Purchaser's Name. (a) Except as may be required by Law (including, but limited to, federal and state securities Laws), the neither the County nor the Authority shall use any financial information of the Purchaser's or the Purchaser's long or short-term debt ratings in any published materials without the prior written consent of the Bondholder Representative, on behalf of the Purchaser (which consent shall not be unreasonably withheld).

(b) The County and the Authority agree that they shall not post any of the Related Documents or any amendment hereto or thereto on EMMA or any other website until the Purchaser or its counsel has provided redacted versions thereof or such amendment, as applicable, to the County and the Authority for posting thereon.

Section 6.24. Maintenance of Tax-Exempt Status of Bonds. Neither the County nor the Authority shall take any action or omit to take any action which, if taken or omitted, could result in a Determination of Taxability.

Section 6.25. ERISA. The County and the Authority shall not be, and shall not permit a member of the Controlled Group to be, subject to ERISA and shall not maintain, nor permit a member of the Controlled Group to maintain, a Plan. The County and the Authority and each employee benefit plan shall remain in compliance in all material respects with the terms of any such plan and applicable law related thereto, except to the extent that a failure to do so could reasonably be expected to result in a Material Adverse Effect.

Section 6.26. Investment Policy. All investments of the County have been and will be made in accordance with the terms of the Investment Policy.

Section 6.27. Environmental Laws. The County and the Authority shall (x) comply with all applicable Environmental Laws and cure any defect thereto (or cause other Persons to effect any such cure) to the extent necessary to bring any of the Facilities back into compliance with Environmental Laws and to comply with any cleanup orders issued by a Governmental Authority having jurisdiction thereover and (y) take all reasonable action to prevent any material adverse effect on or reduction of the fair market rental value of any of the Facilities or any other Material Adverse Effect to occur as a result of the Authority's or the County's operation of any of the Facilities. The County and the Authority shall at all times use commercially reasonable efforts to render or maintain each of the Facilities safe and fit for their respective intended uses. The County and the Authority shall also immediately notify the Purchaser of any actual or alleged material failure to so comply with or perform, or any material breach, violation or default under any Environmental Law with respect to any of the Facilities.

Section 6.28. Federal Reserve Board Regulations. The County shall not use any portion of the proceeds of the Purchase Price of the Bonds for the purpose of carrying or purchasing any Margin Stock and shall not incur any Debt which is to be reduced, retired or purchased by the County out of such proceeds.

Section 6.29. Underlying Rating. The County shall at all times maintain a rating on its long-term unenhanced Parity Debt from at least two Rating Agencies. The County covenants and agrees that it shall not at any time withdraw any long-term unenhanced rating on its Parity Debt from any of Fitch, Moody's or S&P if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement.

Section 6.30. Repayment of Purchaser and other Bondholders. (a) If at any time any amount is owing on the Bonds or any other amount is owing to the Purchaser and the other Bondholders hereunder, and the County and the Authority are unable, or reasonably foresee that they will be unable, to increase Lease Payments in an amount sufficient to pay the Purchaser, the staff of the County and the Authority shall use their respective best efforts to either: (i) provide for the substitution of new real property for one or more of the Facilities, such new real property to have a fair rental value sufficient to support Lease Payments sufficient to pay the amounts owing on the Bonds and all other Obligations owing to the Purchaser and the other Bondholders hereunder, (ii) support the issuance of bonds or other certificates of participation sufficient in value to pay the debt service on the Bonds and pay all other Obligations owing to the Purchaser and the other Bondholders hereunder or (iii) request an appropriation, from the County's General Fund of legally available funds in an amount sufficient to pay all debt service on the Bonds and to pay all other Obligations owing to the Purchaser and the other Bondholders hereunder.

(b) Upon receipt of notice from the Bondholder Representative, on behalf of the Purchaser, of the acceleration of the Obligations pursuant to Section 7.02 hereof, the Authority shall increase the Lease Payments under the Facilities Lease in each Rental Payment Period to the Maximum Annual Rent.

