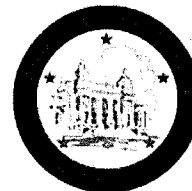


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 5.1
(ID # 11436)

MEETING DATE:

Tuesday, December 10, 2019

FROM: EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Letter of Credit Extension supporting the County of Riverside Asset Leasing Corporation Variable Rate Demand Leasehold Revenue Refunding Bonds, Series 2008A (Southwest Justice Center Refunding), All District. [\$25,000] (Vote on Separately)

RECOMMENDED MOTION: That the Board of Directors:

1. Approve the extension of the letter of credit issued by Wells Fargo Bank, N.A. supporting the County of Riverside Asset Leasing Corporation Variable Rate Demand Leasehold Revenue Refunding Bonds, Series 2008A (Southwest Justice Center Refunding), with only such changes in the existing Reimbursement Agreement as deemed necessary and appropriate and in the County of Riverside Asset Leasing Corporation best interest as determined by an authorized officer of the Corporation; and Approve the form of Amendment to Reimbursement Agreement; and
2. Authorize the President of the County of Riverside Asset Leasing Corporation or designee to take all steps necessary to implement the extension of the letter of credit including, but not limited to, signing the Amendment to Reimbursement Agreement and subsequent essential and relevant documents and executing any non-substantive amendments, subject to approval by County Counsel.

ACTION:Policy


Stephanie Perez, Principal Management Analyst 12/2/2019

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: December 10, 2019
xc: EO

Kecia R. Harper
Clerk of the Board

By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 25,000	\$	\$25,000	\$
NET COUNTY COST	\$	\$	\$	\$
SOURCE OF FUNDS: 100% Department Lease Payments			Budget Adjustment: No	
			For Fiscal Year: 19/20 - 24/25	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

In December 2008 the County of Riverside Asset Leasing Corporation (CORAL) issued its Variable Rate Demand Leasehold Revenue Refunding Bonds, Series 2008A (Southwest Justice Center Refunding) in the par amount of \$78,895,000 (the "Bonds") and entered into a reimbursement agreement with Union Bank for the provision of a letter of credit with respect to the Bonds (the "2008 LOC").

In 2013, the 2008 LOC expired and was replaced with a letter of credit from, and a reimbursement agreement with, Wells Fargo Bank, N.A. ("Wells Fargo"). The County has since had a successful relationship with Wells Fargo Bank as the provider of the letter of credit, and on December 20, 2016 entered into an Amendment to Reimbursement Agreement by and among the County, Wells Fargo Bank, N.A. and CORAL extending the Letter of Credit for a three (3) year period ("2016 LOC"). The current letter of credit is due to expire in January 2020. The County and CORAL have evaluated pricing for a new letter of credit and have determined Wells Fargo's pricing continues to be favorable. Wells Fargo has agreed to extend the 2016 LOC for five (5) years at a reduced price with limited changes to the current agreement (if any) as approved by the County Executive Officer or his designee.

If approved, staff recommends extending the 2016 LOC for an additional five years.

Prev. Agn. Ref. 11/5/2013, 3-66, 12/13/16 3.8

Impact on Residents and Businesses

There is no direct impact on residents or businesses in the County of Riverside.

Additional Fiscal Information

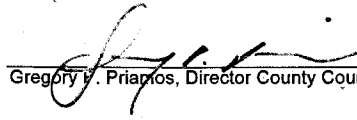
The one-time cost to extend the letter of credit is \$25,000. The annual cost of the new letter of credit is lower than the 2016 LOC and is locked in for five years.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**



Don R. Kent, Assistant CEO-County Finance Officer

12/5/2019



Gregory V. Priaplos, Director County Counsel

12/5/2019

WELLS FARGO BANK, NATIONAL ASSOCIATION
Government and Institutional Banking
707 Wilshire Boulevard, 11th Floor
Los Angeles, CA 90017

December __, 2019

County of Riverside
County Administration Center
4080 Lemon Street, 4th Floor
Riverside, CA 92501-36512
Attention: County Executive Officer

Ladies and Gentlemen:

Reference is made to (i) the Letter of Credit and Reimbursement Agreement, dated as of December 5, 2013, among the County of Riverside (the "*County*"), the County of Riverside Asset Leasing Corporation (the "*Corporation*"), and Wells Fargo Bank, National Association (the "*Bank*"), as amended by the Amendment to Letter of Credit and Reimbursement Agreement dated as of December 20, 2016, and the Amendment to Letter of Credit and Reimbursement Agreement dated as of December __, 2019 (the "*2019 Amendment*"), each among the County, the Corporation and the Bank (as amended, the "*Agreement*"; any capitalized term below that is defined in the Agreement shall have the same meaning when used herein), and (ii) the letter agreement between the County and the Bank regarding fees and expenses pertaining to the Related Documents dated December 20, 2016, (the "*Existing Fee Letter*").

