

**SECOND AMENDMENT TO AGREEMENT
FOR CASH ADVANCES AND REPAYMENT**

This Second Amendment ("Second Amendment") to Agreement for Cash Advances and Repayment ("Agreement") is made and entered into by and between the COUNTY OF TULARE, a political subdivision of the State of California ("Tulare") and the San Joaquin Valley Insurance Authority ("SJVIA," or "the Authority"). Tulare and SJVIA each are a "Party" to the Agreement; and Tulare and SJVIA collectively are the "Parties" to the Agreement.

RECITALS

Tulare and the SJVIA entered into the Agreement (County of Tulare Agreement No. 27772), effective as of July 19, 2016, to provide for a cash advance of up to \$2,000,000 to the SJVIA.

The County of Fresno ("Fresno") and the SJVIA entered into an Agreement for Cash Advances and Repayment (County of Fresno Agreement No. 16-049) ("Fresno Agreement"), effective as of December 23, 2015, to provide for a cash advance of up to \$2,000,000 to the SJVIA.

On December 13, 2016, Fresno and the SJVIA amended the Fresno Agreement (County of Fresno Agreement No. 16-703) to increase the amount of Fresno's cash advance to the SJVIA to a total of up to \$5,000,000, and to extend the term of the Fresno Agreement and provide for repayment no later than December 30, 2021. In 2017, Fresno and the SJVIA further amended the Agreement (County of Fresno Agreement No. 17-188) to increase the amount of Fresno's potential cash advance to the SJVIA to a total of \$8,000,000.

On December 20, 2016, Tulare and the SJVIA amended the Agreement (County of Tulare Agreement No. 27772-A) to increase the amount of Tulare's cash advance to the SJVIA to a total of up to \$4,000,000, and to extend the term of the Agreement and provide for repayment no later than June 30, 2018.

Tulare has advanced \$4,000,000 to the SJVIA and Fresno has advanced \$5,000,000 to the SJVIA.

On May 4, 2018, the SJVIA's Board of Directors expressed its desire to extend the date of repayment of the cash advances made by Tulare and Fresno and to ensure that the solvency of the SJVIA remains foremost and to provide for building reserves. The SJVIA's Board of Directors also directed that the Agreement and the Fresno Agreement should be further amended to provide dollar-for-dollar repayment of Fresno and Tulare ending no later than December 30, 2021.

The Parties now desire to further amend the Agreement consistent with the direction from the SJVIA's Board of Directors, as provided in this Second Amendment.

The Parties therefore agree as follows:

1. Article III, Section F, of the Agreement is hereby amended to state, in full:

"F. SJVIA shall repay in full to Tulare the amount or amounts advanced by Tulare to SJVIA under this Agreement, plus accrued interest at the County of Tulare Treasury Pool interest rate on the unpaid balance advanced by Tulare to SJVIA, until all such amounts are fully paid by SJVIA to Tulare, which shall in any event be at the earlier of:

1. When there is sufficient cash balance in SJVIA's bank accounts to cover regular SJVIA cash flow needs, as determined in writing by SJVIA Manager and SJVIA Auditor-Treasurer, and verified by Tulare; or
2. December 30, 2021.

If Fresno provides any amount of funds to SJVIA, as its own separate advance pursuant to the Fresno-SJVIA Cash Advance and Repayment Agreement referenced in the preceding Article II, Section A, then Tulare and Fresno shall be repaid simultaneously and dollar-for-dollar.

To avoid unnecessary amounts advanced by Tulare and Fresno, SJVIA may repay a portion of any advance, subject to terms and conditions of this Agreement without affecting SJVIA's right to request an advance under this Agreement, provided that such repayment complies with the foregoing provisions of the Article III, Section F."

2. Article IV, Section A of the Agreement is hereby amended to state, in full:

"A. TERM: This Agreement is effective July 19, 2016, and this Agreement shall continue in full force and effect through and including December 30, 2021; provided, that SJVIA's obligation to repay all advances, plus accrued interest at the County of Tulare Treasury Pool interest rate on the unpaid balance advanced by Tulare to SJVIA, until all such amounts are fully repaid by SJVIA, and to perform any other obligations of SJVIA under this Agreement, shall survive the termination of this Agreement. Any action taken by any of the officers or employees of the Parties hereto prior to the Parties' approval and execution of this Agreement is hereby affirmed, approved, and ratified."

3. All terms, conditions, mutual covenants, and promises contained in the Agreement, as previously amended, remain in full force and effect except as amended above.

[SIGNATURE PAGE FOLLOWS]

Each Party is signing this Second Amendment to Agreement for Cash Advances and Repayment as of the date indicated in its signature block below.

SAN JOAQUIN VALLEY INSURANCE AUTHORITY

COUNTY OF TULARE

Date: _____

Date: 10/12/2018

By: _____
Pete Vander Poel, President of the Board of Directors of the SJVIA

By: J. Steven Worthley
J. Steven Worthley, Chairman of the Board of Supervisors of the County of Tulare

Approved as to Form
SJVIA Counsel

Approved as to Form
County Counsel

By P. W. P.

By Jennifer Nielsen
Deputy

Date: 5/22/18

Date: 05/22/2018
Matter No. 2018493



Attest:
Michael C. Spata
County Administrative Officer/
Clerk, Board of Supervisors
County of Tulare, State of California

By: Mary Kelle
Deputy