

\$16,765,000
IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS)

\$12,375,000
Series 2018A
(City of Calexico)

\$1,450,000
Series 2018B
(City of Calipatria)

\$2,940,000
Series 2018C
(City of Holtville)

PURCHASE CONTRACT

September 13, 2018

Imperial County Local Transportation Authority
1405 North Imperial Avenue, Suite 1
El Centro, CA 92243

Ladies and Gentlemen:

Samuel A. Ramirez & Co., Inc. (the “Underwriter”) offers to enter into this Purchase Contract (the “Purchase Contract”) with you, the Imperial County Local Transportation Authority (the “Authority”), for the purchase by the Underwriter of \$16,765,000 aggregate principal amount of the Imperial County Local Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds), consisting of \$12,375,000 aggregate principal amount of Imperial County Local Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2018A (City of Calexico) (the “Series 2018A Bonds”), \$1,450,000 aggregate principal amount of Imperial County Local Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2018B (City of Calipatria) (the “Series 2018B Bonds”), \$2,940,000 aggregate principal amount of Imperial County Local Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2018C (City of Holtville) (the “Series 2018C Bonds”) (each a “Series of Bonds” and, collectively, the “Bonds”).

This offer is made subject to written acceptance by the Authority at or prior to 11:59 p.m., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. Upon such acceptance this Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon the Authority and the Underwriter.

Section 1. Purchase and Sale. Upon the terms and conditions and in reliance on the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase, and the Authority hereby agrees to issue and direct The Bank of New York Mellon Trust Company, N.A. (the “Trustee”) to authenticate and deliver to the Underwriter, all (but not less than all) of the following:

(1) \$12,375,000 aggregate principal amount of Series 2018A Bonds at the aggregate purchase price of \$13,015,832.15 (representing the aggregate principal amount of the

Series 2018A Bonds, plus an original issue premium of \$752,207.15 and less an Underwriter's discount of \$111,375.00) (the "Series 2018A Purchase Price");

(2) \$1,450,000 aggregate principal amount of Series 2018B Bonds at the aggregate purchase price of \$1,409,482.70 (representing the aggregate principal amount of the Series 2018B Bonds, less an original issue discount of \$27,467.30 and less an Underwriter's discount of \$13,050.00) (the "Series 2018B Purchase Price");

(3) \$2,940,000 aggregate principal amount of Series 2018C Bonds at the aggregate purchase price of \$3,111,076.85 (representing the aggregate principal amount of the Series 2018C Bonds, plus a net original issue premium \$197,536.85 and less an Underwriter's discount of \$26,460.00) (the "Series 2018C Purchase Price" and, together with the Series 2018A Purchase Price and Series 2018B Purchase Price, the "Aggregate Purchase Price");

The Bonds shall be as described in the Official Statement and the Indenture (each as herein defined) and shall be issued and secured under and pursuant to an Indenture, dated as of May 1, 2012 (the "Master Indenture"), and certain Supplemental Indentures, each dated as of September 1, 2018 (the "Supplemental Indentures" and, together with the Master Indenture, the "Indenture"), each by and between the Authority and the Trustee. The principal amounts, maturities and interest rates with respect to the Bonds are as set forth in Exhibit A hereto. The proceeds of the Bonds will be used to (i) finance the costs associated with certain transportation projects of the City of Calipatria, the City of Calexico and the City of Holtville (collectively, the "Participating Local Agencies"), (ii) fund bond reserves for each Series of Bonds, and (iii) pay costs of issuance of the Bonds.

Each of the Local Agencies will enter into a Pledge Agreement, dated as of September 1, 2018 (each a "Pledge Agreement" and, together, the "Pledge Agreements"), by and between such Local Agency and the Authority, pursuant to which the Local Agency will pledge and assign its Pledged Allocable Sales Tax Revenues (as defined in the Indenture) to the Trustee for payment of debt service on the Bonds to be issued on behalf of the Local Agency. The execution and delivery of the Pledge Agreement and the issuance of the Bonds, together with certain actions related thereto, have been authorized by a resolution of each of the Local Agencies (each a "Local Agency Resolution").

The execution and delivery of the Indenture, the Pledge Agreements, the Sales Tax Administration Agreement, the Continuing Disclosure Agreement, dated as of September 1, 2018 (the "Continuing Disclosure Agreement" and, together with this Purchase Contract, the Indenture, the Pledge Agreements and the Sales Tax Administration Agreement, the "Authority Legal Documents"), by and between the Authority and the Trustee, as dissemination thereunder, and this Purchase Contract, the issuance of the Bonds and certain matters relating thereto have been authorized by a resolution of the Authority dated July 25, 2018 (the "Authority Resolution"). The Pledge Agreements and the Letters of Representations of the Local Agencies set forth in Exhibit B hereto and made a part of this Purchase Contract by this reference (the "Letter of Representations") are referred to collectively herein as the "Local Agencies Legal Documents". The Authority Legal Documents and the Local Agencies Legal Documents are referred to collectively herein as the "Legal Documents." Capitalized terms not otherwise defined herein shall have the meanings as defined in the Indenture.

The payment of principal of and interest on each Series of Bonds will be secured by a municipal bond insurance policy issued for such Series of Bonds (each an “Insurance Policy, collectively, the “Insurance Policies”) to be issued simultaneously with the issuance of the Bonds by Assured Guaranty Municipal Corp. (the “Insurer”). The Insurer will also issue reserve surety policies for each of the Series of Bonds (each, a “Reserve Surety Policy” and collectively, the “Reserve Surety Policies”).

Section 2. Establishment of Issue Price.

(a) The Underwriter agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an “issue price” or similar certificate substantially in the form attached hereto as Exhibit D, together with the supporting pricing wires or equivalent communications, with modifications to such certificate as may be deemed appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) Except as otherwise set forth in Exhibit A attached hereto, the Authority will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). Exhibit A attached hereto sets forth the maturities of the Bonds for which the 10% test has been satisfied as of the date of this Purchase Contract (the “10% Test Maturities”) and the prices at which the Underwriters have sold such 10% Test Maturities to the public.

(c) The Underwriter confirms the Bonds have been offered to the public on or before the date of this Purchase Contract at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the final official statement. Exhibit A sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the 10% test has not been satisfied as of the date of this Purchase Contract (the “Held Maturities”). The Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply to the Held Maturities, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the Authority or the Authority’s municipal advisor when the Underwriter has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Underwriter confirms that any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Authority acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(e) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) “public” means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an underwriter or a related party to the Underwriter,

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(4) “sale date” means the date of execution of this Purchase Contract by all parties.

Section 3. Delivery of the Official Statement and Other Documents.

(a) The Authority agrees to cause to be delivered to the Underwriter as many copies of the Official Statement relating to the Bonds, signed on behalf of the Authority by a duly authorized officer of the Authority, as the Underwriter shall reasonably request in an amount not to exceed 150 to comply with Rule 15c2-12(b)(4) promulgated by the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the “Rule”), and the rules of the Municipal Securities Rulemaking Board (the “MSRB”). The Authority agrees that within seven (7) business days from the date hereof and in any event not less than two days prior to the date of Closing (as defined below), it shall deliver to the Underwriter a final Official Statement, executed on behalf of the Authority by an authorized representative of the Authority and dated the date hereof, which shall be in the form of the Preliminary Official Statement (as defined herein) with only those changes necessary to reflect information permitted to be omitted by paragraph (b)(1) of Rule 15c2-12, and such other amendments or supplements as shall have been approved by the Authority and the Underwriter and such additional conformed copies thereof in “designated electronic format” (as defined in MSRB Rule G-32), as the Underwriter may reasonably request in sufficient quantities to comply with Rule 15c2-12 and to meet potential customer requests for copies of the Official Statement. The Authority hereby ratifies and consent to the use by the Underwriter, prior to the date hereof, of the Preliminary Official Statement.

(b) The Authority hereby authorizes the approval of the Official Statement by execution thereof by a duly authorized officer of the Authority. By execution of this Purchase Contract, the Authority confirms that the Preliminary Official Statement dated August 30, 2018 with respect to the Bonds, (together with the appendices thereto, any documents incorporated therein by reference and any supplements or amendments thereto, the “Preliminary Official Statement”) was deemed final for purposes of the Rule. The Authority represents that the information (excluding the statements and information under the caption “Book-Entry System,” and in APPENDIX E – “BOOK-ENTRY SYSTEM” and any information relating to the Underwriter provided by the Underwriter in writing for inclusion in the Preliminary Official Statement) contained in the Preliminary Official Statement was as of its date, and is as of the date hereof, true and correct in all material respects and such information did not and does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Preliminary Official Statement, with such changes and amendments as are mutually agreed to by the Authority and the Underwriter, including the cover page, inside cover page, the appendices and all information incorporated therein by reference, is herein referred to as the “Official Statement”.

(c) The Underwriter agrees to (1) provide the Commission with final pricing information on the Bonds on a timely basis, (2) give notice to the Authority on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver Official Statements pursuant to paragraph (b)(4) of the Rule, and (3) promptly file a copy of the final Official Statement, including any supplements prepared by the Authority, with the Municipal Securities Rulemaking Board.

(d) Prior to the earlier of (i) receipt of notice from the Underwriter pursuant to Section 3(c) hereof that Official Statements are no longer required under the Rule or (ii) 25 days after the Closing (as hereinafter defined), but not thereafter, the Authority shall provide the Underwriter with such information regarding the Authority, its current financial condition and the ongoing operations, including the Pledged Allocable Sales Tax Revenues and the projects to be financed with proceeds of the Bonds, as the Underwriter may reasonably request.

