

ISSUING AND PAYING AGENT AGREEMENT

dated as of

September 1, 2011

among

CASTAIC LAKE WATER AGENCY

and

UPPER SANTA CLARA VALLEY JOINT POWERS AUTHORITY,

and

U.S. BANK NATIONAL ASSOCIATION,
as Paying Agent

ISSUING AND PAYING AGENT AGREEMENT

THIS AGREEMENT (the "Agreement") is dated as of September 1, 2011, by and among the CASTAIC LAKE WATER AGENCY, duly created and existing under the laws of the State of California (the "Agency"), UPPER SANTA CLARA VALLEY JOINT POWERS AUTHORITY, a California joint exercise of powers agency duly created and existing under the laws of the State of California (the "Authority"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States of America (the "Paying Agent").

WHEREAS, the Agency, the Authority and the Paying Agent have agreed to enter into this Issuing and Paying Agent Agreement in connection with a commercial paper program for the benefit of the Agency; and

WHEREAS, the Agency has determined to provide credit support to the commercial paper program undertaken by the Agency through the Authority with an irrevocable, transferable letter of credit (the "Letter of Credit") to be issued by Citibank, N.A. (the "Credit Bank");

NOW, THEREFORE, in consideration of the premises and in order to induce the Paying Agent to enter into this Agreement and to act as issuing and paying agent, the Agency, the Authority and the Paying Agent hereby agree as follows:

Section 1. Appointment of Agent. The Agency and Authority hereby appoint the Paying Agent and the Paying Agent hereby agrees to act, on the terms and conditions specified herein, as Paying Agent for the Castaic Lake Water Agency Commercial Paper Notes (the "Notes"). The Notes will be substantially in the form attached hereto as Exhibit A. The Notes will be sold through such commercial paper dealer as an Approving Officer (as defined in section 3 below) shall have notified the Paying Agent from time to time (the "Dealer"). The Dealer initially will be Citigroup Global Markets Inc. The Agency has entered into a Letter of Credit Reimbursement Agreement dated _____, 2011 (the "Reimbursement Agreement") with the Credit Bank pursuant to which the Credit Bank will issue the Letter of Credit in the stated amount of \$50,000,000, as such amount may be reduced or reinstated from time to time in accordance with its terms (the "Stated Amount"). Drawings on the Letter of Credit shall be made by U.S. Bank National Association, as paying agent, under Resolution No. 2011-___ of the Authority, adopted on September 28, 2011 (the "Authority Resolution"), to pay the principal of and interest, if any, on maturing Notes. Pursuant to the Reimbursement Agreement, drawings may be made by the Paying Agent on the Letter of Credit thereunder until 4:00 P.M., New York City time, on _____, 2014 (the "Termination Date"), but the Termination Date may be shortened or extended in accordance with the Letter of Credit and the Reimbursement Agreement. The aggregate principal amount of Notes which shall be issued pursuant to this Agreement is initially \$45,871,000, in accordance with the Reimbursement Agreement and the Letter of Credit. The Notes shall be executed and delivered as "Castaic Lake Water Agency Commercial Paper Notes."

Section 2. Supply of Notes. An Approving Officer will from time to time furnish and maintain with the Paying Agent an adequate supply of Notes. Book-Entry Notes shall be represented by one or more master notes which shall be executed by manual signature of the Authority in accordance with a letter of representation to be entered into by the Authority and the Depository Trust Company ("DTC"). Pending receipt of instructions pursuant to this Agreement, the Paying

Agent will hold the Notes in safekeeping for the account of DTC in accordance with the Paying Agent's customary practice.