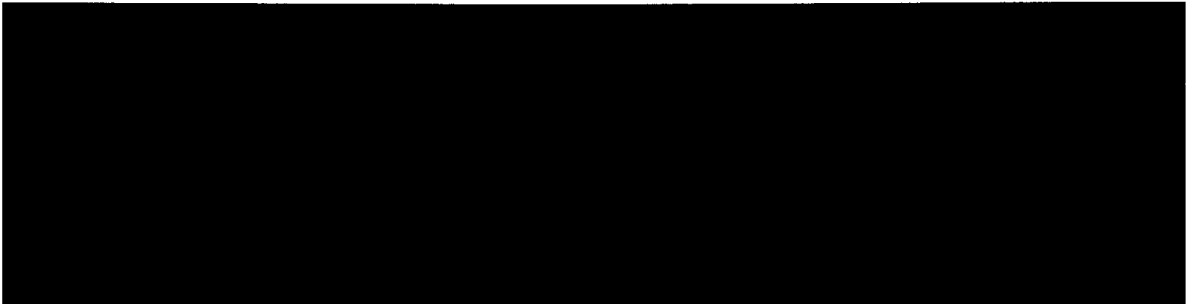
The County has requested that the Bank make certain modifications to the Existing Fee Letter and, for the sake of clarity and convenience, the Bank and the County wish to amend and restate the Existing Fee Letter in its entirety on the date hereof, and this Fee Letter (this "*Fee Letter*") amends and restates the Existing Fee Letter in its entirety. The purpose of this Fee Letter is to confirm the agreement between the Bank and the County with respect to the Facility Fee (as defined below) and certain other fees and expenses payable to the Bank. This Fee Letter is the Fee Letter referenced in the Agreement and the terms hereof are incorporated by reference into the Agreement. This Fee Letter and the Agreement are to be construed as one agreement between the County and the Bank, and all obligations hereunder are to be construed as obligations thereunder. All references to amounts due and payable under the Agreement will be deemed to include all amounts, fees and expenses payable under this Fee Letter.

In order to induce the Bank to extend and maintain the Letter of Credit, the County agrees to make the following payments at the following times:

- (1) A nonrefundable facility fee (the "*Facility Fee*") for each day on and after the Date of Issuance calculated by multiplying \$80,191,905 (the initial stated amount of

the Letter of Credit as such amount is reduced pursuant to mandatory sinking fund redemptions of the Bonds) by the product of the applicable Facility Fee Rate (as defined below) in effect for such day, expressed as a decimal, and 1/360. As used herein, "Facility Fee Rate" shall mean, initially, (i) for the period beginning on December 20, 2016, to but excluding January 20, 2020, [REDACTED], and (ii) for the period beginning on January 20, 2020, and thereafter [REDACTED] and, thereafter if Fitch downgrades its Rating (as defined below) below AA- or if S&P downgrades its Rating below AA- or if Moody's downgrades its Rating below Aa3, the applicable "Facility Fee Rate" shall be the rate set forth in the applicable pricing grid below opposite the level that contains (a) both Ratings if Ratings are assigned by two Rating Agencies (as defined below) and both Ratings are equivalent, (b) the lower Rating (it being understood that Level 1 of each pricing grid contains the highest Ratings and Level 5 of each pricing grid contains the lowest Ratings) if Ratings are assigned by two Rating Agencies only, (c) all Ratings if Ratings are assigned by three Rating Agencies and all Ratings are equivalent, (d) two equivalent ratings if Ratings are assigned by three Rating Agencies and only two of such Ratings are equivalent, or (e) the middle Rating if Ratings are assigned by three Rating Agencies and no two such Ratings are equivalent. The County acknowledges that as of the date hereof the Facility Fee Rate is that specified above for Level 1 in subparagraph (i) of this paragraph (1).