Section 4. The Closing. At 8:00 a.m., California Time, on September 26, 2018, or at such other time or on such earlier or later date as the Authority and the Underwriter mutually agreed upon, the Authority and the Trustee will deliver or cause to be delivered to the Underwriter the Bonds in book-entry form through or otherwise in care of the facilities of The Depository Trust Company, New York, New York (“DTC”), duly executed and authenticated, and the other documents hereinafter mentioned shall be delivered at the offices of Norton Rose Fulbright US LLP in Los Angeles, California (“Bond Counsel”), or at such other location as shall have been mutually agreed upon by the Authority and the Underwriter. Subject to the terms and conditions hereof, the Underwriter will accept delivery of the Bonds and pay the Aggregate Purchase Price thereof by federal funds to the order of the Trustee as set forth in Section 1 hereof (such delivery of and payment for the Bonds is herein called the “Closing”).

Section 5. Public Offering. The Underwriter agrees to make a bona fide public offering of all of the Bonds at their principal amount. The Underwriter reserves the right to change such initial public offering prices or yields as the Underwriter deems necessary following the initial public offering period in connection with the marketing of the Bonds. The Authority, on behalf of itself and the Local Agencies, hereby authorizes the Underwriter to use the forms or copies of the Legal Documents and the Official Statement and the information contained therein in connection with the public offering and sale of the Bonds. The Authority hereby ratifies and confirm their authorization of the distribution and use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Bonds.

Section 6. Authority Representations, Warranties and Agreements. The Authority represents and warrants to the Underwriter as follows:

(a) **Due Organization and Existence: Legal, Valid and Binding Obligations.** The Authority is a local transportation authority formed and existing under the Constitution and the laws of the State of California and has all necessary power and authority to adopt the Authority Resolution and enter into and perform its duties under the Authority Legal Documents, the Authority Resolution has been adopted and has not been rescinded, and the Authority Legal Documents, when executed and delivered by the respective parties thereto, will constitute legal, valid and binding obligations of the Authority in accordance with their respective terms except as enforcement against the Authority may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if equitable remedies are sought.

(b) **No Conflict.** The adoption of the Authority Resolution and the execution and delivery of the Authority Legal Documents and compliance with the provisions thereof, will not in any material respect conflict with, or constitute a breach of or default under, the Authority’s duties under the Authority Legal Documents, the Authority Resolution or any law, administrative

regulation, court decree, resolution, charter, by-laws or other agreement to which the Authority is subject or by which it or any of its properly is bound.

(c) No Consents Required. Except as may be required under blue sky or other securities laws of any state, or except with respect to any permits or approvals heretofore received which are in full force and effect or the requirement for which is otherwise disclosed in the Official Statement, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the Authority, required for the adoption of the Authority Resolution and the sale and issuance of the Bonds or the consummation by the Authority of the other transactions contemplated by the Official Statement, the Authority Resolution or the Authority Legal Documents.

(d) No Litigation. There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or to the knowledge of the Authority, threatened against the Authority to restrain or enjoin the delivery of the Bonds or in any way contesting or affecting the validity of the Authority Legal Documents, the Authority Resolution or the Bonds or contesting the powers of the Authority to enter into or perform its obligations under any of the foregoing.

(e) Official Statement Correct and Complete. The information contained in the Preliminary Official Statement is, and in the Official Statement will be as of its date and as of the Closing Date, true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) Blue Sky Cooperation. The Authority agrees to cooperate with the Underwriter in endeavoring to qualify the Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriter may request; *provided, however*, that the Authority shall not be required to execute a special or general consent to service of process in any jurisdiction in which it is not now so subject or to qualify to do business in any jurisdiction where it is not now so qualified.

(g) Due Approval of the Official Statement Distribution. By official action of the Authority prior to or concurrently with the execution hereof, the Authority has duly approved the distribution of the Preliminary Official Statement and the Official Statement, has duly adopted the Authority Resolution and has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in the Authority Legal Documents and the consummation by it of all other transactions contemplated by the Official Statement, the Authority Resolution and the Authority Legal Documents.

(h) No Breach or Default. The Authority is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject which breach or default would have a material and adverse impact on the Authority's ability to perform its obligations

under the Authority Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument.

(i) Agreement to Notify Underwriter Regarding Official Statement. The Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not affect any such amendment or supplement without the consent of the Underwriter. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it seeking to prohibit or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(j) Agreement to Amend Official Statement. If at any time from the date hereof to and including 25 days after the end of the underwriting period described below when, in the opinion of the Underwriter, an amendment or supplement to the Official Statement should be delivered in connection with the offer or sale of the Bonds, any event occurs, of which the Authority has knowledge, as a result of which the Official Statement as then amended or supplemented would include an untrue statement of a material fact, or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority will prepare an amendment or supplement to the Official Statement; provided, that all expenses thereby incurred (including printing expenses) will be paid for by the Authority.

(k) Amendments to Official Statement Correct and Complete. If the information contained in the Official Statement is amended or supplemented pursuant to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date twenty-five days after the end of the underwriting period, the portions of the Official Statement so supplemented or amended will be true and correct in all material respects and such information will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the information therein, in the light of the circumstances under which it was made, not misleading.

(l) No Default. The Authority represents that it is not, and has not been at any time, in default as to principal or interest with respect to any indebtedness for borrowed money issued or guaranteed by it.

(m) Agreement to Preserve Tax Exemption. The Authority covenants that it will not take any action which would cause interest with respect to the Bonds to be included in the gross income of Owners for federal income tax purposes or to be subject to federal income taxation or California personal income taxes (other than to the extent the Bonds will be subject to federal income taxation as described under the caption "Tax Matters" in the Official Statement).

(n) Authority Financial Statements. The financial statements of, and other financial information regarding, the Authority in the Official Statement fairly present the financial condition and results of the operations of the Authority as of the dates and for the periods therein set forth and the audited financial statements have been prepared in accordance with generally accepted accounting principles as consistently applied.

(o) Continuing Disclosure Compliance. Except as disclosed in the Preliminary Official Statement and the Official Statement, the Authority has not failed to comply in the last five years, in any material respect, with any of its continuing disclosure undertakings pursuant to the Rule.

Section 7. Underwriter's Representations, Warranties and Agreements. The Underwriter represents, warrants to and agrees with the Authority that, as of the date of hereof and as of the Closing Date:

(a) The execution and delivery hereof and the consummation of the transactions contemplated hereby do not and will not violate any of the prohibitions set forth in Rule G-37 promulgated by the MSRB;

(b) All reports required to be submitted to the MSRB pursuant to Rule G-37 have been and will be submitted to the MSRB;

(c) The Underwriter has not paid or agreed to pay, nor will they pay or agree to pay, any entity, company, firm, or person, other than a bona fide officer, agent or employee working for the Underwriter, any compensation, fee, gift or other consideration contingent upon or resulting from the award of or entering into this Purchase Contract; and

(d) Representatives of the Authority have responded fully to the Underwriter's requests for information and there are no pending or unanswered requests for information from the Authority.

Section 8. Conditions to the Obligations of the Underwriter. The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the Authority contained herein and the Local Agencies contained in their respective Letters of Representations, the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing, the performance by the Authority and the Local Agencies of their respective obligations hereunder and under the Letters of Representations, and the opinions of Bond Counsel, counsel to the Trustee, counsels to the Local Agencies, counsel to the Authority and counsel to the Underwriter described hereafter. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon and subject to (i) the performance by the Local Agencies, the Authority and the Trustee of their respective obligations to be performed hereunder and under such documents and instruments as shall reasonably be requested by the Underwriter or counsel to the Underwriter at or prior to the Closing and (ii) the accuracy in all material respects, in the reasonable judgment of the Underwriter, of the representations and warranties of the Authority herein and the Local Agencies in their respective Letters of Representations, and shall also be subject to the following additional conditions:

(a) Bring-down of Representations. The representations, warranties and agreements of the Authority contained herein and the Local Agencies contained in their respective Letters of Representations shall be true, complete and correct on the date hereof and on and as of the date of the Closing.

(b) Authorization, Execution and Delivery of Documents. At the Closing, the Legal Documents, the Bonds and the Official Statement shall have been duly authorized, executed and

delivered by the respective parties thereto, in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter, and said agreements shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and each shall be in full force and effect.

(c) No Amendment of Official Statement. At the Closing, the Official Statement shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter.

(d) No Material Adverse Change. At the time of the Closing, there shall not have occurred any change or any development involving a prospective change in the condition, financial or otherwise, or in the operations of the Authority, from that set forth in the Official Statement, that makes it, in the reasonable judgment of the Underwriter, impracticable to market the Bonds on the terms and in the manner contemplated by the Official Statement.