Section 3. Approving Officers. Concurrent with the execution of this Agreement and annually, on or prior to March 1, or more frequently if necessary to reflect changes thereto, an Approving Officer will furnish the Paying Agent with a certificate, substantially in the form attached hereto as Exhibit B, certifying the incumbency and specimen signatures of officers or agents of the Agency authorized to take actions hereunder on behalf of the Authority (each an "Approving Officer") or certifying as to no change in the preceding certification. Until the Paying Agent receives a subsequent incumbency certificate, the Paying Agent is entitled to rely on the last such certificate delivered to the Paying Agent for purposes of determining the Approving Officers. The Paying Agent shall not have any responsibility to the Authority or the Agency to determine by whom or what means a facsimile signature may have been affixed on the Notes, or to determine whether any facsimile or manual signature resembles the specimen signature(s) filed with the Paying Agent by an Approving Officer. Any Notes bearing the manual signature of the Authority shall be binding on the Authority and the Agency notwithstanding that the individual or individuals who executed such Notes on behalf of the Trustee shall have died or shall have otherwise ceased to hold his office on the date such Note is countersigned or delivered to the Paying Agent.

Section 4. Completion, Authentication, and Delivery of Notes. (a) Instructions for the delivery of Notes will be given via a delivery system (the "System"), if available, or by telephone, promptly confirmed in writing (which may be by facsimile) either by an Approving Officer, or by an officer or employee of a Dealer who has been designated by an Approving Officer in writing to the Paying Agent as a person authorized to give such instructions hereunder (each an "Authorized Dealer Representative"), provided that instructions may be given in writing if the System is unavailable or is inoperative. Upon receipt of instructions as described in the preceding sentence on a day on which the Paying Agent is open for business (a "Business Day"), the Paying Agent will withdraw the necessary Notes(s) from safekeeping and, in accordance with such instructions, shall cause the delivery of such Book-Entry Notes in the manner set forth in, and take such other actions as are required by a letter of representation.

(b) Instructions given via the System must be entered by 12:30 p.m. for book-entry delivery, New York City time on a Business Day, and instructions delivered by telephone or in writing must be received by the Paying Agent by 12:30 p.m., New York City time on a Business Day, if the Note(s) are to be delivered the same day. Telephone instructions shall be confirmed in writing the same day.

(c) The Agency shall not instruct the Paying Agent to, and the Paying Agent shall not, deliver Notes which: (i) as a consequence thereof and giving effect thereto would cause the aggregate principal amount of Notes together with interest payable at maturity thereon to exceed the Stated Amount of the Letter of Credit or would cause any Notes to constitute Excluded Notes under the Letter of Credit; or (ii) have maturity dates which extend beyond the maturity date of the applicable Tax and Revenue Anticipation Note or the fifth calendar day prior to the Termination Date or such earlier date as is specified in the Letter of Credit. The Paying Agent shall not consent to a reduction or termination of the Stated Amount of the Letter of Credit without receiving from the rating agencies then rating the Notes written advice that such a reduction or termination will not, in and of itself, result in a reduction, withdrawal or suspension of the ratings on the Notes then in effect. In addition, the Paying Agent agrees that: (1) upon receipt of a No Issuance Notice from the Credit Bank upon the occurrence of an event of default under Section 7.01 of the Reimbursement

Agreement, the Paying Agent will not thereafter deliver any additional Notes without the prior written consent of the Credit Bank; and (2) upon receipt of a Restricted Issuance Notice from the Credit Bank under the Reimbursement Agreement, the Paying Agent will not thereafter deliver any additional Notes in a principal amount in excess of the Notes maturing on the date of delivery of the additional Notes without the prior written consent of the Credit Bank.