(i) For the period beginning on October 1, 2019, to and including January 20, 2020, the Facility Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:



(ii) For the period beginning on January 21, 2020, and at all times thereafter, the Facility Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:



[REDACTED]

As used herein, the term (x) "Rating" means, with respect to any Rating Agency, the long-term, unenhanced debt rating assigned by such Rating Agency to the long-term, unenhanced general obligation Debt of the County currently referred to by Fitch as the County's "Implied General Obligation (GO) Bond Rating," by Moody's as the County's "Long Term Issuer Rating" and by S&P as the County's "Issuer Credit Rating," and (y) "Rating Agency" means Fitch, Moody's or S&P.

Any change in the Facility Fee Rate resulting from a change in the Rating shall be and become effective as of and on the date of the announcement of the change in the Rating. References to the Rating above is a reference to the rating category of the Rating Agencies as presently determined by the respective Rating Agency and in the event of adoption of any new or changed rating system by any Rating Agency, the Ratings from the applicable Rating Agency shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect.

The Facility Fee shall be payable quarterly in arrears on the last day of the applicable calendar quarter (or, if such day is not a Business Day, the next succeeding Business Day) and on the date the Letter of Credit terminates or expires in accordance with its terms.

[REDACTED]

(3) A draw fee of [REDACTED] for each drawing upon the Letter of Credit, which draw fee shall be payable on the date of each drawing; *provided, however*, in no event shall the County be required to pay draw fees in excess of [REDACTED] during any twelve-month period following the date of issuance of the Letter of Credit.

(4) A wire fee of [REDACTED] for each drawing upon the Letter of Credit, which wire fee shall be payable on the date of each drawing.

(5) At the time any amendment, waiver or supplement of the Agreement, this Fee Letter or any other Related Document is requested or a transfer of the Letter of Credit is requested, a fee of [REDACTED] plus reasonable attorneys' fees and expenses, which fee shall be earned and payable whether or not any such amendment, waiver, transfer or supplement is executed or consent granted.

All amounts paid pursuant to this Fee Letter shall be non-refundable. Computations of the Facility Fee and the Termination and Reduction Fee shall be made on the basis of a 360-day year and actual days elapsed.

All payments to be made by the County to the Bank pursuant to this Fee Letter shall be made not later than 2:00 p.m., California time, on the date due and shall be made in lawful money of the United States of America (in freely transferable U.S. dollars) and in immediately available funds. Any amount not received by the Bank by 2:00 p.m., California time, on the date due shall be deemed to have been received on the next succeeding Business Day. Except as provided in the next sentence, all such payments not received on the date due shall bear interest until payment in full at the Default Rate. If any sum becomes payable pursuant to this Fee Letter on a day which is not a Business Day, the date for payment thereof shall be extended, without penalty, to the next succeeding Business Day, and such extended time shall be included in the computation of interest and fees. Except as otherwise provided in this Fee Letter, payments to the Bank shall be made in the manner provided in the Agreement.

The County further agrees to pay all of the Bank's out-of-pocket expenses (including, without limitation, all fees and expenses of counsel for the Bank, and out-of-pocket expenses of the Bank) otherwise arising in connection with the Agreement and the other Related Documents, including without limitation, in connection with the administration and enforcement of, preservation of rights in connection with a workout, restructuring or default under or amendment or waiver with respect to, the Agreement, the Bonds or any of the other Related Documents, and any stamp and other taxes and fees payable or determined to be payable in connection with the execution and delivery of the Agreement and any other documents that may be delivered in connection therewith. The County shall pay to the Bank promptly upon receipt of invoice any and all reasonable fees and expenses of the Bank in connection with the 2019 Amendment and this Fee Letter (including, without limitation, all reasonable fees and expenses of counsel for the Bank and out-of-pocket expenses of the Bank) all payable in accordance with this Fee Letter (such fees of counsel to the Bank shall be paid directly to Chapman and Cutler LLP in accordance with the instructions provided by Chapman and Cutler LLP).

The County's obligation to pay all amounts owing to the Bank under this Fee Letter shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the County may have or have had against the Bank and without any deduction or withholding for or by reason of any present or future taxes, levies, imposts, or charges of any nature whatsoever. In the event that the County is compelled by law to make any deduction or withholding, the County shall nevertheless pay to the Bank such amounts as will result in the receipt by the Bank of the sum it would have received had no such deduction or withholding been required to be made.