(e) Marketability Adversely Affected. In the judgment of the Underwriter, between the date hereof and the Closing, the marketability of the Bonds at the initial offering prices set forth on Exhibit A attached hereto shall not have been materially adversely affected by reason of any of the following:

(1) Legislation, Judicial Decisions or Rulings. An amendment to the Constitution of the United States or the Constitution of the State of California shall have been passed or legislation enacted, introduced in the Congress or in the legislature of the State of California or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) Regarding Federal Tax Exemption – by or on behalf of the Treasury Department of the United States or the Internal Revenue Service, with the purpose or effect, directly or indirectly, of imposing federal income taxation upon payments of the general character of the Pledged Allocable Sales Tax Revenues as would be received by the Trustee or upon such interest as would be received by the Owners of the Bonds; or

(ii) Regarding State Tax Exemption – by or on behalf of the State of California or the California Franchise Tax Board, with the purpose or effect, directly or indirectly, of imposing California personal income taxation upon payments of the general character of the Pledged Allocable Sales Tax Revenues as would be received by the Trustee or upon such interest as would be received by the Owners of the Bonds; or

(iii) Regarding Federal or State Tax Rates – by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or by or on behalf of the State of California or the California Franchise Tax Board, with the purpose or effect, directly or indirectly, of changing the federal or State of California income tax rates, respectively; or

(iv) Regarding Securities Registration Exemption – by or on behalf of the U.S. Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter, to the effect that obligations of the general character of the

Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended (the “Act”), or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(2) War. The United States’ engagement, alone or as a participant, in an outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis the effect of which in the Underwriter’s reasonable judgment makes it impracticable or impossible to proceed with the solicitation of offers to purchase the Bonds on the terms and in the manner contemplated by the Official Statement;

(3) Banking Moratorium. The declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(4) Securities Exchange Restrictions. Trading generally shall have been suspended or materially limited on or by the New York Stock Exchange or other national securities exchange, or the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, underwriters;

(5) Regarding Federal Securities Laws. An order, decree or injunction of any court of competent jurisdiction, or order, ruling, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, issued or made to the effect that the execution, delivery, offering or sale of obligations of the general character of the Bonds, or the execution, delivery, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of any federal securities law as amended and then in effect;

(6) Official Statement Untrue or Incomplete. Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any material statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(7) Certain Amendments to the Official Statement. An event described in Section 6(j) hereof occurs prior to the Closing which, in the reasonable judgment of the Underwriter, requires or has required a supplement or amendment to the Official Statement; or

(8) Action by Rating Agencies. Any downgrading, suspension or withdrawal, or any official statement as to a possible downgrading, suspension or withdrawal, of any rating by Moody’s Investors Service (“Moody’s”), S&P Global Ratings (“S&P”), or Fitch Ratings (“Fitch”) of any obligations of the Authority (excluding obligations for which the Authority acts merely as a conduit issuer), including the Bonds.

(f) At or prior to the Closing, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to them and their counsel:

(1) Opinions of Bond Counsel. The approving opinions of Bond Counsel in substantially the forms included as Appendix F to the Official Statement, dated the date of Closing, addressed to the Authority, the Underwriter and the Trustee (or a reliance letter to the Underwriter and Trustee);

(2) Supplementary Opinion of Bond Counsel. A supplementary opinion of Bond Counsel, dated the date of Closing, addressed to the Authority and the Underwriter, substantially in the form attached as Exhibit C hereto;

(3) Opinion of Disclosure Counsel. An opinion of Norton Rose Fulbright US LLP, as Disclosure Counsel to the Authority, addressed to the Authority and the Underwriter, dated the date of Closing, to the effect that no information came to the attention of the attorneys in such firm rendering legal services in connection with such issuance which caused such attorneys to believe that the Preliminary Official Statement and the Official Statement as of its date and as of the Closing Date (excluding therefrom financial, engineering and statistical data; forecasts, projections, estimates, assumptions and expression of opinions; statements relating to DTC and its book-entry system; and the statements contained in APPENDIX A – “AUDITED FINANCIAL STATEMENTS OF THE IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2017,” APPENDIX E – “BOOK-ENTRY SYSTEM,” and APPENDIX G – “THE IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY RETAIL TRANSACTIONS AND USE TAX ORDINANCE AND EXPENDITURE PLAN,” as to all of which we express no view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(4) Opinions of Counsels to Local Agencies. Opinions of the respective counsels to each Local Agency, dated the date of Closing, in form and substance satisfactory to the Underwriter, addressed to the Authority, the Trustee and the Underwriter, to the effect that:

(i) Due Organization and Existence – the Local Agency is a political subdivision of the State of California duly organized and validly existing under the Constitution and the laws of the State of California;

(ii) Due Adoption – the Local Agency Resolution approving and authorizing the execution and delivery of the Local Agency Legal Documents and issuance of the Bonds on behalf of the Local Agency was duly adopted at a meeting of the governing board of the Local Agency, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

(iii) No Litigation – there is no action, suit or proceeding pending or, to the best knowledge of such counsel, threatened against the Local Agency to (i) restrain or enjoin the execution or delivery of the Bonds on behalf of the Local Agency or the Local Agency Legal Documents, (ii) in any way contesting or affecting the validity of the Bonds to be issued on behalf

of the Local Agency, the Local Agency Legal Documents, the Local Agency Resolution or the authority of the Local Agency to enter into the Local Agency Legal Documents, or (iii) in any way contesting or affecting the powers of the Local Agency in connection with any action contemplated by the Local Agency Resolution or the Local Agency Legal Documents;

(iv) No Conflict – the execution and delivery of the Local Agency Legal Documents and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Local Agency a breach of or default under any agreement or other instrument to which the Local Agency is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Local Agency is subject;

(v) Due Authorization, Execution and Delivery; Legal, Valid and Binding Agreements – the Local Agency Legal Documents have been duly authorized, executed and delivered by the Local Agency, and, assuming due authorization, execution and delivery by the other parties thereto constitute legal, valid and binding agreements of the Local Agency enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally and by the application of equitable principles if equitable remedies are sought and by the limitations on legal remedies imposed on actions against public agencies in the State of California; and

(vi) No Consents Required – no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California other than the Local Agency governing board, is required for the valid authorization, execution and delivery of the Local Agency Legal Documents;

(5) Opinion of Counsel to the Authority. An opinion of counsel to the Authority, dated the date of Closing, in form and substance satisfactory to the Underwriter, addressed to the Authority, the Trustee and the Underwriter, to the effect that:

(i) Due Organization and Existence – the Authority is a local transportation authority duly organized and validly existing under the Constitution and the laws of the State of California;

(ii) Due Adoption – the Authority Resolution was duly adopted at a meeting of the Board of Directors of the Authority, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

(iii) No Litigation – except as disclosed in the Preliminary Official Statement and the Official Statement, there is no action, suit or proceeding pending or, to the best of the undersigned's knowledge, threatened against the Authority to (i) restrain or enjoin the execution or delivery of any of the Bonds or the Authority Legal Documents, (ii) in any way contesting or affecting the validity of the Bonds, the Authority Legal Documents, the Authority Resolution or the authority of the Authority to enter into the Authority Legal Documents, or (iii) in any way contesting or affecting the powers of the Authority in connection with any action

contemplated by the Preliminary Official Statement and the Official Statement, the Authority Resolution or the Authority Legal Documents;

(iv) No Conflict – the execution and delivery of the Authority Legal Documents, the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Authority is subject;

(v) Due Authorization, Execution and Delivery; Legal, Valid and Binding Agreements – the Authority Legal Documents have been duly authorized, executed and delivered by the Authority, and, assuming due authorization, execution and delivery by the other parties thereto constitute legal, valid and binding agreements of the Authority enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally and by the application of equitable principles if equitable remedies are sought and by the limitations on legal remedies imposed on actions against counties in the State of California;

(vi) No Consents Required – Official Statement, Authority Legal Documents – no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California other than the Board of Directors of the Authority, is required for the valid authorization, execution and delivery of the Authority Legal Documents and the approval of the Official Statement; and

(vii) Official Statement – based upon examinations which he has made and his discussions in conferences with certain officials of the Authority and others with respect to the Preliminary Official Statement and the Official Statement and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement (including the Appendices attached thereto), nothing has come to his attention which would lead him to believe that the Preliminary Official Statement and the Official Statement (other than financial and statistical data therein and incorporated therein by reference, and other than information relating to the DTC Book-Entry System, as to which no opinion need be expressed) as of the date of the Preliminary Official Statement and the Official Statement and as of the date of Closing, contained or contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that no opinion is expressed concerning statements and information relating to DTC and its book-entry system;

(6) Opinion of Trustee's Counsel. An opinion of counsel to the Trustee, dated the date of Closing, in form and substance satisfactory to the Underwriter, addressed to the Authority and the Underwriter substantially in the form attached as Exhibit E hereto.

(7) Opinion of Underwriter's Counsel. The opinion of Nixon Peabody LLP, Los Angeles, California, counsel for the Underwriter, dated the date of Closing and addressed to the Underwriter, satisfactory in form and substance to the Underwriter.

(8) Local Agency No Litigation Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of each Local Agency satisfactory in form and substance to the Underwriter and counsel to the Underwriter, to the effect that no action, suit or proceeding is pending or, to the best of his or her knowledge, threatened against such Local Agency (a) to restrain or enjoin the execution or delivery of any of the Local Agency Legal Documents, (b) in any way contesting or affecting the validity of the Bonds to be issued on behalf of the Local Agency, the Local Agency Legal Documents, or the authority of the Local Agency to enter into the Legal Documents, or (c) in any way contesting or affecting the powers of the Local Agency in connection with any action contemplated by the Official Statement or this Purchase Contract.

(9) Authority No Litigation Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of the Authority satisfactory in form and substance to the Underwriter and counsel to the Underwriter, to the effect that no action, suit or proceeding is pending or, to the best of his or her knowledge, threatened against the Authority (a) to restrain or enjoin the execution or delivery of any of the Bonds or the Authority Legal Documents, (b) in any way contesting or affecting the validity of the Bonds, the Authority Legal Documents, or the authority of the Authority to enter into the Authority Legal Documents, or (c) in any way contesting or affecting the powers of the Authority in connection with any action contemplated by the Official Statement or this Purchase Contract;

(10) Legal Documents. Two copies of certified transcripts of the record of proceedings relating to the Bonds.

(11) Official Statement. Two (2) copies of the Official Statement.

(12) Trustee Resolution. Two (2) certified copies of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution and delivery of the Bonds and the Indenture.