Section 5. Proceeds of Sale of the Notes. The Paying Agent hereby establishes an account designated as the Note Account in the Agency's name (the "Note Account"). On each day on which the Dealer or its agent receives Notes (whether through the facilities of DTC in the manner set forth in a letter of representations or by delivery in accordance with Section 4(a) hereof), the Dealer shall pay the purchase price for such Notes in immediately available funds to the Paying Agent and the Paying Agent shall credit such amounts to the Note Account. Unless the Credit Bank dishonors all or a portion of a drawing on the Letter of Credit, the Paying Agent shall immediately transfer all amounts on deposit in the Note Account to the Trustee for deposit by the Trustee in the CP Payment Fund to be used to reimburse the Credit Bank for drawings on the Letter of Credit, or, upon direction of the Trustee, the Paying Agent shall transfer the reimbursement directly to the Credit Bank in accordance with the wiring instructions contained in the Reimbursement Agreement. If the Credit Bank dishonors all or a portion of a drawing on the Letter of Credit, the Paying Agent shall transfer from the Note Account to the Matured Note Redemption Account hereby created by the Paying Agent (the "Redemption Account"), an amount equal to the lesser of the amount of the drawing dishonored and the amount on deposit in the Note Account. Thereafter the Paying Agent shall transfer any amounts remaining in the Note Account to the Trustee for deposit in the Note Payment Fund.

Upon receipt by the Paying Agent of a funds transfer notice in the form of Exhibit C from an Approving Officer (the "Funds Transfer Notice") and so long as the Paying Agent has inquired by written notice to the Credit Bank and given the Credit Bank a reasonable period within which to respond and not received written notice from the Credit Bank that any amounts remain unreimbursed to the Credit Bank, the Paying Agent agrees to transfer immediately available funds from the Note Account to any bank or trust company to the credit of the Agency in accordance with the terms of the Funds Transfer Notice.

Section 6. Payment of Matured Notes. Contemporaneously with the execution and delivery of this Agreement, and for the purpose of paying the principal and interest on Notes when due, the Paying Agent will establish an account designated as the "Letter of Credit Account." The Paying Agent shall, by 10:00 A.M. New York City time, on the maturity date of each Note, draw on the Letter of Credit in accordance with the terms thereof so as to receive thereunder by 2:30 P.M. on said date, an amount, in immediately available funds, equal to the amount of principal and interest on the Note. The Paying Agent shall deposit the proceeds of such drawings in the Letter of Credit Account and apply the proceeds of each drawing solely to pay the principal of and interest on Notes upon maturity. Pending such use, moneys in the Letter of Credit Account shall be held uninvested or shall be invested in a money market fund rated [AAAm or AAAM-G] by Standard & Poor's and Aaa by Moody's which money market fund permits withdrawal of such money not later than the shorter of 30 days or the date Notes mature. Except as provided in the third paragraph of this Section 6, any amount drawn under the Letter of Credit which is in excess of the amount of principal and interest needed to pay Notes maturing on such day shall be returned on the same Business Day, or bear interest, and shall be held in trust until so returned.

If the Credit Bank dishonors all or a portion of a drawing on the Letter of Credit or if any Note is an Excluded Note, the Paying Agent shall immediately notify the Trustee of the amount of the drawing dishonored and the amount, if any, on deposit in the Note Account which the Paying Agent will apply to the payment of maturing Notes. The Paying Agent shall request the Trustee to transfer to the Paying Agent from amounts on deposit in the CP Payment Fund an amount equal to principal and interest payable on maturing Notes less the amounts on deposit in the Letter of Credit Account and the Note Account. Upon receipt of such transfer from the Trustee, the Paying Agent shall deposit such amount in the Redemption Account. To the extent so deposited, the Paying Agent shall pay the principal of and interest on such Notes from amounts on deposit in the Redemption Account at or prior to 4:00 p.m. (New York City time). Pending such use of amounts on deposit in the Redemption Account, the Paying Agent shall hold such funds uninvested or invested in a money market fund rated AAAM or AAAM-G by Standard & Poor's and Aaa by Moody's. When any matured Note is presented to the Paying Agent for payment by DTC or a nominee of DTC, payment as to principal and the interest thereon shall be made from and charged to the Redemption Account to the extent funds sufficient to effect such payment are available in said account.

If the Paying Agent receives the notice described in Section 7.02(a)(ii)(C) of the Reimbursement Agreement, the Paying Agent shall promptly draw on the Letter of Credit in accordance with the terms thereof in an amount equal to the principal of and interest on all outstanding Notes (which are not Excluded Notes) and deposit the proceeds of such draw in the Letter of Credit Account. The Paying Agent shall apply such Letter of Credit proceeds to the payment of the principal of and interest on such Notes upon the respective maturities thereof.

