

November 22, 2005

TRANSACTION
(AMENDED AND RESTATED AS OF MAY 23, 2012)

San Diego County
Regional Transportation Commission
401 B Street, Suite 800
San Diego, California 92101

Ladies and Gentlemen:

The purpose of this letter agreement is to amend and restate as of May 23, 2012 the terms and conditions of the transaction originally entered into between Bank of America, N.A. ("BANA") and San Diego County Regional Transportation Commission ("Counterparty") on the Trade Date specified below (the "Transaction") in order to partially terminate the Transaction. This letter agreement constitutes a "Confirmation" as defined in the Agreement specified below.

The definitions and provisions contained in the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., the "Definitions") are incorporated into this Confirmation. In the event of any inconsistency between those definitions and provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of August 23, 2011 (the "Agreement"), between BANA and Counterparty, entered into in accordance with the Novation Agreement, dated as of August 17, 2011 between MLCS and BANA, with terms identical to the terms of the Master Agreement, dated as of November 22, 2005 between Merrill Lynch Capital Services, Inc. ("MLCS") and Counterparty (the "Original Master Agreement"), as modified as set forth in the letter, dated August 17, 2011, from BANA and MLCS to Counterparty, as to the terms of the transfer of the Original Master Agreement from MLCS to BANA. The Transaction was entered into by MLCS and Counterparty on November 22, 2005 pursuant to the terms of the Confirmation dated November 22, 2005 (the "Original Confirmation") and transferred from MLCS to BANA, effective August 23, 2011. All provisions contained in the Agreement will govern this Confirmation except as expressly modified below.

2. The terms of the particular Transaction to which this Confirmation relates are as follows:

Notional Amount: \$200,000,000, reducing on the dates and in the amounts set forth in Annex I hereto.

Trade Date: November 22, 2005

Effective Date: April 1, 2008

Amended Effective Date: May 23, 2012

Termination Date: April 1, 2038

FIXED AMOUNTS:

Fixed Rate Payer: Counterparty

Fixed Rate Payer Payment Dates: Monthly on the first (1st) calendar day of each month, commencing on May 1, 2008 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Fixed Rate Payer Period End Dates: Monthly on the first (1st) calendar day of each month, commencing on May 1, 2008 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.

Fixed Rate: 3.8165%

Fixed Rate Day Count Fraction: 30/360

FLOATING AMOUNTS:

Floating Rate Payer: BANA

Floating Rate Payer Payment Dates: Monthly on the first (1st) calendar day of each month, commencing on May 1, 2008 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Floating Rate Payer Period End Dates: Monthly on the first (1st) calendar day of each month, commencing on May 1, 2008 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.

Floating Rate Option: From and including the Effective Date to but excluding April 1, 2018, Floating Rate Option A. From and including April 1, 2018 to the Termination Date, Floating Rate Option B.

Floating Rate Option A: 65% of USD-LIBOR-BBA

Floating Rate Option A Designated One month

Maturity:

Floating Rate Option A Day Count Fraction:	Actual/360
Floating Rate Option A Reset Date:	The Effective Date and thereafter the first calendar day of each month, commencing on May 1, 2008. As specified in the Definitions, the rate for each Reset Date shall be the rate which appears on the Telerate Page 3750 as of 11:00 a.m., London time, on the day that is two London Banking Days preceding that Reset Date.
Floating Rate Option A Method of Averaging:	Inapplicable
Floating Rate Option A Compounding:	Inapplicable
Floating Rate Option A Business Days:	New York
Floating Rate Option B:	USD-BMA Municipal Swap Index
Floating Rate Option B Day Count Fraction:	Actual/Actual
Floating Rate Option B Reset Date:	April 1, 2018 and weekly thereafter every Thursday (or any other day specified by The Bond Market Association), or if any Thursday is not a U.S. Government Securities Business Day, the next succeeding U.S. Government Securities Business Day.
Floating Rate Option B Method of Averaging:	Weighted
Floating Rate Option B Compounding:	Inapplicable
Floating Rate Option B Business Days:	New York