(13) Trustee's Representations, Warranties and Agreements. A certificate of the Trustee dated the date of Closing that as of the date of Closing:

(i) Due Organization and Existence – the Trustee is duly organized and existing as a national banking association under the laws of the United States of America, in good standing under the laws of the United States of America, and has the full power and authority to enter into and perform its duties under the Legal Documents to which the Trustee is a party and to execute and deliver the Bonds to the Underwriter pursuant to the terms of the Indenture;

(ii) Due Authorization; Valid and Binding Obligations – the Trustee is duly authorized to enter into the Legal Documents to which it is a party;

(iii) No Conflict – the execution and delivery by the Trustee of the Legal Documents to which the Trustee is a party, and compliance with the terms thereof, will not, in any material respect, conflict with, or result in a violation or breach of, or constitute a default under,

any material agreement or material instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties, which conflict, breach or default would materially adversely affect the ability of the Trustee to perform its obligations under the Legal Documents to which the Trustee is a party or (except with respect to the lien of the Indenture) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee;

(iv) Consents – exclusive of federal or state securities laws and regulations, other than routine filings required to be made with governmental agencies in order to preserve the Trustee’s authority to perform a trust business (all of which routine filing, to the best of the Trustee’s knowledge, have been made), no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee is or will be required for the execution and delivery by the Trustee of the Legal Documents to which the Trustee is a party or the execution and delivery of the Bonds; and

(v) No Litigation – to the Trustee’s knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or threatened against the Trustee or in any way affecting the existence of the Trustee or the titles of its directors or officers to their respective offices, or seeking to restrain or enjoin the Trustee’s participation in, or in any way contesting the powers of the Trustee with respect to, the transactions contemplated by the Bonds and the Indenture, including the authentication or delivery of the Bonds or the application of proceeds thereof in accordance with the Indenture;

(14) Resolutions. A certified copy of each Local Agency Resolution and a certified copy of the Authority Resolution;

(15) Local Agency Bring-Down Certificate. A certificate of an authorized officer of each Local Agency, dated the date of Closing, confirming as of such date the representations and warranties of the Local Agency contained in Exhibit B to this Purchase Contract;

(16) Authority Bring-Down Certificate. A certificate of an authorized officer of the Authority, dated the date of Closing, confirming as of such date the representations and warranties of the Authority contained in this Purchase Contract;

(17) Ratings. Evidence from S&P that each Series of Bonds has been rated “AA” by such agency;

(18) Tax Certificate. Arbitrage certification by the Authority in form and substance acceptable to Bond Counsel;

(19) Blue Sky Survey. A copy of the Preliminary and Final Blue Sky Survey with respect to the Bonds;

(20) CDIAC Notices. Evidence of required filings with the California Debt and Investment Advisory Commission;

(21) Bond Insurance. A copy of each Insurance Policy insuring the payment of principal of and interest on the applicable series of Bonds in accordance with the terms thereof as described in the Official Statement, together with:

(i) a certificate(s) of the Insurer in form and substance satisfactory to the Underwriter, including a certification of the appropriate agent of the Insurer evidencing Insurer's determination that the information contained in the Official Statement regarding the Insurer and the Insurance Policies with respect to the Bonds is accurate;

(ii) an opinion of counsel to the Insurer, dated as of the date of Closing, addressed to the Underwriter and the Authority in form and substance acceptable to counsel to the Underwriter, substantially to the effect that: (i) the Insurer has been duly incorporated and is validly existing and in good standing under the laws of the state of its incorporation; (ii) the Insurance Policies and the Reserve Surety Policies constitute the legal, valid and binding obligations of the Insurer enforceable in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization, rehabilitation and other similar laws of general applicability relating to or affecting creditors' and/or claimants' rights against insurance companies and to general equity principles; and (iii) the information contained in the Official Statement under the caption "BOND INSURANCE" does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(iii) any other documents required by the Insurer.

(22) Miscellaneous. Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel and counsel for the Underwriter may reasonably request to evidence compliance with legal requirements, the truth and accuracy, as of the time of Closing, of the representations and warranties contained herein and in the Official Statement and the due performance or satisfaction by the Trustee, the Authority and the Local Agencies at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

(g) All matters relating to this Purchase Contract, the Bonds and the sale thereof, the Official Statement, the Legal Documents and the consummation of the transactions contemplated by this Purchase Contract shall have been approved by the Underwriter and counsel for the Underwriter, such approval not to be unreasonably withheld.

If the conditions to the Underwriter's obligations contained in this Purchase Contract are not satisfied or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the Authority shall have any further obligations hereunder except that the respective obligations of the Authority and the Underwriter set forth in Section 9 and Section 10 hereof shall continue in full force and effect.

Section 9. Expenses.

(a) The Authority shall pay or reimburse all costs and expenses incident to the execution and delivery of the Bonds to the Underwriter, including, but not limited to: (i) the fees and expenses of the Authority and its counsel; (ii) the fees and expenses of Bond Counsel and Disclosure Counsel; (iii) all costs and expenses incurred in connection with the preparation, printing and delivery of the Bonds; (iv) all expenses in connection with the preparation, printing, distribution and delivery of the Preliminary Official Statement, the Official Statement and any amendment or supplement thereto; (v) the fees and expenses of the Trustee and its counsel; (vi) rating fees; (vii) CUSIP Bureau fees; (viii) DTC and MSRB fees, (ix) the Underwriter's disbursements for telephone conference calls and travel and lodging undertaken at the request of the Underwriter and/or the Authority; and (x) expenses incurred on behalf of the employees of the Underwriter or the Authority which are incidental to the issuance of the Bonds, including, but not limited to, meals, transportation and lodging of those employees. All other fees and expenses of the Underwriter except as provided in paragraph (b) below.

(b) The Underwriter shall pay: (i) all advertising expenses in connection with the public offering of the Bonds; (ii) the fees and expenses of counsel to the Underwriter, including their fees in connection with the qualification of the Bonds for sale under the Blue Sky or other securities laws and regulations of various jurisdictions; (iii) California Debt and Investment Advisory Commission fees; and (iv) all other expenses incurred by it in connection with its public offering and distribution of the Bonds.

Section 10. Indemnification.

(a) To the extent permitted by law, the Authority agrees to indemnify and hold harmless the Underwriter and its officers and employees (collectively, the "Indemnified Persons," and individually, an "Indemnified Person") from and against any losses, claims, damages or liabilities to which any Indemnified Person may become subject insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of, or are based upon, any untrue statement or alleged untrue statement of a material fact contained in the Official Statement or arise out of, or are based upon, the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, and will reimburse each Indemnified Person for any legal or other expenses reasonably incurred by such Indemnified Person in investigating, defending or preparing to defend any such action or claim; provided, however, that the Authority shall not be liable in any such case as to any Indemnified Person to the extent that any such loss, claim, damage or liability arises out of, or is based upon, any untrue statement or alleged untrue statement or omission or alleged omission made in the Official Statement, in reliance upon and in conformity with written information furnished to the Authority by or on behalf of any Indemnified Person specifically for inclusion therein; and provided further, however, that the indemnity with respect to the Official Statement shall not inure to the benefit of the Underwriter on account of any loss, expense, liability or claim arising from the sale of the Bonds by the Underwriter to any person if a copy of the Official Statement (as amended or supplemented, or as proposed by the Authority to be amended or supplemented, if the Authority shall have furnished, or in the case of such proposed amendment or supplement, if the Authority shall have furnished, to the Underwriter at least one full business day prior to confirmation of such sale by the Underwriter an amended Official Statement or amendments or supplements to the Official Statement relating to the untrue

statement or alleged untrue statement or omission or alleged omission for which indemnity is sought, as the case may be) shall not have been sent or given to such person at or prior to the confirmation of the sale of such Series of Bonds to such person.

(b) Promptly after receipt by an Indemnified Person under paragraph (a) of this Section of notice of the commencement of any action, such Indemnified Person shall, if a claim in respect thereof is to be made against the Authority under such paragraph, notify the Authority in writing of the commencement thereof. In case any such action shall be brought against any Indemnified Person, and such Indemnified Person shall notify the Authority of the commencement thereof, the Authority shall be entitled to participate in and, to the extent that it wishes, to assume the defense of, with counsel satisfactory to such Indemnified Person, and after notice from the Authority to such Indemnified Person of its election so to assume the defense thereof, the Authority shall not be liable to such Indemnified Person under paragraph (a) of this Section for any legal or other expenses subsequently incurred by such Indemnified Person in connection with the defense thereof other than reasonable costs of any investigation; provided, however, that if the named parties to any such action (including any impleaded parties) include both the Indemnified Persons and the Underwriter, and the Indemnified Persons or the Authority shall have reasonably concluded that there may be one or more legal defenses available to it which are different from or additional to those available to the Authority, the Indemnified Persons shall have the right to select separate counsel to assume such legal defenses and to otherwise participate in the defense of such action on behalf of the Indemnified Persons; provided further, however, that the Authority shall not, in connection with any one such action or separate but substantially similar or related actions arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one separate firm of attorneys at any point in time for the Indemnified Persons.

(c) To the extent permitted by law, the Underwriter agrees to indemnify and hold harmless the Authority and its officers and employees to the same extent as the indemnity from the Authority to the Indemnified Persons described in paragraph (a) of this Section but only with respect to information relating to the Underwriter furnished in writing by the Underwriter or on its behalf, which includes certain information furnished for the inside and outside of the cover of the Official Statement and under the caption "UNDERWRITING" as set forth in the Official Statement. In case any action shall be brought against the Authority in respect of which indemnity may be sought against the Underwriter, the Underwriter shall have the rights and duties given to the Authority and the Authority shall have the rights and duties given to the Underwriter by paragraph (b) of this Section and the term "Indemnified Person" shall include the Authority and its officers and employees.

