

THIRD SUPPLEMENTAL INDENTURE

between

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

relating to:

**SAN FRANCISCO COUNTY TRANSPORTATION
AUTHORITY SALES TAX REVENUES BANK NOTE
(LIMITED TAX BOND)**

Dated as of October 1, 2021

(Supplemental to the Third Amended and Restated Indenture dated as of November 1, 2017)

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THIRD SUPPLEMENTAL INDENTURE

San Francisco County Transportation Authority
Sales Tax Revenue Bank Note
(Limited Tax Bond)

This **THIRD SUPPLEMENTAL INDENTURE** (this “**Third Supplemental Indenture**”), dated as of October 1, 2021, is made between the **SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**, a public entity duly organized and existing under and by virtue of the laws of the State of California (the “**Transportation Authority**”), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America, as trustee (in such capacity, the “**Trustee**”), and amends that certain Third Amended and Restated Indenture, dated as of November 1, 2017 (the “**Indenture**”), between the Transportation Authority and the Trustee;

WITNESSETH :

WHEREAS, the Transportation Authority is duly organized and existing under the Bay Area County Traffic and Transportation Funding Act, being Division 12.5 of the Public Utilities Code of the State of California (Sections 131000 et seq.) (the “**Act**”);

WHEREAS, the Board of Supervisors of the City and County of San Francisco adopted Resolution Number 485-03 on July 29, 2003, which approved the New Transportation Expenditure Plan for San Francisco, recommended on July 22, 2003 by the Transportation Authority (the “**Expenditure Plan**”) and called and provided for an election for the purpose of submitting to the voters a measure to enact an ordinance (the “**Ordinance**”) that would, in part, authorize implementation of the Expenditure Plan, continue collection of the retail transactions and use tax applicable in the City and County of San Francisco at the existing level of one-half of one percent (1/2%) (the “**Sales Tax**”), continue in effect the Transportation Authority as the independent agency to administer the Sales Tax and oversee implementation of the Projects and authorize the Transportation Authority to issue limited tax bonds as needed, in a total outstanding aggregate amount not to exceed \$1,880,000,000, secured by and payable from the proceeds of the Sales Tax;

WHEREAS, the Indenture provides for the issuance of Parity Debt and for the execution and delivery of Supplemental Indentures; and

WHEREAS, the Transportation Authority has determined to enter into a Revolving Credit Agreement, dated as of [October __, 2021] (the “**Credit Agreement**”), by and between the Transportation Authority and U.S. Bank National Association, as a lender (in such capacity, “**U.S. Bank**”) and to issue a promissory note (which shall constitute the Bank Note, as defined herein) evidencing Loans (as defined in the Credit Agreement) and to secure the payment of the principal of and interest on the Loans (the “**Loan Debt Service**”) and other Obligations (as defined in the Credit Agreement) under the Credit Agreement;

WHEREAS, the Transportation Authority and the Trustee desire to make certain amendments to the Indenture in connection with the entry into the Credit Agreement and the issuance of the Bank Note as permitted by Section 12.01 of the Indenture;

WHEREAS, all acts, conditions, and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into this Third Supplemental Indenture do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Third Supplemental Indenture;

NOW, THEREFORE, the Transportation Authority and the Trustee, each in consideration of the representations, warranties, covenants and agreements of the other as set forth herein, mutually represent, warrant, covenant and agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01 Definitions. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Indenture, as amended by this Third Supplemental Indenture. The following definitions shall apply to the terms used in this Third Supplemental Indenture unless the context clearly requires otherwise.

“**Bank Note**” means the \$125,000,000 San Francisco County Transportation Authority Sales Tax Revenues Bank Note (Limited Tax Bond) issued to U.S. Bank on the effective date of this Third Supplemental Indenture.

“**U.S. Bank**” has the meaning given to such term in the recitals.

ARTICLE II

AMENDMENTS TO THE INDENTURE

SECTION 2.01 Amendments to Recitals. The sixth “WHEREAS” clause is hereby amended to read as follows:

WHEREAS, as of the effective date of the Third Supplemental Indenture, the Transportation Authority will issue a promissory note (the “Note”) under this Indenture evidencing Loans (as defined herein) under the Credit Agreement (as defined herein) and to secure the payment of the principal of, and interest on, the Loans (the “Loan Debt Service”) and Lender Fees and Expenses (as defined herein);

SECTION 2.02 Amendments to Section 1.01 of the Indenture.

(a) The definition of “Additional Advance” in Section 1.01 of the Indenture is hereby amended to read in full as follows: “‘Additional Advance’ means an Advance under the Credit Agreement.”

(b) The definition of “Administrative Agent” in Section 1.01 of the Indenture is hereby deleted.

(c) The definition of “Advance No. 1” is hereby deleted.

(d) The last sentence of the definition of “Authorized Representative” is hereby amended by replacing the phrase “Administrative Agent” with the word “Lender.”