This Fee Letter may not be amended or waived except by an instrument in writing signed by the County and the Bank. The provisions of Sections 9.2 and 9.3 of the Agreement shall apply to this Fee Letter *mutatis mutandis*. This Fee Letter shall be binding upon and inure to the benefit of the successors and assigns of the parties; *provided, however*, that the County may not assign all or any part of this Fee Letter without the prior written consent of the Bank. The agreements set forth herein are entered into for the sole benefit of the Bank and the County, and their respective permitted successors and assigns, and no other person or entity shall be a third-party beneficiary of the agreements herein.

This Fee Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Fee Letter by electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

This Fee Letter is delivered to the County on the understanding that the County will take reasonable steps consistent with its customary practices to ensure that neither this Fee Letter nor any of its terms shall be disclosed, directly or indirectly, to any other person except (a) to the County's officers, directors, employees, accountants, attorneys, agents, trustees and advisors who are directly involved in the consideration of this matter on a confidential and need-to-know basis; (b) under compulsion of law (whether by interrogatory, subpoena, civil investigative demand or otherwise) or by order of any court or governmental or regulatory body; or (c) to any person requesting a copy of this Fee Letter as a public record, *provided* that, in the case of clauses (b) and (c), you shall (to the extent permitted) give the Bank reasonable prior notice of such disclosure and an opportunity to restrain such disclosure.

Any provision of this Fee Letter which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

This Fee Letter amends and restates in its entirety the Existing Fee Letter but is not intended to be or operate as a novation or an accord and satisfaction of the Existing Fee Letter or the indebtedness, obligations and liabilities of the County evidenced or provided for thereunder. Reference to this specific Fee Letter need not be made in any agreement, document, instrument, letter or certificate, the Existing Fee Letter itself or any communication issued or made pursuant to or with respect to the Existing Fee Letter, any reference to the Existing Fee Letter being

sufficient to refer to the Existing Fee Letter as amended and restated hereby, and more specifically, any and all references to the Fee Letter in the Agreement shall mean this Fee Letter.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

Please confirm that the foregoing is our mutual understanding by signing and returning to the Bank an executed counterpart of this Fee Letter. This Fee Letter shall become effective as of the date first above referenced upon our receipt of an executed counterpart of this Fee Letter from the County.

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

Accepted and agreed to as of the
date first written above by:

COUNTY OF RIVERSIDE

By: _____
Name: _____
Title: _____

AMENDMENT TO REIMBURSEMENT AGREEMENT

This Amendment to Reimbursement Agreement (this "*Amendment*"), is made and entered into as of December __, 2019, by and among the COUNTY OF RIVERSIDE ASSET LEASING CORPORATION, a non-profit, public benefit corporation organized under the laws of the State of California (including its successors and assigns, the "*Corporation*"), the COUNTY OF RIVERSIDE, CALIFORNIA, a political subdivision duly organized and validly existing under the Constitution and the laws of the State of California (including its successors and assigns, the "*County*") and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association (including its successors and assigns, the "*Bank*").

WITNESSETH

WHEREAS, the Corporation, the County and the Bank have previously entered into a Letter of Credit and Reimbursement Agreement, dated as of December 5, 2013, as amended by that Amendment to Reimbursement Agreement as of December 20, 2016, by and among the Corporation, the County and the Bank (as amended, the "*Agreement*");

WHEREAS, the County desires to extend the Stated Expiration Date (as defined in the Agreement) of the Letter of Credit (as defined in the Agreement), pursuant to Exhibit A attached hereto;

WHEREAS, the Bank is willing to extend the Stated Expiration Date (as defined in the Agreement) of the Letter of Credit (as defined in the Agreement) as long as certain amendments are made to the Agreement; and

WHEREAS, the Corporation and the County are willing to agree to such amendments in order to extend the Stated Expiration Date (as defined in the Agreement) of the Letter of Credit (as defined in the Agreement).

NOW, THEREFORE, in consideration of the foregoing, the premises and mutual covenants contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. *Defined Terms.* Unless otherwise defined herein, capitalized terms used herein shall have the meanings given thereto in the Agreement.

2. *Effectiveness of this Amendment.* This Amendment shall become effective as provided herein at the time (the "*Amendment Effective Time*") on the first date (the "*Amendment Effective Date*") on which each of the following conditions shall be satisfied or waived by the Bank:

(a) *Delivery of Amendment and Fee Letter.* Receipt by the Bank, on or prior to the Amendment Effective Date, of a copy of this Amendment duly executed and delivered by the County and the Corporation and a copy of the amended and restated fee letter of even date herewith executed by the County.