Section 11. Notices.

(a) Trustee. Any notice or other communication to be given to the Trustee under this Purchase Contract may be given by delivering the same in writing to The Bank of New York Mellon Trust Company, N.A., 400 South Hope Street, Los Angeles, CA 90071, Attention: Cristina Garchitorena.

(b) Underwriter. Any such notice or other communication to be given to the Underwriter may be given by delivering the same to Samuel A. Ramirez & Co., Inc. 445 S. Figueroa St., Suite 2310, Los Angeles, CA 90071, Attention: Carmen Vargas.

(c) Authority. Any notice or communication to be given to the Authority under this Purchase Contract may be given by delivering the same to the Imperial County Local Transportation Authority, 1405 North Imperial Avenue, Suite 1, El Centro, California 92243, Attention: Mark Baza, Executive Director.

All notices or communications hereunder by any party shall be given and served upon each other party.

Section 12. Acknowledgment. The Authority and the Local Agencies each acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction among the Local Agencies, the Authority and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent or fiduciary of the Local Agencies or the Authority, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Local Agencies or the Authority with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Local Agencies or the Authority on other matters) and the Underwriter has no obligation to the Local Agencies or the Authority with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract and (iv) the Authority and each Local Agency has consulted their own legal, financial and other advisors to the extent they have deemed appropriate. Further, the Underwriter hereby informs the Authority and the Local Agencies and the Authority and the Local Agencies each hereby acknowledges that the Underwriter is not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended) to any Local Agency or the Authority in connection with the matters contemplated by this Purchase Contract.

Section 13. Counterparts. This Purchase Contract may be executed by anyone or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all of such counterparts shall together constitute one and the same instrument.

Section 14. Successors and Assigns. This Purchase Contract will inure to the benefit of and be binding upon the parties and their successors (including any successors or assigns of the Underwriter), and will not confer any rights upon any other person.

Section 15. Survival. The provisions of Section 9 and Section 10 hereof shall survive termination or cancellation of this Purchase Contract. All representations, warranties and agreements of the Authority, the Local Agencies or the Underwriter pursuant to this Purchase Contract shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds pursuant to this Purchase Contract; or (iii) termination of this Purchase Contract but only to the extent provided by the last paragraph of Paragraph 7 hereof, regarding preconditions of Closing.

Section 16. Governing Law. This Purchase Contract shall be governed by, and construed in accordance with, the laws of the State of California.

Section 17. No Personal Liability. No officer of any Local Agency, the Authority or designee thereof shall incur any personal liability for approving or executing this Purchase Contract, taking any action or omitting to take any action required or permitted hereunder or otherwise by reason of or in connection with the Bonds, the Legal Documents or any of the transactions or other matters contemplated by any of the foregoing.

Section 18. Headings. The headings of the sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

Section 19. Parties in Interest; Force and Effect. This Purchase Contract is made solely for the benefit of the Authority and the Underwriter (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof.

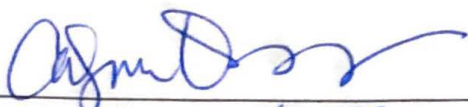
Section 20. Entire Agreement. This Purchase Contract when accepted by you in writing as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the Authority and the Underwriter (including the successors or assigns thereof). No other person shall acquire or have any right hereunder or by virtue hereof.

Section 21. Unenforceable Provisions. If any provision of this Purchase Contract shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperable or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Purchase Contract invalid, inoperative or unenforceable to any extent whatsoever.

Acceptance of the terms of this Purchase Contract shall be signified by execution below by an authorized officer of the Authority.

Very truly yours,

SAMUEL A. RAMIREZ & CO., INC.

By: 
Name: Carmen Vargas
Title: Senior Vice President

Accepted and Agreed to at __: __ pm on
September 13, 2018:

IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY

By: _____
Name:
Title:

Acceptance of the terms of this Purchase Contract shall be signified by execution below by an authorized officer of the Authority.

Very truly yours,

SAMUEL A. RAMIREZ & CO., INC.

By: _____

Name:

Title:

Accepted and Agreed to at 4:05pm on
September 13, 2018:

IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY

By: Mark Baza
Name: Mark Baza
Title: Executive Director

Signature Page

EXHIBIT A

BONDS WHICH MET THE 10% TEST

\$12,375,000

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018A
(City of Calexico)**

<u>Maturity Date</u> <u>(June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2020	\$155,000	4.00%	1.78%	103.657
2021	165,000	4.00	1.89	105.487
2023	175,000	5.00	2.12	112.765
2024	185,000	5.00	2.25	114.584
2025	195,000	5.00	2.35	116.292
2026	200,000	5.00	2.47	117.597
2027	215,000	5.00	2.57	118.795
2028	220,000	5.00	2.70	119.474
2029	235,000	5.00	2.78	118.724*
2030	245,000	5.00	2.89	117.702*
2031	260,000	5.00	2.98	116.874*
2032	275,000	5.00	3.04	116.326*
2033	1,415,000	4.00	3.42	104.741*
2034	1,470,000	4.00	3.47	104.322*
2035	1,530,000	4.00	3.52	103.904*
2036	1,590,000	4.00	3.57	103.489*
2037	1,655,000	4.00	3.62	103.075*
2038	1,720,000	4.00	3.65	102.828*

* Priced to par call on June 1, 2028.

\$1,450,000
IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018B
(City of Calipatria)

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2033	\$220,000	3.375%	3.570%	97.783
2034	230,000	3.500	3.620	98.570
2035	235,000	3.500	3.670	97.889
2036	245,000	3.625	3.720	98.773
2037	255,000	3.625	3.770	98.064
2038	265,000	3.625	3.800	97.586

\$2,940,000
IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018C
(City of Holtville)

Maturity Date <u>(June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2020	\$95,000	4.000%	1.780%	103.657
2021	100,000	4.000	1.890	105.487
2022	105,000	4.000	2.000	107.060
2023	110,000	5.000	2.120	112.765
2024	115,000	5.000	2.250	114.584
2025	120,000	5.000	2.350	116.292
2026	125,000	5.000	2.470	117.597
2027	130,000	5.000	2.570	118.795
2028	140,000	5.000	2.700	119.474
2029	145,000	5.000	2.780	118.724*
2030	155,000	5.000	2.890	117.702*
2031	160,000	5.000	2.980	116.874*
2032	170,000	3.250	3.520	97.085
2033	175,000	3.375	3.570	97.783
2034	180,000	3.500	3.620	98.570
2035	185,000	3.500	3.670	97.889
2036	195,000	3.625	3.720	98.773
2037	200,000	3.625	3.770	98.064
2038	205,000	3.625	3.800	97.586

* Priced to par call on June 1, 2028.

HOLD-THE-OFFERING-PRICE BONDS

\$12,375,000

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018A
(City of Calexico)**

Maturity Date				
<u>(June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2019	\$305,000	4.00%	1.66%	101.575
2022	165,000	4.00	2.00	107.060

\$2,940,000
IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018C
(City of Holtville)

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2019	\$130,000	4.000%	1.660%	101.575

EXHIBIT B

**LETTER OF REPRESENTATIONS OF
LOCAL AGENCY
(City of Calexico)**

September 13, 2018

Samuel A. Ramirez & Co., Inc.
445 S. Figueroa St., Suite 2310
Los Angeles, CA 90071

Ladies and Gentlemen:

The City of Calexico (the “Local Agency”) proposes to cause the issuance and delivery of Imperial County Local Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2018A (City of Calexico)(the “Local Agency Bonds”).

The Local Agency Bonds are being issued pursuant to an Indenture, dated as of May 1, 2012 (the “Master Indenture”), and a Seventh Supplemental Indenture, dated as of September 1, 2018 (the “Supplemental Indenture” and, together with the Master Indenture, the “Indenture”), each by and between the Imperial County Local Transportation Authority (the “Authority”) and The Bank of New York Mellon Trust Company, N.A., as trustee thereunder (the “Trustee”). In connection with the issuance of the Local Agency Bonds, the Local Agency will enter into a Pledge Agreement, dated as of September 1, 2018 (the “Pledge Agreement”), by and between the Local Agency and the Authority, pursuant to which the Local Agency will pledge and assign its Pledged Allocable Sales Tax Revenues (as defined in the Indenture) to the Trustee for payment of debt service on the Local Agency Bonds. To facilitate payment of the Local Agency’s Pledged Allocable Sales Tax Revenues by the California State Board of Equalization (the “Board of Equalization”) to the Trustee, the Authority has entered into an Agreement for State Administration of Retail Transactions and Use Tax (the “Sales Tax Administration Agreement”) with the Board of Equalization. The execution and delivery of the Indenture, the Pledge Agreement, the Sales Tax Administration Agreement, the Continuing Disclosure Agreement, dated as of September 1, 2018 (the “Continuing Disclosure Agreement”), by and between the Authority and the Trustee, as dissemination thereunder, and this Purchase Contract, the issuance of the Local Agency Bonds and certain matters relating thereto have been authorized by a resolution of the Authority (the “Authority Resolution”). The execution and delivery of the Pledge Agreement and issuance of the Local Agency Bonds, together with certain actions related thereto, have been authorized by a resolution of the Local Agency (the “Local Agency Resolution”).

The Pledge Agreement and this Letter of Representations (this “Letter of Representations”) are referred to collectively herein as the “Local Agency Legal Documents”. Capitalized terms not otherwise defined herein shall have the meanings as defined in the Indenture.