(c) The County and the Authority agree to extend the term of the Site Lease and/or the Facilities Lease in accordance with Section 2 thereof and Section 2.02 thereof, respectively, if on the stated expiration thereof, any amounts remain owing on the Bonds or hereunder.

Section 6.31. Disaster Relief. If any of the Facilities are damaged by an earthquake, or other disaster or emergency is declared by a local government, the Governor of the State of California, or the President of the United States, the Office of Emergency Services, the Federal Emergency Management Agency, or other similar agency, the County and/or the Authority, as applicable, shall apply for federal, state and local disaster relief funds to repair the Facilities in the maximum amount permitted under federal, state and local law, respectively, and apply all such designated funds received as required under the Facilities Lease.

Section 6.32. Voluntary Rent Abatement. Except as permitted by State law and the terms of the Facilities Lease, the County shall not seek or assert a claim for abatement of rental payments under the Facilities Lease.

Section 6.33. Operation and Maintenance of the Facilities. To the extent funds are legally available, the County shall maintain and preserve each of the Facilities and all buildings, facilities and equipment constituting any part of the Facilities with respect to facilities of like size and character. The County shall not abandon or vacate any of the Facilities, except as permitted by the Facilities Lease. The County shall from time to time make all necessary and proper repairs, renewals and replacements to each of the Facilities, consistent with the protection of the Purchaser. If any event shall occur such that abatement is authorized under the Facilities Lease, the Executive Director of the Authority and the County Administrator of the County shall use their best efforts to bring forward at the earliest possible date a plan to mitigate any such abatement for consideration of the Authority Board and the County Board of Supervisors, respectively.

Section 6.34. Compliance with Laws; Taxes and Assessments. The County and the Authority will not violate any laws, rules, regulations or governmental orders to which it is subject, which violation involves a reasonable likelihood of materially and adversely affecting its financial condition, business or results of operations.

Section 6.35. Fair Rental Value. In the event that fair rental value of the Facilities is not sufficient to make the Lease Payments and/or Additional Payments required pursuant to this Agreement and the Trust Agreement, such unpaid Lease Payments and/or Additional Payments shall be deferred until such time as the fair rental value of the Facilities will support payment of such unpaid Lease Payments and/or Additional Payments.

Section 6.36. Substitution or Removal of Property; Sale and Transfers. (a) The County and the Authority will not substitute or remove (other than pursuant to Section 2.02 or Section 2.03 of the Facilities Lease) or cause the substitution or removal (other than pursuant to Section 2.02 or Section 2.03 of the Facilities Lease) of any portion of the Facilities subject to the leasehold under the Facilities Lease without the prior written consent of the Purchaser (such consent to not be unreasonably withheld or delayed), and otherwise satisfying the conditions

precedent to such substitution or removal set forth in Section 2.02 or Section 2.03 of the Facilities Lease, as applicable.

(b) The County and the Authority will not transfer, sell, lease, convey or otherwise dispose of, any interest in the Facilities, except for those permitted by the terms of the Related Documents.

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 Bondholder Representative, on behalf of the Purchaser:

(a) the Authority shall fail to pay the principal of or interest on any Bond when due;

(b) the County or the Authority shall fail to pay any Obligation (other than the Authority's obligation to pay the principal of or interest on the Bonds) and such failure shall continue for three (3) Business Days;

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

(d) the County or the Authority, as applicable, shall default in the due performance or observance of any of the covenants set forth in Section 6.01, 6.11, 6.15, 6.16, 6.20, 6.21, 6.22, 6.28, 6.29, 6.32 or 6.36 hereof;

(e) the County or the Authority, as applicable, shall default in the due performance or observance of any other term, covenant or agreement contained in this Agreement or any other Related Document and such default shall remain unremedied for a period of thirty (30) days after the earlier to occur of the date on which (i) the County or the Authority has actual knowledge of such default or (ii) the Bondholder Representative, on behalf of the Purchaser, provides notice to the County or the Authority of such default; *provided, however,* that (except for the covenants set forth in Section 6.04, 6.05(f) and 6.07), if such default can be cured by the County or the Authority within a reasonable time period and so long as the County or the Authority is proceeding diligently within such thirty (30) days to remedy such default, such curative period shall be extended up to an an additional thirty (30) days so as to permit such default to be cured;