The Paying Agent shall not sell, assign or otherwise transfer the Letter of Credit, except to a successor Paying Agent hereunder and in accordance with the terms of the Letter of Credit and this Agreement.

To the extent permitted by law, the Agency hereby agrees to indemnify the Paying Agent and its officers, employees and agents against any loss, liability, action, suit, judgment, demand or cost (each a "Liability") and to pay or reimburse the Paying Agent for any reasonable expense (including counsel fees and disbursements and reasonable, allocated costs of in-house counsel) which may be incurred by the Paying Agent or any officer, employee or agent thereof by reason of, or in connection with, the sale of the Notes or the Paying Agent's appointment and its duties as Paying Agent, except such Liability as shall result from Paying Agent's negligence or willful misconduct in the performance of its other obligations and duties hereunder. The obligation of the Agency under this paragraph shall survive payment of the Notes or the resignation or removal of the Paying Agent.

Section 7. Reliance on Instructions. Except as otherwise set forth herein, the Paying Agent shall incur no liability to the Agency or the Authority in acting hereunder upon telephonic or other instructions contemplated hereby which the recipient thereof reasonably believed in good faith to have been given by an Approving Officer or an Authorized Dealer Representative, as the case may be. Neither the Paying Agent nor its officers, employees or agents shall be required to ascertain whether any execution, delivery or sale of Notes (or any amendment or termination of this Agreement) has been duly authorized or is in compliance with any other agreement, ordinance, resolution or other undertaking or document to which the Agency or the Authority is a party or by which it or its property may be bound (whether or not U.S. Bank National Association is a party to such other agreement). In the event that a discrepancy exists with respect to such instructions, the telephonic instructions as recorded by the Paying Agent will be deemed the controlling and proper instructions, unless such instructions are required by this Agreement to be in writing or have not been

recorded by the Paying Agent as contemplated by the next sentence. It is understood that all telephonic instructions will be recorded by the Paying Agent and the Agency and the Authority hereby consent to such recording.

Section 8. Cancellation of Notes. The Paying Agent will in due course cancel and destroy Note(s) presented for payment and furnish the Agency on a timely basis an affidavit of cancellation and destruction. After payment of any matured Note, the Paying Agent shall annotate its records to reflect the face amount of Notes outstanding in accordance with a letter of representation, if any. Promptly upon the written request of an Approving Officer, the Paying Agent agrees to cancel and return to such Approving Officer all undelivered Notes in its possession at the time of such request.

Section 9. Notices; Addresses. All communications by or on behalf of the Agency, the Authority or the Dealer, by telephone or otherwise relating to the completion, delivery or payment of the Notes are to be directed to the Paying Agent's Corporate Trust Department (or such other department or division which the Paying Agent shall specify in writing to the Agency, the Authority and the Dealer). The Agency will send all Notes to be completed and delivered by the Paying Agent to the Paying Agent's Corporate Trust Department (or such other department or division as the Paying Agent shall specify in writing to the Agency). The Paying Agent will advise the Agency, the Authority and the Dealer from time to time in writing of the individuals generally responsible for the administration of this Agreement and will from time to time certify incumbency and specimen signatures of officers or employees authorized to provide instructions hereunder. The Paying Agent will provide to S&P and Fitch a copy of notice of the termination of the Letter of Credit. The Paying Agent shall give written notice to the Dealer and all Note Owners any time the Paying Agent receives notice from the Agency of delivery of an alternate letter of credit pursuant to Section 9(b) of the Authority Resolution.