The Local Agency Bonds are to be sold by the Authority pursuant to the Purchase Contract, dated September 13, 2018 (the “Purchase Contract”), by and between the Authority and Samuel A. Ramirez & Co., Inc.(the “Underwriter”).

To facilitate your entering into the Purchase Contract and to induce you to purchase the Local Agency Bonds as contemplated therein, the Local Agency hereby represents, warrants and agrees with you as follows:

- (a) Due Organization and Operation; Legal, Valid and Binding Obligations. The Local Agency is a political subdivision of the State of California duly organized and operating pursuant to the Constitution and laws of the State of California and has all necessary power and authority to adopt the Local Agency Resolution, execute, deliver and perform its obligations under the Local Agency Bonds, and to enter into and perform its duties under the Local Agency Legal Documents. The Local Agency Resolution has been adopted and has not been rescinded, and the Local Agency Legal Documents, when executed and delivered by the respective parties thereto, will constitute legal, valid and binding obligations of the Local Agency enforceable against the Local Agency in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought.
- (b) No Conflict. The adoption of the Local Agency Resolution and the execution and delivery of the Local Agency Legal Documents, and compliance with the provisions thereof, will not in any material respect conflict with, or constitute a breach of or default under, the Local Agency's duties under the Local Agency Legal Documents, the Local Agency Resolution or any law, administrative regulation, court decree, resolution, by-laws or other agreement to which the Local Agency is subject or by which it or any of its property is bound.
- (c) No Consents Required. After due inquiry, except as may be required under blue sky or other securities laws of any state, or with respect to any permits or approvals heretofore received which are in full force and effect, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the Local Agency, other than the approval and authorization of the governing board of the Local Agency, required for the adoption of the Local Agency Resolution and execution and delivery of the Local Agency Legal Documents or the consummation by the Local Agency of the other transactions contemplated by the Local Agency Bonds, the Local Agency Resolution or the Local Agency Legal Documents.
- (d) No Litigation. There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the knowledge of the Local Agency, threatened against the Local Agency to restrain or enjoin the delivery of the Local Agency Bonds, or in any way contesting or affecting the validity of the Local Agency Legal Documents, the Local Agency Resolution or the Local Agency Bonds, or contesting the powers of the Local Agency to enter into or perform its obligations under any of the foregoing.

- (e) No Breach or Default. The Local Agency is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution agreement or other instrument to which the Local Agency is a party or is otherwise subject which breach or default would have a material and adverse impact on the Local Agency's ability to perform its obligations under the Local Agency Bonds or the Local Agency Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument. Also, the adoption of the Local Agency Resolution and the execution and delivery of the Local Agency Legal Documents, and compliance with the provisions hereof and thereof, will not in any material respect conflict with, or constitute a breach of or default under, the Local Agency's duties under the Local Agency Resolution or any law, administrative regulation, court decree, resolution, by-laws or other agreement to which the Local Agency is subject or by which it or any of its property is bound.

- (f) No Default. The Local Agency represents that it is not, and has not been at any time, in default as to principal or interest with respect to any indebtedness for borrowed money issued on its behalf or guaranteed by it.

- (g) Agreement to Preserve Tax Exemption. The Local Agency covenants that it will not take any action which would cause interest with respect to the Local Agency Bonds to be subject to federal income taxation or California personal income taxes (other than to the extent, the Local Agency Bonds will be subject to federal income taxation as described under the caption "Tax Matters" in the Official Statement).

Very truly yours,

City of Calexico

By: _____
Name:
Title:

**LETTER OF REPRESENTATIONS OF
LOCAL AGENCY
(City of Calipatria)**

September 13, 2018

Samuel A. Ramirez & Co., Inc.
445 S. Figueroa St., Suite 2310
Los Angeles, CA 90071

Ladies and Gentlemen:

The City of Calipatria (the “Local Agency”) proposes to cause the issuance and delivery of Imperial County Local Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2018B (City of Calipatria)(the “Local Agency Bonds”).

The Local Agency Bonds are being issued pursuant to an Indenture, dated as of May 1, 2012 (the “Master Indenture”), and an Eighth Supplemental Indenture, dated as of September 1, 2018 (the “Supplemental Indenture” and, together with the Master Indenture, the “Indenture”), each by and between the Imperial County Local Transportation Authority (the “Authority”) and The Bank of New York Mellon Trust Company, N.A., as trustee thereunder (the “Trustee”). In connection with the issuance of the Local Agency Bonds, the Local Agency will enter into a Pledge Agreement, dated as of September 1, 2018 (the “Pledge Agreement”), by and between the Local Agency and the Authority, pursuant to which the Local Agency will pledge and assign its Pledged Allocable Sales Tax Revenues (as defined in the Indenture) to the Trustee for payment of debt service on the Local Agency Bonds. To facilitate payment of the Local Agency’s Pledged Allocable Sales Tax Revenues by the California State Board of Equalization (the “Board of Equalization”) to the Trustee, the Authority has entered into an Agreement for State Administration of Retail Transactions and Use Tax (the “Sales Tax Administration Agreement”) with the Board of Equalization. The execution and delivery of the Indenture, the Pledge Agreement, the Sales Tax Administration Agreement, the Continuing Disclosure Agreement, dated as of September 1, 2018 (the “Continuing Disclosure Agreement”), by and between the Authority and the Trustee, as dissemination thereunder, and this Purchase Contract, the issuance of the Local Agency Bonds and certain matters relating thereto have been authorized by a resolution of the Authority (the “Authority Resolution”). The execution and delivery of the Pledge Agreement and issuance of the Local Agency Bonds, together with certain actions related thereto, have been authorized by a resolution of the Local Agency (the “Local Agency Resolution”).

The Pledge Agreement and this Letter of Representations (this “Letter of Representations”) are referred to collectively herein as the “Local Agency Legal Documents”. Capitalized terms not otherwise defined herein shall have the meanings as defined in the Indenture.

The Local Agency Bonds are to be sold by the Authority pursuant to the Purchase Contract, dated September 13, 2018 (the “Purchase Contract”), by and between the Authority and Samuel A. Ramirez & Co., Inc. (the “Underwriter”).

To facilitate your entering into the Purchase Contract and to induce you to purchase the Local Agency Bonds as contemplated therein, the Local Agency hereby represents, warrants and agrees with you as follows:

- (a) Due Organization and Operation; Legal, Valid and Binding Obligations. The Local Agency is a political subdivision of the State of California duly organized and operating pursuant to the Constitution and laws of the State of California and has all necessary power and authority to adopt the Local Agency Resolution, execute, deliver and perform its obligations under the Local Agency Bonds, and to enter into and perform its duties under the Local Agency Legal Documents. The Local Agency Resolution has been adopted and has not been rescinded, and the Local Agency Legal Documents, when executed and delivered by the respective parties thereto, will constitute legal, valid and binding obligations of the Local Agency enforceable against the Local Agency in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought.
- (b) No Conflict. The adoption of the Local Agency Resolution and the execution and delivery of the Local Agency Legal Documents, and compliance with the provisions thereof, will not in any material respect conflict with, or constitute a breach of or default under, the Local Agency's duties under the Local Agency Legal Documents, the Local Agency Resolution or any law, administrative regulation, court decree, resolution, by-laws or other agreement to which the Local Agency is subject or by which it or any of its property is bound.
- (c) No Consents Required. After due inquiry, except as may be required under blue sky or other securities laws of any state, or with respect to any permits or approvals heretofore received which are in full force and effect, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the Local Agency, other than the approval and authorization of the governing board of the Local Agency, required for the adoption of the Local Agency Resolution and execution and delivery of the Local Agency Legal Documents or the consummation by the Local Agency of the other transactions contemplated by the Local Agency Bonds, the Local Agency Resolution or the Local Agency Legal Documents.
- (d) No Litigation. There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the knowledge of the Local Agency; threatened against the Local Agency to restrain or enjoin the delivery of the Local Agency Bonds, or in any way contesting or affecting the validity of the Local Agency Legal Documents, the Local Agency Resolution or the Local Agency Bonds, or contesting the powers of the Local Agency to enter into or perform its obligations under any of the foregoing.

- (e) No Breach or Default. The Local Agency is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution agreement or other instrument to which the Local Agency is a party or is otherwise subject which breach or default would have a material and adverse impact on the Local Agency's ability to perform its obligations under the Local Agency Bonds or the Local Agency Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument. Also, the adoption of the Local Agency Resolution and the execution and delivery of the Local Agency Legal Documents, and compliance with the provisions hereof and thereof, will not in any material respect conflict with, or constitute a breach of or default under, the Local Agency's duties under the Local Agency Resolution or any law, administrative regulation, court decree, resolution, by-laws or other agreement to which the Local Agency is subject or by which it or any of its property is bound.

- (f) No Default. The Local Agency represents that it is not, and has not been at any time, in default as to principal or interest with respect to any indebtedness for borrowed money issued on its behalf or guaranteed by it.

- (g) Agreement to Preserve Tax Exemption. The Local Agency covenants that it will not take any action which would cause interest with respect to the Local Agency Bonds to be subject to federal income taxation or California personal income taxes (other than to the extent the Local Agency Bonds will be subject to federal income taxation as described under the caption "Tax Matters" in the Official Statement).

Very truly yours,

City of Calipatria

By: _____

Name:

Title:

**LETTER OF REPRESENTATIONS OF
LOCAL AGENCY
(City of Holtville)**

September 13, 2018

Samuel A. Ramirez & Co., Inc.
445 S. Figueroa St., Suite 2310
Los Angeles, CA 90071

Ladies and Gentlemen:

The City of Holtville (the “Local Agency”) proposes to cause the issuance and delivery of Imperial County Local Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2018C (City of Holtville)(the “Local Agency Bonds”).