(b) *Resolutions.* Receipt by the Bank, on or prior to the Amendment Effective Date, of a copy of a resolution of the County and the Corporation authorizing the execution, delivery and performance of this Amendment (which may be an existing resolution), certified by the clerk of the County and the secretary of the Corporation, respectively, each of which certification shall include a statement to the effect that such resolution is in full force and effect on the Amendment Effective Date and has not been amended or revoked.

(c) *Incumbency.* Receipt by the Bank, on or prior to the Amendment Effective Date, of a certificate of the County and the Corporation certifying the names and true signatures of the officers of the County and the Corporation, respectively, authorized to sign this Amendment and the other documents to be delivered by the County and the Corporation hereunder.

(d) *Representations and Covenants of the County; No Defaults.* The following statements shall be true and correct on and as of the Amendment Effective Date, and the Bank shall have received a certificate signed by an authorized officer of the County, dated the Amendment Effective Date, stating that:

(i) The representations of the County contained in Article V of the Agreement (A) that are not qualified by concepts of materiality are true and correct in all material respects on and as of the Amendment Effective Date as though made on and as of such date and (B) that are qualified by concepts of materiality are true and correct in all respects on and as of the Amendment Effective Date as though made on and as of such date.

(ii) The representations of the County contained in Section 5 of this Amendment are true and correct in all respects on and as of the Amendment Effective Date as though made on and as of such date.

(iii) The County has performed or complied with all of its obligations, agreements and covenants to be performed or complied with by it pursuant to the Agreement on or prior to the Amendment Effective Date.

(iv) After giving effect to the execution and delivery of this Amendment by the County, there exists no Default or Event of Default.

(e) *Representations and Covenants of the Corporation; No Defaults.* The following statements shall be true and correct on and as of the Amendment Effective Date, and the Bank shall have received a certificate signed by an authorized officer of the Corporation, dated the Amendment Effective Date, stating that:

(i) The representations of the Corporation contained in Article VI of the Agreement (A) that are not qualified by concepts of materiality are true and correct in all material respects on and as of the Amendment Effective Date as though made on and as of such date and (B) that are qualified by concepts of

materiality are true and correct in all respects on and as of the Amendment Effective Date as though made on and as of such date.

(ii) The representations of the Corporation contained in Section 6 of this Amendment are true and correct in all respects on and as of the Amendment Effective Date as though made on and as of such date.

(iii) The Corporation has performed or complied with all of its obligations, agreements and covenants to be performed or complied with by it pursuant to the Agreement on or prior to the Amendment Effective Date.

(iv) After giving effect to the execution and delivery of this Amendment by the Corporation, there exists no Default or Event of Default.

(f) *Fees, Costs and Expenses.* The Bank shall have received payment of all fees, costs and expenses due under the Agreement that are to be paid on or prior to the Amendment Effective Date and shall have paid the fees and expenses of counsel to the Bank in connection with the preparation, negotiation, execution and delivery of this Amendment and the amendment of the Letter of Credit.

(g) *No Material Adverse Change.* As of the Amendment Effective Date, the Bank, in its sole determination, shall be satisfied that (i) since June 30, 2018, no material adverse change in the financial condition, business, assets, liabilities or prospects of the County has occurred, and (ii) no law, rule or regulation shall have been enacted, amended, suspended or repealed that would result in a material adverse change of the type described in clause (i).

3. *Amendments.* At the Amendment Effective Time:

(a) The following defined term shall be added to Section 1.1 of the Agreement and shall be inserted in alphabetical order:

"Confidential Information" means any sensitive or confidential information regarding the Corporation or the County, the Bank or any affiliate of the Bank including, without limitation, address and account information, e-mail addresses, telephone numbers, facsimile numbers, names and signatures of officers, employees and signatories.

(b) The definition of *"Fee Letter"* set forth in Section 1.1 of the Agreement is hereby deleted in its entirety and the following is substituted therefor:

"Fee Letter" means the Amended and Restated Fee Letter, executed and delivered as of December __, 2019, between the County and the Bank, as amended, supplemented, restated and otherwise modified from time to time.

“*Stated Expiration Date*” means January 17, 2025, and, if the Letter of Credit is extended in accordance with its terms, the most recent scheduled expiration date to which the Letter of Credit has been extended.