Notices and other communications hereunder shall (except to the extent otherwise expressly provided) be in writing (which may be by facsimile) and shall be addressed as follows, or to such other address as the party receiving such notice shall have previously specified to the party sending such notice:

if to the Agency, at:

Castaic Lake Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350
Attn: Administrative Services Manager
Telephone No: (661) 297-1600
Telecopy No.: (661) 297-1610

if to the Authority, at:

Upper Santa Clara Valley Joint Powers Authority
27234 Bouquet Canyon Road
Santa Clarita, CA 91350
Attn: Treasurer
Telephone No: (661) 297-1600
Telecopy No.: (661) 297-1610

if to the Paying Agent, at:

U.S. Bank Corporate Trust Services
100 Wall Street, Suite 1600
New York, NY 10005
Attention: Corporate Trust Services
Telephone No.: (212) 361-6140
Telecopy No.: (212) 509-4529

if to the Trustee, at:

U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Attention: Corporate Trust Services
Telecopy No.: _____
Telephone No.:(____)_____

if to the Credit Bank, at:

Citibank, N.A., Delaware
1615 Brett Rd., OPS 3
New Castle, DE 19720
Attention: Adriene Jackson
Telephone: (302) 323-5888
Facsimile: (212) 994-0849
E-Mail: adriene.jackson@citi.com

Notices shall be deemed deliverable when received at the address specified above. For purposes of this paragraph, "when received" shall mean actual receipt: (i) of an electronic communication by a telex machine, telecopier or issuance system specified in or pursuant to this Agreement; (ii) or an oral communication by any person answering the telephone at the Paying Agent's office specified in subparagraph 9(a) hereof and otherwise at the office of the individual or department specified in or pursuant to this Agreement; or (iii) a written communication hand-delivered at the office specified in or pursuant to this Agreement.

Section 10. Additional Information. Upon request of an Approving Officer given at any time and from time to time, the Paying Agent shall promptly provide such Approving Officer with information with respect to the Note(s) delivered and paid hereunder. Such request shall be in written form and, to the extent known by such Approving Officer, shall include the serial number, principal amount, date of delivery, maturity date and amount of interest, if any, with respect to each Note which has been delivered or paid by the Paying Agent and for which the request is being made.

Section 11. Liability. Neither the Paying Agent nor its officers, employees or agents shall be liable for any act or omission hereunder, except in the case of its own negligence or willful misconduct. The Paying Agent's duties and obligations and those of its officers and employees shall be determined by the express provisions of this Agreement and a letter of representation (including the documents referred to therein), if any, and the Paying Agent and its officers, employees and

agents shall not be liable except for the performance of such duties and obligations as are specifically set forth herein and therein, and no implied covenants shall be read into any such document against them. Neither the Paying Agent nor its officers, employees or agents shall be required to ascertain whether any execution, delivery or sale of Note(s) (or any amendment or termination of this Agreement) has been duly authorized or is in compliance with any other agreement to which the Agency or the Authority is a party (whether or not the Paying Agent is a party to such other agreement). The Paying Agent makes no representation as to, and shall have no responsibility for, the correctness of any statement of a party other than the Paying Agent contained in, or the validity or sufficiency of this Agreement or any documents or instruments referred to in this Agreement or as to or for the validity or collectability of any obligation contemplated by this Agreement except as such validity, sufficiency or collectability shall relate to the Paying Agent. The Paying Agent shall not be accountable for the use or application by any person of disbursements properly made by the Paying Agent in conformity with the provisions of this Agreement. The Paying Agent shall not incur any such liability for: (i) any act or failure to act made or omitted in good faith; or (ii) any action taken or omitted in reliance upon any instrument, including any written statement of affidavit provided for in this Agreement that the Paying Agent shall in good faith believe to be genuine, nor will the Paying Agent be liable or responsible for forgeries, fraud, impersonations, or determining the scope of any representative authority. In addition, the Paying Agent may consult with legal counsel in connection with the Paying Agent's duties under this Agreement and shall be fully protected in any act taken, suffered, or permitted by it in good faith in accordance with the advice of counsel. Except as set forth in Section 3 hereof, the Paying Agent is not responsible for determining and verifying the authority of any person acting or purporting to act on behalf of any party to this Agreement.