The Local Agency Bonds are being issued pursuant to an Indenture, dated as of May 1, 2012 (the “Master Indenture”), and a Ninth Supplemental Indenture, dated as of September 1, 2018 (the “Supplemental Indenture” and, together with the Master Indenture, the “Indenture”), each by and between the Imperial County Local Transportation Authority (the “Authority”) and The Bank of New York Mellon Trust Company, N.A., as trustee thereunder (the “Trustee”). In connection with the issuance of the Local Agency Bonds, the Local Agency will enter into a Pledge Agreement, dated as of September 1, 2018 (the “Pledge Agreement”), by and between the Local Agency and the Authority, pursuant to which the Local Agency will pledge and assign its Pledged Allocable Sales Tax Revenues (as defined in the Indenture) to the Trustee for payment of debt service on the Local Agency Bonds. To facilitate payment of the Local Agency’s Pledged Allocable Sales Tax Revenues by the California State Board of Equalization (the “Board of Equalization”) to the Trustee, the Authority has entered into an Agreement for State Administration of Retail Transactions and Use Tax (the “Sales Tax Administration Agreement”) with the Board of Equalization. The execution and delivery of the Indenture, the Pledge Agreement, the Sales Tax Administration Agreement, the Continuing Disclosure Agreement, dated as of September 1, 2018 (the “Continuing Disclosure Agreement”), by and between the Authority and the Trustee, as dissemination thereunder, and this Purchase Contract, the issuance of the Local Agency Bonds and certain matters relating thereto have been authorized by a resolution of the Authority (the “Authority Resolution”). The execution and delivery of the Pledge Agreement and issuance of the Local Agency Bonds, together with certain actions related thereto, have been authorized by a resolution of the Local Agency (the “Local Agency Resolution”).

The Pledge Agreement and this Letter of Representations (this “Letter of Representations”) are referred to collectively herein as the “Local Agency Legal Documents”. Capitalized terms not otherwise defined herein shall have the meanings as defined in the Indenture.

The Local Agency Bonds are to be sold by the Authority pursuant to the Purchase Contract, dated September 13, 2018 (the “Purchase Contract”), by and between the Authority and Samuel A. Ramirez & Co., Inc. (the “Underwriter”).

To facilitate your entering into the Purchase Contract and to induce you to purchase the Local Agency Bonds as contemplated therein, the Local Agency hereby represents, warrants and agrees with you as follows:

- (a) Due Organization and Operation; Legal, Valid and Binding Obligations. The Local Agency is a political subdivision of the State of California duly organized and operating pursuant to the Constitution and laws of the State of California and has all necessary power and authority to adopt the Local Agency Resolution, execute, deliver and perform its obligations under the Local Agency Bonds, and to enter into and perform its duties under the Local Agency Legal Documents. The Local Agency Resolution has been adopted and has not been rescinded, and the Local Agency Legal Documents, when executed and delivered by the respective parties thereto, will constitute legal, valid and binding obligations of the Local Agency enforceable against the Local Agency in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought.
- (b) No Conflict. The adoption of the Local Agency Resolution and the execution and delivery of the Local Agency Legal Documents, and compliance with the provisions thereof, will not in any material respect conflict with, or constitute a breach of or default under, the Local Agency's duties under the Local Agency Legal Documents, the Local Agency Resolution or any law, administrative regulation, court decree, resolution, by-laws or other agreement to which the Local Agency is subject or by which it or any of its property is bound.
- (c) No Consents Required. After due inquiry, except as may be required under blue sky or other securities laws of any state, or with respect to any permits or approvals heretofore received which are in full force and effect, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the Local Agency, other than the approval and authorization of the governing board of the Local Agency, required for the adoption of the Local Agency Resolution and execution and delivery of the Local Agency Legal Documents or the consummation by the Local Agency of the other transactions contemplated by the Local Agency Bonds, the Local Agency Resolution or the Local Agency Legal Documents.
- (d) No Litigation. There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the knowledge of the Local Agency, threatened against the Local Agency to restrain or enjoin the delivery of the Local Agency Bonds, or in any way contesting or affecting the validity of the Local Agency Legal Documents, the Local Agency Resolution or the Local Agency Bonds, or contesting the powers of the Local Agency to enter into or perform its obligations under any of the foregoing.

- (e) No Breach or Default. The Local Agency is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution agreement or other instrument to which the Local Agency is a party or is otherwise subject which breach or default would have a material and adverse impact on the Local Agency's ability to perform its obligations under the Local Agency Bonds or the Local Agency Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument. Also, the adoption of the Local Agency Resolution and the execution and delivery of the Local Agency Legal Documents, and compliance with the provisions hereof and thereof, will not in any material respect conflict with, or constitute a breach of or default under, the Local Agency's duties under the Local Agency Resolution or any law, administrative regulation, court decree, resolution, by-laws or other agreement to which the Local Agency is subject or by which it or any of its property is bound.
- (f) No Default. The Local Agency represents that it is not, and has not been at any time, in default as to principal or interest with respect to any indebtedness for borrowed money issued on its behalf or guaranteed by it.
- (g) Agreement to Preserve Tax Exemption. The Local Agency covenants that it will not take any action which would cause interest with respect to the Local Agency Bonds to be subject to federal income taxation or California personal income taxes (other than to the extent the Local Agency Bonds will be subject to federal income taxation as described under the caption "Tax Matters" in the Official Statement).

Very truly yours,

City of Hotville

By: _____

Name:

Title:

EXHIBIT C

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

September 26, 2018

Imperial County Local Transportation Authority
1405 North Imperial Avenue, Suite 1
El Centro, CA 92243

Samuel A. Ramirez & Co., Inc.
445 S. Figueroa St., Suite 2310
Los Angeles, CA 90071

Ladies and Gentlemen:

This opinion is addressed to you pursuant to Section 8(f)(2) of the Purchase Contract (together with the Letter of Representations attached thereto), dated September 13, 2018 (the “Purchase Contract”), by and between Samuel A. Ramirez & Co., Inc. (the “Underwriter”) and the Imperial County Local Transportation Authority (the “Authority”) providing for the purchase and sale of the \$16,765,000 aggregate principal amount of Imperial County Local Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds) (the “Bonds”). The Bonds are being issued and secured pursuant to an Indenture, dated as of May 1, 2012 (the “Master Indenture”), and certain Supplemental Indentures, each dated as of September 1, 2018 (the “Supplemental Indentures” and, together with the Master Indenture, the “Indenture”), each by and between the Authority and The Bank of New York Mellon Trust Company, N.A. Capitalized terms used and otherwise not defined herein shall have the meanings set forth in the Purchase Contract.

We deliver herewith a copy of our approving opinion, dated the date hereof and addressed to the Authority, as to the validity of the Bonds. This will confirm that you may rely on such opinion as though the same were addressed to you.

We are the opinion that:

1. The statements contained in the Official Statement under the captions “THE SERIES 2018 BONDS,” “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 BONDS” (except for any information relating to DTC and its book-entry system), and “TAX MATTERS,” APPENDIX C – “SUMMARY OF THE INDENTURE” and in “APPENDIX F – FORMS OF OPINIONS OF BOND COUNSEL” insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture and the opinion of such counsel concerning certain federal tax matters relating to the Bonds, are accurate in all material respects.

2. The Purchase Contract has been duly executed and delivered by the Authority and (assuming due authorization, execution and delivery against the other parties thereto) is a valid and binding agreement of the Authority, except as limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance moratorium and other laws relating to or affecting creditors’ rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public agencies in the State of California, and except for any indemnification, contribution, penalty, choice of law, choice of forum or waiver provisions contained therein.

3. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

This letter is delivered to you and is solely for your benefit and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person.

Respectfully submitted,

EXHIBIT D

FORM OF ISSUE PRICE CERTIFICATE

\$16,765,000

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018**

The undersigned, on behalf of Samuel A. Ramirez & Co., Inc. (“Ramirez”), based on the information available to it, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

(a) **General Rule Maturities.** As of the date of this Certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

(b) **Hold-the-Offering-Price Maturities.** Ramirez offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Schedule B.

As set forth in the Purchase Contract for the Bonds, the Underwriter has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter has offered or sold any unsold Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

(c) **Reserve Funds.** With respect to the debt service reserve fund for each series of Bonds, the funding of the debt service reserve fund, as provided in the Tax Certificates, was reasonably required to market such series of the Bonds at the interest rates at which they were marketed, and funding a reserve fund for a lesser amount would have resulted in a sale of such series of Bonds at materially higher interest rates or for a materially lower purchase price.

(d) **Credit Enhancement.** With respect to each series of Bonds:

- i. the present value of the amounts paid to obtain the bond insurance policy (the “Insurance Policy”) guaranteeing the payment of the principal of and interest on the insured Bonds of such series, issued by Assured Guaranty Municipal Corp. (the “Insurer”) and the reserve surety bond (the “Reserve Policy”) provided by the Insurer, respectively, are less than the present value of the interest reasonably expected to be saved as a result of having the Insurance

- Policy and the Reserve Policy, respectively, using the yield on such series of Bonds as the discount factor for this purpose;
- ii. to the best knowledge of the undersigned, the amounts paid by the Authority to the Insurer for the Insurance Policy and the Reserve Policy for such series of Bonds, respectively, are within a reasonable range of premiums charged for comparable credit enhancement for obligations comparable to the obligation evidenced and represented by such series of Bonds;
 - iii. the fees paid and to be paid to obtain the Insurance Policy and the Reserve Policy with respect for such series of Bonds, respectively, were determined in arm's-length negotiations and were required as a condition to the issuance by the Insurer; and
 - iv. to the best of knowledge of the undersigned, the fees paid and to be paid for the Insurance Policy and the Reserve Policy for such series of Bonds represent a commercially reasonable charge for the transfer of credit risk, such fees do not include any direct or indirect payment for a cost, risk or other element that is not customarily borne by guarantors of tax-exempt bonds in transactions in which the guarantor has no involvement other than as guarantor, and no non-guarantee services are being provided by the Insurer.