(c) Section 2.4(a) of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

(a) Unless the commitment of the Bank to make Liquidity Advances hereunder shall have terminated in accordance with Section 8.2(c)(i), if the Bank shall honor payment of a Liquidity Drawing and such payment is not reimbursed by 3:00 p.m. (Los Angeles time) on the day such payment is made and the conditions of Section 2.4(b) are satisfied on such day, such payment shall constitute, and the Bank shall be deemed to have extended, a Liquidity Advance to the County on such day and in the amount of such Liquidity Drawing (each such Liquidity Advance, a “*Liquidity Advance*” and, collectively, the “*Liquidity Advances*”), which Liquidity Advance shall be payable solely from Base Rental and Trust Amounts. Subject to the abatement provisions set forth in the Facilities Lease and the fair rental value limitations set forth in Section 2.4(c) and the Facilities Lease, unless an unreimbursed Liquidity Advance becomes a Term Loan in accordance with Section 2.4(b), the County promises to pay to the Bank the unpaid principal of each Liquidity Advance no later than the Liquidity Advance Maturity Date therefor. The County also promises to pay to the Bank interest on each Liquidity Advance from the date of incurrence thereof to and including the date such Liquidity Advance is paid in full, at a rate per annum equal to the Liquidity Rate from time to time in effect, payable on the first Business Day of each month, on each date on which such Liquidity Advance is prepaid, on each date on which the Bank Bonds purchased with the proceeds of the Liquidity Drawing evidenced by such Liquidity Advance are remarketed and, unless such unreimbursed Liquidity Advance becomes a Term Loan in accordance with Section 2.4(b), on the Liquidity Advance Maturity Date therefor. Upon making a Liquidity Advance hereunder, the Bank shall use its best efforts to promptly notify the County of the date by which the County is required to provide a written request to extend a Liquidity Advance in accordance with the immediately succeeding sentence; *provided, however*, that the Bank’s failure to provide such notice shall not relieve the County of its obligations hereunder. In the event that either (A) the Bank has not received a written request from the County to extend a Liquidity Advance beyond the date that is thirty (30) days following the related Liquidity Drawing on or before the thirtieth (30th) day following the date of the related Liquidity

Drawing or (B) on the thirtieth (30th) day following the date of the related Tender Drawing (A) the representations and warranties of the County contained in Article V hereof are not correct, (B) any Event of Default has occurred and is continuing, (C) the commitment of the Bank to make Term Loans hereunder shall have terminated in accordance with Section 8.2(c)(i) hereof, the principal of and interest on any and all Liquidity Drawings shall be paid to the Bank on such thirtieth (30th) day following the date of the related Liquidity Drawing.

(d) Section 2.4 of the Agreement shall be amended by adding the following paragraph (g) to the end of said Section:

(g) The County's obligations to repay each Liquidity Advance and Term Loan and to pay interest thereon as provided herein shall be evidenced and secured by the Bank Bonds, and the County shall, without limitation or duplication, (i) make, or cause to be made, a principal payment on the Bank Bonds on each date on which the County is required to make a principal payment on a Liquidity Advance and/or Term Loan, as applicable, in an amount equal to the principal payment due on such date and (ii) pay, or cause to be paid, interest on the Bank Bonds on each date on which the County is required to make an interest payment with respect to a Liquidity Advance and/or Term Loan, as applicable, in an amount equal to the interest payment due on such date. The payment of the principal of and interest on the Bank Bonds shall constitute payment of the principal of and interest on the related Liquidity Advance and/or related Term Loan, as applicable, and the payment of the principal of and interest on the related Liquidity Advance and/or related Term Loan, as applicable, shall constitute the payment of the principal of and interest on the Bank Bonds and the failure to make any payment on any Liquidity Advance or Term Loan when due shall be a failure to make a payment on the Bank Bonds and the failure to make any payment on the Bank Bonds when due shall be a failure to make a payment on the related Liquidity Advance and/or related Term Loan, as applicable.

(e) Section 3.2(b)(ii) of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

(ii) Shall impose, modify or deem applicable any reserve, liquidity ratio, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, the Bank or shall impose on the Bank or on the United States market for letters of credit any other condition affecting its obligation to issue or maintain the Letter of

Credit or the Bank's commitment to make Liquidity Advances and/or Term Loans or in respect of Liquidity Advances and/or Term Loans made by the Bank;

(f) Section 6.6 of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

Section 6.6. No Sovereign Immunity. The Corporation is subject to civil and commercial law in respect of its obligations under this Agreement and the Corporation Related Documents. The Corporation does not enjoy any right of immunity in respect of such obligations on the grounds of immunity (sovereign or otherwise) from jurisdiction in any court or from setoff or any legal process. To the extent that the Corporation has, or hereafter may acquire under any applicable law, any right to immunity from set-off or legal proceedings, on the grounds of governmental immunity or otherwise, the Corporation hereby irrevocably waives, to the full extent permitted by law, such rights to immunity for itself in respect of any contract claims arising under or related to this Agreement or any Corporation Related Document. It is specifically understood and agreed that nothing contained in this Agreement shall be construed as an express or implied waiver by the Corporation of its governmental or sovereign immunity or the governmental or sovereign immunity of the State with respect to actions which lie in tort or could lie in tort.