3. ***Optional Market-Based Termination.*** Counterparty may, on any Business Day (the “Optional Market Termination Date”), terminate and cash settle this Transaction, in whole or in part, by providing prior written notice to BANA designating a day not earlier than the second Business Day following the day on which such notice is effective as the Optional Market Termination Date, provided however, that Counterparty first or concurrently provides evidence satisfactory to BANA that Counterparty has sufficient funds available to pay any amount payable by it to BANA in connection with such optional termination. The amount due with respect to any such termination shall be determined by BANA in its sole discretion. If Counterparty disputes such amount, the amount due shall be determined by BANA pursuant to Section 6 of the Master Agreement as if (a) the Optional Market Termination Date is the Early Termination Date, (b) Counterparty is the sole Affected Party (for all purposes other than the election to terminate), (c) this Transaction (or any portion hereof) is the sole Affected Transaction, and (d) Market Quotation and Second Method are selected for purposes of Payments on Early Termination. Notwithstanding anything herein to the contrary, the parties will be obligated to pay any accrued amounts that would otherwise be due on the Optional Market Termination Date.

4. ***Partial Termination of Transaction.*** In full consideration of the termination of \$50,500,000 of the Notional Amount of the Transaction (the “Terminated Notional Amount”), Counterparty agrees to pay to BANA the amount of \$8,005,000 (the “Partial Termination Amount”) on June 14, 2012, which amount includes accrued but unpaid regularly scheduled payments to but excluding the Amended Effective Date in respect of the Terminated Notional Amount. Notwithstanding the foregoing, the Transaction shall remain in full force and effect with respect to the \$134,100,000 of Notional Amount not terminated hereunder (the “Remaining Notional Amount”) and any and all future payment amounts shall be calculated based upon the applicable Notional Amount set forth in Annex I. For the avoidance of doubt, accrued but unpaid regularly scheduled payments on the Remaining Notional Amount from and including May 1, 2012 to but excluding May 31, 2012 are not included in the Partial Termination Amount and shall be payable on June 1, 2012.

5. ***Reinstatement of Transaction.***

(a) This Confirmation shall have no force or effect unless Counterparty’s \$420,585,000 aggregate principal amount of Sales Tax Review Bonds (Limited Tax Bonds) 2012 Series A (the “Bonds”) are issued on or prior to June 14, 2012 (the “Expected Issuance Date”). In the event that the Bonds are not issued on or prior to the Expected Issuance Date, the terms of the Transaction as set forth in the Original Confirmation shall remain in effect and BANA will determine, in good faith on the Expected Issuance Date, the Reinstatement Value, if any, in connection with reinstating the terms of the Transaction as set forth in the Original Confirmation. BANA shall notify Counterparty of the Reinstatement Value no later than 12:00 p.m., New York time, one (1) Business Day following the Expected Issuance Date (the “Reinstatement Election Date”). By 5:00 p.m., New York time, on the Reinstatement Election Date, Counterparty shall notify BANA of whether it elects for the Reinstatement Value to be paid by: (i) the payment of a lump sum (“Option 1”); or (ii) an adjustment of the Fixed Rate of the Transaction (“Option 2”).

(b) If Counterparty elects Option 1, then: (i) if the Reinstatement Value is a positive number, other than in connection with an Inapplicable Non-Issuance, an amount equal to the Reinstatement Value will be payable by BANA to Counterparty on the Reinstatement Value Payment Date; and (ii) if the Reinstatement Value is a negative number, an amount equal to the absolute value of the Reinstatement Value will be payable by Counterparty to BANA on the Reinstatement Value Payment Date.