(f) the County or the Authority 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 the Authority or any substantial part of its Property, or a proceeding described in Section 7.01(f)(v) shall be instituted against the County or the Authority 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 or the Authority by the County or the Authority or any Governmental Authority with appropriate jurisdiction;

(i) (i) any provision of this Agreement or any Related Document related to (A) payment of principal of or interest on the Bonds or (B) the validity or enforceability of the pledge of the Revenues 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 or the Authority as a result of any legislative or administrative action by a Governmental Authority with competent jurisdiction, or shall be declared, in a final non-appealable judgment by any court of competent jurisdiction, to be null and void, invalid or unenforceable;

(ii) the validity or enforceability of any material provision of this Agreement or any Related Document related to (A) payment of principal of or interest on the Bonds or any Parity Debt, or (B) the validity or enforceability of the pledge of the Revenues or any other pledge or security interest created by the Trust Agreement shall be publicly contested by a County Authorized Officer or an Authority Authorized Officer; or

(iii) any other material provision of this Agreement or any other Related 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 or the Authority as a result of any legislative or administrative action by a Governmental Authority with competent jurisdiction or shall be declared in a final non-appealable judgment by any court with

competent jurisdiction to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be publicly contested by the County or the Authority;

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

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

(l) the County or the Authority, as applicable, shall (i) default on the payment of the principal of or interest on any Parity Debt (excluding any Cross-Default Parity Debt) issued in an original principal amount of $25,000,000 or more 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 (excluding any Cross-Default Parity Debt) issued in an original principal amount of $25,000,000 or more or contained in any instrument or agreement evidencing, securing or relating thereto beyond the period of grace, if any, provided in the instrument or agreement under which such Parity Debt was created or incurred, provided that the County or the Authority shall have actual knowledge of such default, the effect of which default is to cause or permit 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;

(m) any 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 Bondholder Representative, on behalf of the Purchaser, in an aggregate amount not less than $25,000,000 shall be entered or filed against the County or the Authority or against any of their Property and remain unpaid pursuant to the terms of the applicable judgment, unvacated, unbonded or unstayed for a period of ninety (90) days;

(n) any "event of default" under any Related Document (as defined respectively therein) shall have occurred; or

(o) any of Fitch, Moody's or S&P shall have downgraded its rating of any long-term unenhanced Parity Debt to below "BBB+" (or its equivalent), "Baa1" (or its equivalent), or "BBB+" (or its equivalent) respectively, or suspended or withdrawn its rating of the same.

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 Bondholder Representative, on behalf of 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) by written notice to the Trustee, the County and the Authority, declare the outstanding amount of the Obligations under this Agreement (including, without limitation, the Bonds but solely in accordance with Section 7.02(b) hereof) 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;

(b) deliver a written notice to the Trustee, the County and the Authority that an Event of Default has occurred and is continuing and direct the Trustee, the County and the Authority, as applicable, to cause an acceleration of the Bonds or take such other remedial action as is provided for in the Trust Agreement); *provided, however,* that from and after the occurrence of an Event of Default, the outstanding Bonds shall be paid or caused to be paid by the Authority in each year in an amount equal to the Maximum Annual Rent for the related Rental Payment Period less any other amounts paid hereunder or under the Trust Agreement in accordance with the terms hereof and thereof; provided further, however, that payments of Base Rental under the Facilities Lease shall not be accelerated;

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

(d) cure any Default, Event of Default or event of nonperformance hereunder or under any Related Document; *provided, however,* that the Bondholder Representative, on behalf of the Purchaser, shall have no obligation to effect such a cure; and

(e) exercise, or cause to be exercised, any and all remedies as it may have under the Related Documents (other than as provided for in Section 7.02(b) hereof) and as otherwise available at law and at equity;

provided, however, that notwithstanding any acceleration of the Bonds, the Purchaser, the Bondholder Representative, the Authority and the County acknowledge that Lease Payments may not be accelerated under the Facilities Lease.