(g) Section 7.30 of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

Section 7.30. No Sovereign Immunity. To the extent that the County has, or hereafter may acquire under any applicable law, any right to immunity from set-off or legal proceedings, on the grounds of governmental immunity or otherwise, the County hereby irrevocably waives, to the full extent permitted by law, such rights to immunity for itself in respect of any contract claims arising under or related to this Agreement or any County Related Document. It is specifically understood and agreed that nothing contained in this Agreement shall be construed as an express or implied waiver by the County of its governmental or sovereign immunity or the governmental or sovereign immunity of the State with respect to actions which lie in tort or could lie in tort.

(h) Section 9.4(c) of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

(c) The Bank may at any time assign all or any portion of its rights under this Agreement, the Fee Letter, the Bank Bonds and the Letter of Credit to a Federal Reserve Bank or the United States Treasury or to any state or local governmental entity or with respect to public deposits. No such assignment by the Bank shall release the Bank from its obligations hereunder or under the Letter of Credit. Upon making such an assignment under this paragraph (c), the Bank shall use its best efforts to promptly notify the County of such assignment; *provided, however*, that the Bank's failure to provide such notice shall not relieve the County of its obligations hereunder.

(i) Article IX of the Agreement shall be amended by adding the following Sections after Section 9.12 and the table of contents shall be revised accordingly:

Section 9.13. EMMA Postings. In the event the County or the Corporation files with EMMA, this Agreement, any Related Documents or any description of the material terms thereof or notice of any agreement to covenants, events of default, remedies, priority rights or other similar terms, either voluntarily or as required pursuant a continuing disclosure agreement or Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "*Rule*") (each such posting, an "*EMMA Posting*"), the County shall (i) provide the Bank with a copy of each EMMA Posting prior to submitting or posting on EMMA and (ii) shall not file or permit the filing of any EMMA Posting that includes Confidential Information. The Agency acknowledges and agrees that although the Bank may request review, edits or redactions of such materials prior to filing, the Bank is not responsible for the Agency's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with any continuing disclosure agreement or any applicable securities or other laws, including, but not limited to, those relating to the Rule.

Section 9.14. US QFC Stay Rules.

(a) *Recognition of U.S. Resolution Regimes.* In the event that any party that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of this Agreement, the Letter of Credit or any other Related Document (and any interest and obligation in or under this Agreement, the Letter of Credit or any other Related Document and any property

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

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

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

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

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

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

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

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

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

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

4. *Amendment of the Letter of Credit.* Promptly following the Amendment Effective Time, the Bank shall execute and cause to be delivered to the Trustee an amendment to the Letter of Credit extending the Stated Expiration Date of the Letter of Credit for a five-year period.

5. *Representations and Warranties of the County.* (a) The County is a political subdivision duly organized and validly existing under the Constitution and the laws of the State of California.

(b) The County has the power and authority to execute, deliver and perform this Amendment.

(c) The County has taken all necessary action to authorize this Amendment, and to execute, deliver and perform its obligations under this Amendment in accordance with its terms.

(d) This Amendment has been duly executed and delivered by the County, and when executed and delivered by the Bank will be, a legal, valid and binding obligation of the County in accordance with its terms, except as such enforceability may be limited by (i) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors’ rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(e) The execution, delivery and performance of this Amendment by the County in accordance with its terms does not and will not (i) contravene any organizational documents of the County, (ii) require any consent or approval of any person other than those which have been obtained (and not revoked) prior to the Amendment Effective Time, (iii) violate any laws, rules or regulations (including, without limitation, Regulations T, U or X of the Federal Reserve Bank, or any successor regulations), (iv) 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 or (v) 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 except such liens, if any, expressly created by any Related Document.