(c) If Counterparty elects Option 2, then the Fixed Rate payable by Counterparty to BANA under the Transaction shall be increased (in the event that the Reinstatement Value is a negative

number) or, other than in connection with an Inapplicable Non-Issuance, decreased (in the event that the Reinstatement Value is a positive number) accordingly for the period from and including the Expected Issuance Date to but excluding the Termination Date (the Transaction, as modified by an adjustment to the Fixed Rate as described in this Paragraph 5(c), the "Adjusted Transaction"). Promptly following the Expected Issuance Date, BANA shall deliver an amended and restated Confirmation to Counterparty reflecting the adjusted Fixed Rate and the terms of the Adjusted Transaction. Each of the parties hereby agrees to deliver to the other party all documentation related to such revised Confirmation as reasonably requested by the other party, including without limitation, an opinion of outside counsel to such party, in form and substance satisfactory to the other party, with respect to the enforceability of the Adjusted Transaction and the terms of the revised Confirmation against such party.

(d) In the event that the Bonds are not issued by the Expected Issuance Date as a result of an Inapplicable Non-Issuance, the terms of the Transaction shall remain in effect as set forth in the Original Confirmation. No amounts shall be payable by either BANA or Counterparty and the Fixed Rate shall not be adjusted.

(e) As used in this Paragraph 5:

(i) "Inapplicable Non-Issuance" shall mean that the Bonds are not issued by the Expected Issuance Date for a reason other than one that is beyond the control of Counterparty (as determined by BANA in consultation with Counterparty);

(ii) "Reinstatement Value" shall mean an amount that BANA reasonably determines in good faith, in consultation with Counterparty or its financial advisor, to be its total losses and costs (expressed as a negative number) or gain (expressed as a positive number) in connection with continuing the terms of the Transaction evidenced by the Original Confirmation, including any loss of bargain, cost of funding or, at the election of BANA but without duplication, loss or cost (including without limitation reasonable attorney's fees) incurred by BANA as a result of its terminating, liquidating, obtaining or reestablishing any hedge or related trading position (or any gain resulting therefrom); and

(iii) "Reinstatement Value Payment Date" shall mean the second (2nd) Business Day following the Expected Issuance Date.

The parties agree that the failure of either party to perform any of its obligations in this Paragraph 6 shall be deemed to be an Event of Default under the Agreement with respect to such party as the Defaulting Party.

6. ***Documents to be Delivered.*** The following documents shall be delivered by Counterparty to BANA on or prior to June 14, 2012:

(a) an opinion of counsel to BANA with respect to the enforceability of this Transaction, as amended and restated herein against BANA;

(b) evidence reasonably satisfactory to Counterparty of the authority and genuine signature of the individual signing this Confirmation on behalf of BANA to execute the same;

(c) an opinion of counsel to Counterparty with respect to the enforceability of this Transaction, as amended and restated herein against Counterparty;

(d) evidence reasonably satisfactory to BANA of the authority and genuine signature of the individual signing this Confirmation on behalf of Counterparty to execute the same; and

(e) a certified copy of the resolution or resolutions (or the equivalent thereof) of the governing body of Counterparty, certified by an appropriate official of Counterparty, pursuant to which Counterparty is authorized to enter into this Transaction, as amended and restated herein.

7. **Additional Agreement of Counterparty.** In connection with this Transaction, Counterparty agrees that (i) BANA is acting and has acted solely as a principal, and not as an agent, advisor or fiduciary of Counterparty, (ii) BANA has not assumed a fiduciary responsibility in favor of Counterparty with respect to this Transaction and (iii) nothing in this Transaction or in any prior relationship between BANA and Counterparty will be deemed to create an advisory, fiduciary or agency relationship between BANA and Counterparty in respect of this Transaction (whether or not BANA or any affiliate of BANA, has provided or is currently providing other services to Counterparty on related or other matters). In addition, Counterparty acknowledges that it has (i) determined, without reliance upon BANA or any of its affiliates, the financial and economic risks and merits, as well as the legal, tax and accounting characterizations and consequences, of this Transaction and it is capable of assuming such risks, (ii) consulted, to the extent it has deemed necessary, with its own legal, tax, accounting and financial advisors to determine whether this Transaction is in its best interest and made an independent analysis and decision to enter into this Transaction based on such advice and (iii) retained PFM Asset Management, LLC (“PFM”) as its swap advisor and has relied on PFM to provide advice to it with respect to this Transaction.