Section 7.03. Remedies Cumulative; Solely for the Benefit of the 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 Related 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 Bondholder Representative, on behalf of 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 Bondholder Representative, on behalf of the Purchaser, is entitled, but shall have no duty or obligation to the County, the Authority, 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 Related Documents.

Section 7.04. Waivers or Omissions. No delay or omission by the Bondholder Representative, on behalf of 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 Bondholder Representative, on behalf of 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 or the Bondholder Representative, on behalf of the Purchaser, shall proceed to invoke any right, remedy or recourse permitted hereunder or under the Related Documents and shall thereafter elect to discontinue or abandon the same for any reason, the Bondholder Representative, on behalf of the Purchaser, shall have the unqualified right so to do and, in such event, the County, the Authority and the Purchaser shall be restored to their former positions with respect to the Obligations, the Related Documents and otherwise, and the rights, remedies, recourse and powers of the Purchaser or Bondholder Representative, on behalf 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 and the Authority hereby agree (to the extent permitted by law), as Additional Payments, to indemnify and hold harmless the Bondholder Representative, the Purchaser and each other

Bondholder and its officers, directors and agents (each, an *"Indemnitee"*) from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever (including reasonable attorneys' fees) which may incur or which may be claimed against an Indemnitee by any Person or entity whatsoever (collectively, the *"Liabilities"*) by reason of or in connection with (a) the execution and delivery or transfer of, or payment or failure to pay under, any Related Document; (b) the issuance and sale of the Bonds; and (c) the use of the proceeds of the Bonds; *provided* that neither the County nor the Authority shall be required to indemnify an Indemnitee for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of such Indemnitee. Nothing under this Section 8.01 is intended to limit the County's and Authority's payment of the Obligations.

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

ARTICLE IX

MISCELLANEOUS

Section 9.01. Patriot Act Notice; Government Regulations. The Purchaser is subject to the Patriot Act and hereby notifies the County and the Authority that pursuant to the requirements of the Patriot Act, the Bondholder Representative, on behalf of the Purchaser, is required to obtain, verify and record information that identifies the County and the Authority, which information includes the name and address of the County and the Authority and other information that will allow the Bondholder Representative, on behalf of the Purchaser, to identify the County and the Authority in accordance with the Patriot Act. The County and the Authority shall, promptly following a request by the Bondholder Representative, on behalf of the Purchaser, provide all documentation and other information that the Bondholder Representative, on behalf of the Purchaser, requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

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 Related 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 Bondholder Representative, on behalf of the Purchaser, the County and/or the Authority, as applicable, will, at its respective expense, (a) correct any defect, error or omission which may be discovered in the form or content of any of the Related 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 Bondholder Representative, on behalf 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 or the Authority to do so, the Bondholder Representative, on behalf of 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 and/or the Authority, as applicable, all at the sole expense of the County or the Authority, as applicable, and the County and the Authority hereby appoint the Purchaser and the Trustee the agent and attorney-in-fact of the County and the Authority to do so, this appointment being coupled with an interest and being irrevocable. In addition, at any time, and from time to time, upon request by the Bondholder Representative, on behalf of the Purchaser, or the Trustee, the County and/or the Authority, as applicable, will, at its respective 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 and the Authority's identity and background in a manner satisfactory to the Bondholder Representative, on behalf of the Purchaser, or the Trustee, as the case may be.