(e) The definition of “Business Day” is hereby amended by deleting the phrase “, or, with respect to the Note, Boston, Massachusetts or in the state in which the principal office of the Administrative Agent or either Lender is located,” and by amending clause (iii) to read in its entirety as follows: “(iii) with respect to the Note, a day on which the office of the Lender where Requests for Advances are to be presented under the Credit Agreement is required or authorized by law to be closed; or”

(f) The definition of “Credit Agreement” is hereby amended to read in full as follows:

“**Credit Agreement**” means the Revolving Credit Agreement, dated as of [October __, 2021], by and between the Transportation Authority and U.S. Bank National Association, as a lender, as originally executed and as it may from time to time be amended, restated, supplemented or otherwise modified pursuant to its terms.

(g) The definition of “Holder” or “Owner” is hereby amended to add the following as the last sentence:

“With respect to the Note, the initial Holder shall be the Lender.”

(h) Clause (xxi) of the definition of “Investment Securities” is hereby amended by replacing the phrase “Administrative Agent” with the word “Lender.”

(i) The definition of “Lender” is hereby amended to read in full as follows:

“**Lender**” means U.S. Bank National Association and its successors and permitted assigns.

(j) The definition of “Lender Fees and Expenses” is hereby amended to read in full as follows:

“Lender Fees and Expenses” means all Credit Agreement Obligations other than the Loan Debt Service.

(k) The definition of “Note” is hereby amended to read in full as follows:

“Note” means the San Francisco County Transportation Authority Sales Tax Revenues Bank Note (Limited Tax Bond) issued by the Transportation Authority pursuant to the Credit Agreement and the Indenture, as supplemented by the Third Supplemental Indenture.

(l) The definition of “Note Tax Certificate” is hereby amended to read in full as follows:

“Note Tax Certificate” means the Tax Certificate delivered by the Transportation Authority concurrently with the entry into the Third Supplemental Indenture, as originally executed and as it may from time to time be amended or supplemented pursuant to its terms, and includes any Additional Note Tax Certificate.

(m) The definition of “Noteholder” or “Noteowner” is hereby amended to read in full as follows:

“Noteholder” or **“Noteowner”** means the Holder or Owner of a Note. As of the effective date of the Third Supplemental Indenture, the Noteholder shall be U.S. Bank National Association, as Lender.

(n) The definition of “Prior Credit Agreement” is hereby deleted from Section 1.01 of the Indenture.

(o) The following definition is hereby added to Section 1.01 of the Indenture:

“Third Supplemental Indenture” means the Third Supplemental Indenture, dated as of October 1, 2021, by and between the Transportation Authority and the Trustee.

SECTION 2.03 Amendment to Section 1.02 of the Indenture. Clause (c) of Section 1.02 is hereby amended to remove the phrase “, without preference, priority or distinction as to security or otherwise of any Note over any other Note, and” after the phrase “the Owner of the Note with respect to Lender Fees and Expenses.”

SECTION 2.04 Amendment to Section 2.05 of the Indenture. Section 2.05 is hereby amended by replacing the phrase “Transportation Authority, the Administrative Agent and the Lender” with the phrase “Transportation Authority and the Lender.”

SECTION 2.05 Amendment to Section 4.02 of the Indenture. Subsection (d) of Section 4.02 is hereby amended by replacing the phrase “Administrative Agent” with the word “Lender.”

SECTION 2.06 Amendment to Section 7.02 of the Indenture. The last sentence of Section 7.02 of the Indenture is amended to replace the phrase “Senior Lien Debt” with “Senior Lien Debt, Parity Debt and Subordinate Obligations.”

SECTION 2.07 Amendment to Section 7.03 of the Indenture. The phrase “Administrative Agent” in the third paragraph of Section 7.03 is hereby replaced with the word “Lender”; the phrase “Administrative Agent for the benefit of each Noteholder” in the fourth and fifth paragraphs of Section 7.03 is replaced with the word “Noteholder”; the phrase “owing to the Administrative Agent and each Lender” in the sixth paragraph of Section 7.03 is replaced with the phrase “owing to the Lender”; and the phrase “for any lawful purpose of the Transportation Authority” is replaced with the phrase “for any lawful purpose of the Transportation Authority and shall no longer secure the Loans.”

SECTION 2.08 Amendment to Section 7.04 of the Indenture. The phrase “Administrative Agent for the benefit of each Noteholder” in the fourth paragraph of Section 7.04 is replaced with the word “Noteholder.”

SECTION 2.09 Amendment to Section 7.09 of the Indenture. The phrase “Administrative Agent” in the sixth paragraph of Section 7.09 shall be replaced with the phrase “Lender.”

SECTION 2.10 Amendment to Section 9.02(a) of the Indenture. The second to last sentence of Section 9.02(a) is hereby amended to read in full as follows:

In addition, said agreement will not be amended, modified or altered in any manner that would affect the remittance of the Sales Tax Revenues directly to the Trustee or would affect the rights, remedies or security of the Lender without the written consent of the Lender so long as the Note is Outstanding.