8. **Payment Instructions.**

To BANA: BofA USD Rate Derivative Wire Instructions
Name: Bank of America, N.A.
City: New York
Account Name: Rate Derivative Settlements Account #:
6550419304 CHIPS #: 0959
FedWire/ABA#: 026009593
SWIFT Address: BOFAUS3DCRD


To Counterparty: Counterparty will provide written notice of the account to which payments to Counterparty under this Transaction shall be made no later than ten (10) Business Days prior to the first Payment Date hereunder.

9. **Amended and Restated Transaction.** This Transaction amends and restates the Transaction evidenced by the Original Confirmation to effect the partial termination specified herein, Subject to paragraph 5 hereof and receipt by BANA of the Partial Termination Amount, neither BANA nor Counterparty shall have any other or further obligations under the Transaction in connection with the Terminated Notional Amount.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms

Yours sincerely,

BANK OF AMERICA, N.A.

By: 
Name: **Katherine Andrews**
Title: **Managing Director**
TRADE:902428247

Confirmed as of the
date first above written:

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

By: _____
Name: Gary L. Gallegos
Title: Executive Director

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms

Yours sincerely,

BANK OF AMERICA, N.A.

By: _____
Name:
Title:

Confirmed as of the
date first above written:

SAN DIEGO COUNTY REGIONAL ~~TRANSPORTATION~~ COMMISSION

By: 

for Name: Gary L. Gallegos
Title: Executive Director

ANNEX I
to Confirmation, dated November 22, 2005,
as amended and restated as of May 23, 2012
between Bank of America, N.A.
and San Diego County Regional Transportation Commission

<u>From and including*</u>	<u>To and excluding*</u>	<u>Notional Amount*</u>
Effective Date	April 1, 2009	200,000,000
April 1, 2009	April 1, 2010	196,400,000
April 1, 2010	April 1, 2011	192,600,000
April 1, 2011	April 1, 2012	188,700,000
April 1, 2012	May 1, 2012	184,600,000
May 1, 2012	April 1, 2013	134,100,000
April 1, 2013	April 1, 2014	134,100,000
April 1, 2014	April 1, 2015	134,100,000
April 1, 2015	April 1, 2016	134,100,000
April 1, 2016	April 1, 2017	134,100,000
April 1, 2017	April 1, 2018	134,100,000
April 1, 2018	April 1, 2019	134,100,000
April 1, 2019	April 1, 2020	134,100,000
April 1, 2020	April 1, 2021	134,100,000
April 1, 2021	April 1, 2022	134,100,000
April 1, 2022	April 1, 2023	134,100,000
April 1, 2023	April 1, 2024	127,900,000
April 1, 2024	April 1, 2025	121,500,000
April 1, 2025	April 1, 2026	114,800,000
April 1, 2026	April 1, 2027	107,900,000
April 1, 2027	April 1, 2028	100,700,000
April 1, 2028	April 1, 2029	93,200,000
April 1, 2029	April 1, 2030	85,400,000
April 1, 2030	April 1, 2031	77,300,000
April 1, 2031	April 1, 2032	68,900,000
April 1, 2032	April 1, 2033	60,200,000
April 1, 2033	April 1, 2034	51,100,000
April 1, 2034	April 1, 2035	41,700,000
April 1, 2035	April 1, 2036	31,900,000
April 1, 2036	April 1, 2037	21,700,000
April 1, 2037	Termination Date	11,100,000