(e) ***Defined Terms***

- i. Authority means the Imperial County Local Transportation Authority.
- ii. General Rule Maturities means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”
- iii. Hold-the-Offering-Price Maturities means those Maturities of the Bonds listed in Schedule 1 hereto as the “Hold-the-Offering-Price Maturities.”
- iv. Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriters have sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.
- v. Maturity means Bonds of each issue, within the meaning of Treas. Reg. 1.150-1(c)(1) as determined by bond counsel, with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.
- vi. Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- vii. Related Party. A purchaser of any Bonds is a “Related Party” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital

interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

- viii. Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is September 13, 2018.
- ix. Tax Certificates means the Tax Exemption Certificates, dated September 26, 2018, executed and delivered by the Authority in connection with the issuance of the Bonds.
- x. Underwriter means (i) any person that agrees pursuant to a written contract with the Issuer (or with Ramirez to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Ramirez's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Authority with respect to certain of the representations set forth in the Tax Certificates and with respect to compliance with the federal income tax rules affecting the Bonds, and by Norton Rose Fulbright US LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Authority from time to time relating to the Bonds.

Dated:

SAMUEL A. RAMIREZ & CO., INC.

By: _____

Name:

Title:

SCHEDULE A

BONDS WHICH MET THE 10% TEST

\$12,375,000

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018A
(City of Calexico)**

<u>Maturity Date</u> <u>(June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2020	\$155,000	4.00%	1.78%	103.657
2021	165,000	4.00	1.89	105.487
2023	175,000	5.00	2.12	112.765
2024	185,000	5.00	2.25	114.584
2025	195,000	5.00	2.35	116.292
2026	200,000	5.00	2.47	117.597
2027	215,000	5.00	2.57	118.795
2028	220,000	5.00	2.70	119.474
2029	235,000	5.00	2.78	118.724*
2030	245,000	5.00	2.89	117.702*
2031	260,000	5.00	2.98	116.874*
2032	275,000	5.00	3.04	116.326*
2033	1,415,000	4.00	3.42	104.741*
2034	1,470,000	4.00	3.47	104.322*
2035	1,530,000	4.00	3.52	103.904*
2036	1,590,000	4.00	3.57	103.489*
2037	1,655,000	4.00	3.62	103.075*
2038	1,720,000	4.00	3.65	102.828*

* Priced to par call on June 1, 2028.

\$1,450,000

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018B
(City of Calipatria)**

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2033	\$220,000	3.375%	3.570%	97.783
2034	230,000	3.500	3.620	98.570
2035	235,000	3.500	3.670	97.889
2036	245,000	3.625	3.720	98.773
2037	255,000	3.625	3.770	98.064
2038	265,000	3.625	3.800	97.586

\$2,940,000
IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018C
(City of Holtville)

Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	Price
2020	\$95,000	4.000%	1.780%	103.657
2021	100,000	4.000	1.890	105.487
2022	105,000	4.000	2.000	107.060
2023	110,000	5.000	2.120	112.765
2024	115,000	5.000	2.250	114.584
2025	120,000	5.000	2.350	116.292
2026	125,000	5.000	2.470	117.597
2027	130,000	5.000	2.570	118.795
2028	140,000	5.000	2.700	119.474
2029	145,000	5.000	2.780	118.724*
2030	155,000	5.000	2.890	117.702*
2031	160,000	5.000	2.980	116.874*
2032	170,000	3.250	3.520	97.085
2033	175,000	3.375	3.570	97.783
2034	180,000	3.500	3.620	98.570
2035	185,000	3.500	3.670	97.889
2036	195,000	3.625	3.720	98.773
2037	200,000	3.625	3.770	98.064
2038	205,000	3.625	3.800	97.586

* Priced to par call on June 1, 2028.

HOLD-THE-OFFERING-PRICE BONDS

\$12,375,000

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018A
(City of Calexico)**

Maturity Date

<u>(June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2019	\$305,000	4.00%	1.66%	101.575
2022	165,000	4.00	2.00	107.060

\$2,940,000

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY
SALES TAX REVENUE BONDS (LIMITED TAX BONDS), SERIES 2018C
(City of Holtville)**

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2019	\$130,000	4.000%	1.660%	101.575

SCHEDULE B

Pricing Wire

EXHIBIT E

FORM OF TRUSTEE COUNSEL OPINION

September 26, 2018

Imperial County Local Transportation
Authority
El Centro, California

Samuel A. Ramirez & Co., Inc.
Los Angeles, California

Re: Imperial County Local Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2018A, 2018B and 2018C

Ladies and Gentlemen:

I am a Managing Counsel in the Legal Department of The Bank of New York Mellon Trust Company, N.A. (“BNY Mellon”) and I am delivering this opinion in connection with the execution and delivery of (i) that certain Seventh Supplemental Indenture dated as of September 1, 2018 (the “Seventh Supplemental Indenture”), between Imperial County Local Transportation Authority (the “Issuer”) and BNY Mellon, as trustee (the “Trustee”), (ii) that certain Eighth Supplemental Indenture dated as of September 1, 2018 (the “Eighth Supplemental Indenture”), between the Issuer and the Trustee, and (iii) that certain Ninth Supplemental Indenture dated as of September 1, 2018 (together with the Seventh Supplemental Indenture and the Eighth Supplemental Indenture, the “Supplemental Indentures”), between the Issuer and the Trustee. The Supplemental Indentures amend and supplement that certain Indenture dated as of May 1, 2012 (as amended and supplemented through the date hereof, together with the Supplemental Indentures, the “Indenture”), between the Issuer and the Trustee. All capitalized terms used herein not otherwise defined shall be as defined in the Indenture.

In rendering the opinions set forth below, I have examined the originals, or copies certified to my satisfaction, of such agreements (including, without limitation, the Indenture), certificates and other statements of government officials and corporate officers of BNY Mellon, documents and other papers as I deemed relevant and necessary as a basis for such opinion and have relied as to factual matters on representations, warranties and other statements therein. With respect to parties other than BNY Mellon, in such examination, I have assumed the authenticity of all documents submitted to me as originals, the genuineness of all signatures, the legal capacity of natural persons and the conformity to the originals of all documents submitted to me as copies. In my examination of documents (including, without limitation, the Indenture) executed by parties other than BNY Mellon, I have also assumed that, if the opinions set forth in paragraphs (1) through (4) below referred to such parties and such documents, such opinions would be true and correct with respect to such parties and such documents.

The opinions expressed herein are limited to the laws of the State of California and the Federal law of the United States, and I do not express any opinion herein concerning any other law.

Based upon the foregoing, I am of the opinion that:

(1) BNY Mellon is a national banking association duly organized and validly existing under the laws of the jurisdiction of its organization and has the corporate power to execute and deliver the Supplemental Indentures and any other documentation relating to the Supplemental Indentures, and to perform its obligations under the Indenture.

(2) The execution and delivery by BNY Mellon of the Supplemental Indentures and any other documentation relating to the Supplemental Indentures, and its performance of its obligations under the Indenture, have been and are as of the date hereof duly authorized by all necessary corporate action.

(3) No approval, authorization or other action by, or filing with, any governmental body or regulatory authority (which has not been obtained) is required in connection with the due execution, delivery and performance by BNY Mellon of the Supplemental Indentures.

(4) The Supplemental Indentures have been duly executed and delivered by BNY Mellon and constitute the valid and legally binding obligations of BNY Mellon enforceable against it in accordance with their terms except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought as a proceeding in equity or at law).

My opinions are subject to the following assumptions and qualifications:

I express no opinion as to (a) any transactions not specifically referred to herein; (b) any provision of the Indenture to the extent it provides that a party is entitled to recover more than its actual damages under the Indenture; (c) any right, remedy or provision of the Indenture (including without limitation any termination payment provisions thereof) which, if determined to be a penalty, a court or other authority or body may have the discretion to invalidate or decline to enforce; (d) the enforcement of rights with respect to indemnification and contribution obligations; (e) any provision relating to severability; (f) any provision purporting to waive or limit rights to trial by jury, oral amendments to written agreements or rights of set-off, (g) any provision relating to submission to jurisdiction, venue or service of process, (h) any provision purporting to prohibit, restrict or require the consent of the other party for the transfer of, or the creation, attachment or perfection of a security interest in, the Indenture or an interest therein, which may be limited by applicable law or considerations of public policy; (i) any provision that provides that the rights of the parties to the Indenture may not be assigned by a party without the prior written consent of the other party or parties, which may be limited by the Uniform Commercial Code; (j) the tax consequences of any transaction under the Indenture; (k) any Federal securities laws, pension and employee benefit laws (e.g., ERISA), anti-money laundering laws, trading with the enemy laws, or other laws of special or general application not normally covered in an opinion on capacity and enforceability, in accordance with market practice; or (l) the priority, perfection, attachment or validity of any security interest created under the Indenture or the enforcement of remedies in connection therewith.

This opinion is based upon facts and law in existence on the date hereof and I disclaim any obligation to advise you of any changes therein occurring after the date hereof. This opinion is given for the use and benefit of the addressees and no other party or entity is entitled to rely on it.

Very truly yours,

Rhea L. Ricard
Managing Counsel