Section 9.03. Amendments and Waivers; Enforcement. The Purchaser, the County and the Authority may from time to time enter into agreements amending, modifying or supplementing this Agreement or the other Related 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 Bondholder Representative, on behalf of the Purchaser, in exercising any right, power or privilege under this Agreement or the other Related 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 Related 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 Authority:	County of Contra Costa Public Financing Authority c/o County Administrator's Office County of Contra Costa County Administration Building 651 Pine Street, 10th Floor Martinez, California 94553 Facsimile: (925) 646-1353 Telephone: (925) 335-1080
The County:	County of Contra Costa County Administration Building 651 Pine Street, 10th Floor Martinez, California 94553 Attention: Clerk of Board of Supervisors Facsimile: (925) 646-1353 Telephone: (925) 335-1080
The Bondholder Representative:	JPMorgan Chase Bank, N.A. [redacted]
The Purchaser:	DNT Asset Trust [redacted]
The Trustee:	Wells Fargo Bank, National Association 333 Market Street, 18th Floor San Francisco, California 94105 Attention: Corporate Trust Services Facsimile: (415) 371-3400 Telephone: (415) 801-8583

The Purchaser may rely on any notice (including, to the extent that written notice is not required, telephone communication) purportedly made by or on behalf of the County or the Authority, 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. Right of Setoff. (a) Upon the occurrence of an Event of Default, the Purchaser or any other Bondholder may, at any time and from time to time, without notice to the County or any other person (any such notice being expressly waived), set off and appropriate and apply against and on account of any Obligations under this Agreement, without regard to whether or not the Purchaser or such Bondholder shall have made any demand therefor, and although such Obligations may be contingent or unmatured, any and all deposits (general or special, including but not limited to deposits made pursuant to this Agreement and Debt evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts, such as restricted donor accounts) and any other Debt at any time held or owing by such Bondholder to or for the credit or the account of any or all of the County

(b) Each Bondholder agrees promptly to notify the County after any such set-off and application referred to in subsection (a) above, *provided* that the failure to give such notice shall not affect the validity of such set-off and application. Subject to the provisions of subsection (a) above, the rights of a Bondholder under this Section 9.06 are in addition to other rights and remedies (including, without limitation, other rights of set-off) which such Bondholder may have.

Section 9.07. 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 Bondholders 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 9.08. 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 9.09. Governing Law; Consent to Jurisdiction and Venue; Waiver of Jury Trial. (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 LAW PROVISIONS.

(b) EACH PARTY HERETO CONSENTS TO AND SUBMITS TO IN PERSONAM JURISDICTION AND VENUE IN THE STATE OF CALIFORNIA AND IN THE FEDERAL DISTRICT COURTS WHICH ARE LOCATED IN THE STATE OF CALIFORNIA. EACH PARTY ASSERTS THAT IT HAS PURPOSEFULLY AVAILED ITSELF OF THE BENEFITS OF THE LAWS OF THE STATE OF CALIFORNIA AND WAIVES ANY OBJECTION TO IN PERSONAM JURISDICTION ON THE GROUNDS OF MINIMUM CONTACTS, WAIVES ANY OBJECTION TO VENUE, AND WAIVES ANY PLEA OF FORUM NON CONVENIENS. THIS CONSENT TO AND SUBMISSION TO JURISDICTION IS WITH REGARD TO ANY ACTION RELATED TO THIS AGREEMENT. REGARDLESS OF WHETHER THE PARTY'S ACTIONS TOOK PLACE IN THE STATE OF CALIFORNIA OR ELSEWHERE IN THE UNITED STATES, THIS SUBMISSION TO JURISDICTION IS NONEXCLUSIVE, AND DOES NOT PRECLUDE EITHER PARTY FROM OBTAINING JURISDICTION OVER THE OTHER IN ANY COURT OTHERWISE HAVING JURISDICTION.

(c) 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 RELATED DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. IF AND TO THE EXTENT THAT THE FOREGOING WAIVER OF THE RIGHT TO A JURY TRIAL IS UNENFORCEABLE FOR ANY REASON IN SUCH FORUM, EACH OF THE PARTIES HERETO HEREBY CONSENTS TO THE ADJUDICATION OF ALL CLAIMS PURSUANT TO JUDICIAL REFERENCE AS PROVIDED IN 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.