Section 12. Indemnification. The Agency and its successors and assigns agree to indemnify and hold the Paying Agent and its officers, employees and agents harmless against any and all losses, claims, damages, liabilities, actions, suits, judgments, demands, costs and expenses including reasonable costs of investigation, counsel fees, including reasonable, allocated costs of in-house counsel and disbursements that may be imposed on the Paying Agent or incurred by the Paying Agent or its officers, employees or agents in connection with the execution and delivery of the Notes or the performance by the Paying Agent of its duties under this Agreement (collectively, the "Liabilities"), provided that neither the Agency nor the Authority shall be required to indemnify the Paying Agent: (i) as a condition to the Paying Agent making a drawing on the Letter of Credit in accordance with Section 6 hereof; (ii) as a condition to paying maturing Notes from the sources described herein; or (iii) for any Liabilities to the extent, but only to the extent, caused by the willful misconduct or negligence of the Paying Agent, including but not limited to any litigation arising from this Agreement or involving its subject matter. This provision shall survive Paying Agent's resignation or removal hereunder or any expiration or termination of this Agreement.

Section 13. Benefit of Agreement. This Agreement is for the benefit of the parties hereto, and no other person other than the Credit Bank shall acquire or have any right under or by virtue hereof. The Credit Bank shall be an express and direct beneficiary of this Agreement, entitled but not obligated to enforce any provisions of this Agreement related to the Letter of Credit, or the security for, or the payment of, amounts owed to the Credit Bank hereunder or under the Reimbursement Agreement.

Section 14. Termination of Agreement. This Agreement may be terminated at any time by either the Paying Agent or an Approving Officer by 15 days' prior written notice to the other and to the Credit Bank, provided that the Paying Agent agrees to continue acting as issuing and paying

agent hereunder until such time as its successor has been selected, has entered into an agreement with the Agency and the Authority to that effect and the Letter of Credit has been amended if necessary to provide that the successor issuing and paying agent shall be the beneficiary thereof. If no successor has been appointed within 15 days, Paying Agent shall have the right to petition a court of competent jurisdiction for the appointment of a successor issuing and paying agent and shall be reimbursed for any and all expenses in connection with any such petition and appointment. Such termination shall not affect the respective liabilities of the parties hereunder arising prior to such termination. Unless otherwise terminated, this Agreement will have a term of five years; provided, however, that the General Manager of the Agency can extend the term of this Agreement on the same terms and conditions by letter agreement for successive periods of up to three years thereafter so long as the Notes are outstanding.

Section 15. Governing Law. THIS AGREEMENT IS TO BE DELIVERED AND PERFORMED IN, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF CALIFORNIA.

Section 16. Fees. The Paying Agent shall receive fees from the Agency for acting as Paying Agent hereunder in accordance with a separate fee agreement with the Agency. In the event that the conditions of this Agreement are not promptly fulfilled, or if the Paying Agent renders any service not provided for in this Agreement, or if the Paying Agent requests a substantial modification of its terms, or if any controversy arises, or if the Paying Agent is made a party to, or intervenes in, any litigation pertaining to this Agreement or its subject matter, Paying Agent shall be reasonably compensated for such extraordinary services and reimbursed for all costs, attorneys' fees, including allocated costs of in-house counsel, and expenses occasioned by such default, delay, controversy or litigation.

Section 17. No Waiver; Remedies. No failure on the part of the Paying Agent, the Authority or the Agency to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 18. Severability. Any provision of this Agreement that is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 19. Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have received a counterpart hereof duly executed by the other party hereto.

Section 20. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 21. Miscellaneous. (a) All accounts established hereunder shall be subject to the Paying Agent's account conditions, as in effect from time to time.

(b) The Trustee and the Paying Agent shall have no responsibility, opinion or liability with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the execution and delivery of the Notes.