SECTION 2.11 Amendment to Section 11.01(b) of the Indenture. Subsection (b) of Section 11.01 is hereby amended by replacing the phrase “Administrative Agent” in both places it appears in this subsection with the word “Lender.”

SECTION 2.12 Amendment to Section 16.04 of the Indenture. Section 16.04 is hereby amended to read in full as follows:

SECTION 16.04 Lender to Act as Noteholder; Limitations on Lender’s Rights. Notwithstanding anything contained herein to the contrary, the Lender shall be treated as the sole Noteholder for all provisions hereof regarding consents, approvals, directions,

waivers, appointments, requests or other actions by Noteholders or any portion thereof. Further, notwithstanding anything herein to the contrary, any such provisions or any provisions regarding consents, approvals, directions, waivers, appointments, requests or other actions by Noteholders or any portion thereof or of the Lender shall be deemed not to require or permit such consents, approvals, directions, waivers, appointments, requests or other actions and shall be read as if the Noteholders and/or Lender were not mentioned therein at any time when (A) there are no Loan(s) and no Lender Fees and Expenses outstanding under the Credit Agreement and (B)(1) the Lender has failed to honor a properly presented and conforming request for Advance under the Credit Agreement or (2) the Credit Agreement shall at any time for any reason cease to be valid and binding on the Lender in a final non-appealable judgment of a court of competent jurisdiction, or has terminated in accordance with its terms.

SECTION 2.13 Amendment to Section 16.08 of the Indenture. The notice address for the Lender is replaced with the following:

U.S. Bank: U.S. Bank National Association
1 California Street, Suite 350
San Francisco, CA 94111
Attention: Jeffrey Kajisa
Telephone: (415) 677-3677
Email: jeffrey.kajisa@usbank.com

With a copy to:
U.S. Bank National Association
Government Banking Client Rep
100 North Side Sq., Shelbyville, TN 37160
Attention: Christy L. Tobish
Telephone: 931.680.0535
E-mail: christy.tobish@usbank.com

ARTICLE III

ISSUANCE OF NOTE

SECTION 3.01 Issuance of Note. A Bank Note shall be issued in registered form to U.S. Bank. The Bank Note shall be in the form specified in the Credit Agreement and shall be executed and authenticated as provided in Sections 2.02 and 2.03 of the Indenture. The Bank Note is a “Note” as defined in the Indenture.

SECTION 3.02 Note Under the Indenture; Security; Lien Priority. The Bank Note is issued under and subject to the terms of the Indenture and is secured by and payable solely from Revenues as Parity Debt on a parity with other Parity Debt in accordance with the terms of the Indenture.

ARTICLE IV

MISCELLANEOUS

SECTION 4.01 Limited Obligation. Neither the faith and credit nor the taxing power of the County, the State or any political subdivision or agency thereof, other than the Transportation Authority to the extent of the Revenues and certain other amounts held by the Trustee under the Indenture, is pledged to the payment of the Bank Note.

The Bank Note is a limited obligation of the Transportation Authority and is payable, both as to principal and interest, solely from the Revenues and by certain other amounts held by the Trustee under the Indenture. The general fund of the Transportation Authority is not liable, and neither the credit nor the taxing power of the Transportation Authority is pledged (other than as described in the preceding sentence), for the payment of the Bank Note or its interest. The Bank Note is not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the Transportation Authority or any of its income or receipts, except the Revenues.

SECTION 4.02 Successor Is Deemed Included in All References to Predecessor. Whenever in this Third Supplemental Indenture either the Transportation Authority or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Third Supplemental Indenture contained by or on behalf of the Transportation Authority or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 4.03 Limitation of Rights to Specified Parties. Nothing in this Third Supplemental Indenture, expressed or implied, is intended or shall be construed to give to any person other than the Transportation Authority, the Trustee, and the Owner of the Bank Note, any legal or equitable right, remedy or claim under or in respect of this Third Supplemental Indenture or any covenant, condition or provision therein or herein contained; all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Transportation Authority, the Trustee, and the Owner of the Bank Note.

SECTION 4.04 Severability. If any provision of this Third Supplemental Indenture shall be determined to be unenforceable, such determination shall not affect any other provision of this Third Supplemental Indenture.

SECTION 4.05 Governing Law. This Third Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of California.

SECTION 4.06 Captions. The captions in this Third Supplemental Indenture are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this Third Supplemental Indenture.

SECTION 4.07 Counterparts. This Third Supplemental Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument. This Third Supplemental Indenture may be delivered by the exchange of signed signature pages by facsimile transmission or by e-mail with a pdf copy attached, and any printed or copies version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

SECTION 4.08 Effectiveness of Remainder of the Indenture. Except as otherwise amended herein, the Indenture shall remain in full force and effect.

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IN WITNESS WHEREOF, the parties hereto have executed this Third Supplemental Indenture by their officers thereunto duly authorized as of the date first above written.

SAN FRANCISCO COUNTY
TRANSPORTATION AUTHORITY

By _____
[Tilly Chang
Executive Director]

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By _____
Authorized Officer

[Signature page to Third Supplemental Indenture]