(d) The covenants and waivers made pursuant to this Section 9.09 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 9.10. 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 9.11. Duration. All representations and warranties of the County and the Authority 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 and the Authority contained herein shall continue in full force and effect from and after the date hereof until the Obligations have been fully discharged.

Section 9.12. 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 9.13. Successors and Assigns.

(a) *Successors and Assigns Generally*. This Agreement is a continuing obligation and shall be binding upon the County and the Authority, their successors, transferees and assigns and shall inure to the benefit of the Bondholders and their respective permitted successors, transferees and assigns. Neither the County nor the Authority may assign or otherwise transfer any of their respective rights or obligations hereunder without the prior written consent of the Purchaser. Each Bondholder 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 Bonds and the Related Documents in accordance with the provisions of paragraph (b) or (c) of this Section. Each Bondholder 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 Bondholder may at any time pledge or assign a security interest subject to the restrictions of paragraph (e) of this Section. DNT Asset Trust shall be the Purchaser hereunder until such time as the Majority Bondholder designates an alternate Person to serve as the Purchaser hereunder by delivery of written notice to the County, the Authority and the Trustee and such Person accepts and agrees to act as the Purchaser hereunder and under the Related Documents. The Majority Bondholder may so designate an alternate Person to act as the Purchaser from time to time. Upon acceptance and notification thereof to the County, the Authority 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 DNT Asset Trust or any other Person being replaced as the Purchaser shall be discharged from its duties and obligations as the Purchaser hereunder.

(b) *Sales and Transfers by Bondholder to a Purchaser Transferee.* Without limitation of the foregoing generality, a Bondholder may at any time sell or otherwise transfer to one or more transferees all or a portion of the Bonds 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, DNT Asset Trust (and its successors) shall continue to have all of the rights of the Purchaser hereunder and under the other Related 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, the Authority 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 and the Authority.

(c) *Sales and Transfers by Bondholder to a Non-Purchaser Transferee.* Without limitation of the foregoing generality, a Bondholder may at any time sell or otherwise transfer to one or more transferees which are not Purchaser Transferees but each of which constitutes a "qualified institutional buyer" as defined in Rule 144A promulgated under the 1933 Act (each a *"Non-Purchaser Transferee"*) all or a portion of the Bonds 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 Authority, the Trustee and the Purchaser (if different than the Bondholder) by such selling Bondholder and Non-Purchaser Transferee, and (B) the Non-Purchaser Transferee shall have delivered to the County, the Authority, the Trustee and the selling Bondholder, an investment letter in substantially the form delivered by the Purchaser on the Effective Date (the *"Investor Letter"*).

From and after the date the County, the Authority, the Trustee and the selling Bondholder 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 Bondholder hereunder and under the other Related 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 Bondholder hereunder and under the other Related Documents shall thereafter refer to such transferring Bondholder and to the Non-Purchaser Transferee to the extent of their respective interests, and (B) if the transferring Bondholder no longer owns any Bonds, then it shall relinquish its rights and be released from its obligations hereunder and under the Related Documents.

(d) *Participations.* The Purchaser shall have the right to grant participations in all or a portion of the Purchaser's interest in the Bonds, this Agreement and the other Related 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, the Authority and the Trustee shall be required to deal only with the Purchaser, with respect to any matters under this Agreement, the Bonds and the other Related Documents and no such participant shall be entitled to enforce any provision hereunder against the County or the Authority, as applicable.