(c) Notwithstanding Section 18 of the Authority Resolution, Permitted Investments, as defined in the Authority Resolution, acquired as an investment of moneys in any fund or account established under the Authority Resolution shall be credited to such fund or account, and shall be valued by the Trustee (but only in respect to funds and accounts which it maintains) at the lower of cost or market value. For the purpose of determining the amount in any such fund or account, all Permitted Investments credited to such fund or account shall be valued on the last day of June of each year at lower of cost or market value.

(d) The Authority and the Agency acknowledge that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority or the Agency the right to receive brokerage confirmations of security transactions as they occur, the Authority and the Agency will not receive such confirmations to the extent permitted by law. The Trustee will furnish the Authority and the Agency periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

Section 22. Conflict Between Documents. In the event of a conflict between the provisions of this Agreement and the Resolution, the provisions of this Agreement shall be controlling.

Section 23. Amendments. This Agreement may only be amended by the parties hereto in writing and with the prior written consent of the Credit Bank. To the extent required to conform the procedures under this Agreement to the procedures of the Depository Trust Company as such procedures may be in effect from time-to-time, the Agency agrees to enter into any amendment reasonably requested by the Paying Agent.

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

CASTAIC LAKE WATER AGENCY

By: _____
President

UPPER SANTA CLARA VALLEY JOINT
POWERS AUTHORITY

By: _____
President

U.S. BANK NATIONAL ASSOCIATION, as
Paying Agent

By: _____
Authorized Signature

ACKNOWLEDGMENT

U.S. Bank National Association, hereby acknowledges Section 21, subdivisions (b), (c) and (d) of this Agreement.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signature

EXHIBIT A

[FORM OF CERTIFICATE]

[TO BE INSERTED]

EXHIBIT B

SIGNATURE CERTIFICATE

I, the undersigned Secretary to the Board of Directors of the Castaic Lake Water Agency (the “Agency”) hereby certify as follows:

The following named persons are now and at all times since September 1, 2011, have been duly qualified officers of the Agency holding the office set opposite their names, and set opposite their names are the facsimile signature of such persons:

<u>Name</u>	<u>Office</u>	<u>Signature</u>
Dan Masnada	General Manager	_____
Valerie Pryor	Administrative Services Manager	_____

The undersigned by his/her signature confirms that the other signatures set forth above are genuine.

Dated: _____, 2011

April Jacobs
Secretary to the Board of Directors

FUNDS TRANSFER NOTICE

_____ 2011

[ADDRESS OF PAYING AGENT]

Re: Castaic Lake Water Agency
Commercial Paper Notes

Ladies and Gentlemen:

The undersigned, a duly authorized officer of the Castaic Lake Water Agency (the "Agency"), hereby: (a) refers to the Issuing and Paying Agent Agreement, dated as of September 1, 2011 (as amended or otherwise modified from time to time, the "Issuing and Paying Agent Agreement," the terms defined therein being used herein as therein defined), among the Agency, Upper Santa Clara Valley Joint Powers Authority and U.S. Bank National Association (the "Paying Agent"); (b) gives the Paying Agent this Funds Transfer Notice pursuant to Section 5 of the Issuing and Paying Agent Agreement that the Agency requests that transfer of immediately available funds from the Note Account be made on _____, 20__ in the aggregate principal amount of \$_____ to _____, ABA number _____ Account number _____, Attention: _____ (the "Requested Transfer").

Very truly yours,

CASTAIC LAKE WATER AGENCY

By: _____

Title:

EXHIBIT D

LIST OF PAYING AGENT REPRESENTATIVES

EXHIBIT E

CERTIFICATE OF INCUMBENCY
WITH SPECIMEN SIGNATURES

I, _____, an Assistant Vice-President of U.S. Bank National Association, a national banking association organized and existing and by virtue of the laws of the United States of America, certify that the persons named below are officers of this corporation, holding the offices set opposite their names, and that their specimen signatures opposite their names are genuine.

Dated: _____

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