(f) There is no action, suit or proceeding, at law or in equity, or before any court, public board, public body or arbitrator pending (or to the knowledge of the County, threatened), against the County or any officers of the County in their respective capacities as such (i) to restrain or enjoin the execution and delivery by the County of this Amendment, (ii) in any manner questioning the authority of the County to execute, deliver and perform this Amendment or the other Related Documents to which it is a party, or (iii) questioning the validity or enforceability of this Amendment or the other Related Documents to which it is a party.

6. *Representations and Warranties of the Corporation.* (a) The Corporation is a non-profit, public benefit corporation organized under the laws of the State of California. The Corporation is in good standing under the laws of the State of California.

(b) The Corporation has the power and authority to execute, deliver and perform this Amendment.

(c) The Corporation has taken all necessary action to authorize this Amendment, and to execute, deliver and perform its obligations under this Amendment in accordance with its terms.

(d) This Amendment has been duly executed and delivered by the Corporation, and when executed and delivered by the Bank will be, a legal, valid and binding obligation of the Corporation in accordance with its terms, except as such enforceability may be limited by (i) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(e) The execution, delivery and performance of this Amendment by the Corporation in accordance with its terms does not and will not (i) contravene any organizational documents of the Corporation, (ii) require any consent or approval of any person other than those which have been obtained (and not revoked) prior to the Amendment Effective Time, (iii) violate any laws, rules or regulations (including, without limitation, Regulations T, U or X of the Federal Reserve Bank, or any successor regulations), (iv) conflict with, result in a breach of or constitute a default under any contract to which the Corporation is a party or by which it or any of its property may be bound or (v) 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 Corporation except such liens, if any, expressly created by any Related Document.

(f) There is no action, suit or proceeding, at law or in equity, or before any court, public board, public body or arbitrator pending (or to the knowledge of the Corporation, threatened), against the Corporation or any officers of the Corporation in their respective capacities as such (i) to restrain or enjoin the execution and delivery by the Corporation of this Amendment, (ii) in any manner questioning the authority of the Corporation to execute, deliver and perform this Amendment or the other Related Documents to which it is a party, or (iii) questioning the validity or enforceability of this Amendment or the other Related Documents to which it is a party.

7. *Miscellaneous.* (a) Except as expressly modified by this Amendment, the Agreement shall continue to be and remain in full force and effect in accordance with its terms. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby. Reference to this Amendment need not be made in any note, document, agreement, letter, certificate, the Agreement or any communication issued or made subsequent to or with respect to the Agreement, it being hereby agreed that any reference to the Agreement shall be sufficient to refer to the Agreement, as hereby amended.

(b) This Amendment may be executed in any number of counterparts, each of which shall constitute an original, but all of which when taken together shall constitute but one instrument.

(c) This Amendment may be delivered by the exchange of signed signature pages by facsimile transmission or by e-mail with a pdf copy or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

(d) PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW (OR ANY SUCCESSOR STATUTE THERETO), THIS AMENDMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK AND APPLICABLE FEDERAL LAW; *PROVIDED, HOWEVER,* THE OBLIGATIONS OF THE COUNTY AND THE CORPORATION HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA AND APPLICABLE FEDERAL LAW WITHOUT REGARD TO CHOICE OF LAW RULES.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION

By: _____
Name: _____
Title: _____

COUNTY OF RIVERSIDE

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

CONSENTED TO BY ASSURED GUARANTY CORP.

By: _____
Name: _____
Title: _____

FORM APPROVED COUNTY COUNSEL

BY *[Signature]* 5 Dec. 2019
DAVID M. MCCARTHY DATE
For Court

FORM APPROVED COUNTY COUNSEL

BY *[Signature]* 12/5/19
KRISTINE BELL-VALDEZ DATE
for County of Riverside

EXHIBIT A

WELLS FARGO BANK, NATIONAL ASSOCIATION

IRREVOCABLE LETTER OF CREDIT No. ID0124825U

U.S. Bank National Association, as Trustee
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Attention: Global Corporate Trust Services

Re: Notice of Extension of the Expiration Date

Ladies and Gentlemen:

Reference is hereby made to that certain Irrevocable Letter of Credit No. ID0124825U dated December 5, 2013 (as amended, modified, extended and supplemented from time to time, the "*Letter of Credit*"), established by us in your favor as beneficiary. We hereby notify you that the Expiration Date (as defined in the Letter of Credit), has been extended to January 17, 2025.

This letter should be attached to the Letter of Credit and made a part thereof.

IN WITNESS WHEREOF, we have executed and delivered this certificate as of this __th day of December 2019.

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____