(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 Bonds, this Agreement and the Related 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 9.14. No Advisory or Fiduciary Responsibility. In connection with all aspects of the transactions contemplated by this Agreement and the Related Documents (including in connection with any amendment, waiver or other modification of this Agreement or of any Related Document), the County and the Authority acknowledge and agree that: (a)(i) any arranging, structuring and other services regarding this Agreement and the Related Documents provided by the Purchaser or any Affiliate of the Purchaser are arm's length commercial transactions between the County and/or the Authority on the one hand, and the Purchaser and any Affiliate of the Purchaser on the other hand, (ii) the County and the Authority have consulted their own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the County and the Authority are capable of evaluating, and understand and accept, the terms, risks and conditions of the transactions contemplated by this Agreement and the Related 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, the Authority or any other Person and (ii) neither the Purchaser nor any Affiliate of the Purchaser has any obligation to the County or the Authority with respect to the transactions contemplated by this Agreement and the Related 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/or the Authority, and neither the Purchaser nor any Affiliate of the Purchaser has any obligation to disclose any of such interests to the County or the Authority. To the fullest extent permitted by Applicable Laws, the County and the Authority hereby waive and release any claims that they

may have against the Purchaser and each Affiliate of the Purchaser with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of the transactions contemplated by this Agreement and the Related Documents.

Section 9.15. 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 9.16. 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 9.17. Bondholder Representative. So long as the Purchaser is the Purchaser hereunder, the parties hereto hereby agree that: (i) the Bondholder Representative, on behalf of the Purchaser, shall be the recipient of all notices and other communications and requests delivered pursuant to the terms of this Agreement and the Trust Agreement; (ii) the Bondholder Representative shall be the party to consent, on behalf of the Purchaser, to any request for a waiver or consent from the County or any other party under the Trust Agreement, this Continuing Covenant Agreement or any other Related Document; (iii) the Bondholder Representative, on behalf of the Purchaser, shall exercise any and all rights the Purchaser may have to direct remedies under this Continuing Covenant Agreement; and (iv) to the extent not covered in clauses (i), (ii) and (iii) above, the Bondholder Representative shall take any and all actions under this Continuing Covenant Agreement and the Trust Agreement which may be required or at the discretion of the Bondholder Representative, on behalf of the Purchaser. Notwithstanding the foregoing, if, at any time, the initial Purchaser is not the Purchaser hereunder, this provision and all other references to the Bondholder Representative shall be deemed to be references to the Purchaser.

[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.

DNT ASSET TRUST

By: [redacted]
Name: [redacted]
Title:

COUNTY OF CONTRA COSTA

By: _____
Name: Federal D. Glover
Title: Chair of the Board of Supervisors

COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY

By: _____
Name: Federal D. Glover
Title: Chair of the Board of Directors

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, as Bondholder Representative

By: [redacted]
Name: [redacted]
Title:

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

DNT ASSET TRUST

By: _____
Name: [redacted]
Title:

COUNTY OF CONTRA COSTA

By: _____
Name: Federal D. Glover
Title: Chair of the Board of Supervisors

COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY

By: _____
Name: Federal D. Glover
Title: Chair of the Board of Directors

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, as Bondholder Representative

By: _____
Name: [redacted]
Title:

EXHIBIT A

FORM OF COMPLIANCE CERTIFICATE

This Compliance Certificate (this *"Certificate"*) is furnished to JPMorgan Chase Bank, National Association (the *"Bondholder Representative"*) pursuant to the Continuing Covenant Agreement dated as of May 1, 2017 (the *"Agreement"*), among the County of Contra Costa (the *"County"*), the County of Contra Costa Financing Authority, DNT Asset Trust and the Bondholder Representative. Unless otherwise defined herein, the terms used in this Certificate shall have the meanings assigned thereto in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected Auditor Controller of the County;

2. I have reviewed the terms of the Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the County during the accounting period covered by the attached financial statements;

3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default or Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below; and

4. The financial statements required by Section 6.05 of the Agreement and being furnished to you concurrently with this certificate fairly represent the consolidated financial condition of the County in accordance with GAAP as of the dates and for the periods covered thereby.

Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the County has taken, is taking, or proposes to take with respect to each such condition or event:

_____

_____

_____

_____

The foregoing certifications and the financial statements delivered with this Certificate in support hereof, are made and delivered this _____ day of _____, 20__.

COUNTY OF CONTRA COSTA

By _____
Name: Robert R. Campbell
Title: Auditor Controller