

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

629A



FROM: Treasurer-Tax Collector

SUBMITTAL DATE:
October 15, 2009

SUBJECT: Resolution No. 2009-314 - Beaumont Unified School District, Election of 2008, General Obligation Bonds (Vote on Separately)

RECOMMENDED MOTION: That your Honorable Board approve and adopt Resolution No. 2009-314, Authorizing the Issuance and Sale of Beaumont Unified School District, Election of 2008, General Obligation Bonds in one or more series in a Maximum Aggregate Principal Amount not to Exceed \$37,000,000 and approving related matters

BACKGROUND: Education Code Section 15140 requires that general obligation bonds of a school district be offered for sale by the Riverside County Board of Supervisors, when the Riverside County Superintendent of Schools has jurisdiction over that district, and when the district wishes to offer its bonds via a negotiated sale. Although California law permits a board of supervisors to opt out of that requirement, this Board has not adopted the necessary enabling resolution. At the same time the County Treasurer has taken the position that school districts should not be negotiating the sale of bonds without his participation.

(Continued on page 2)

Giovane Pizano
Investment Manager
for Don Kent, Treasurer-Tax Collector

Don Kent, Treasurer - Tax Collector

FORM APPROVED COUNTY COUNSEL
BY: *Dale A. Gardner*
DALE A. GARDNER
DATE: 10/15/09

Departmental Concurrence

FINANCIAL DATA	Current F.Y. Total Cost:	\$	In Current Year Budget:
	Current F.Y. Net County Cost:	\$	Budget Adjustment:
	Annual Net County Cost:	\$	For Fiscal Year:
SOURCE OF FUNDS:			Positions To Be Deleted Per A-30 <input type="checkbox"/>
			Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Christopher M. Hans*
Christopher M. Hans

County Executive Office Signature

Dept Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.:

District: 5

Agenda Number:

3.51

The Riverside County Superintendent of Schools has jurisdiction over the Beaumont Unified School District (the "District") which is planning to issue and sell bonds via a negotiated sale. Therefore the Education Code provides that the Riverside County Board of Supervisors is responsible for issuing and selling these District bonds, via a negotiated sale, on behalf of the District. To that end, the District's Board of Trustees adopted a resolution requesting this Board to sell the District's general obligation bonds in an aggregate principal amount not to exceed \$37,000,000 in one or more series.

An election was held on November 4, 2008, pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A and subdivision (b) of Section 18 of Article XVI of the California Constitution and Section 15264 *et seq.* of the Education Code which codifies, in part, Proposition 39. During that election, a measure authorizing the District to incur general obligation bonded indebtedness in an aggregate principal amount not to exceed \$125,000,000 was approved by more than 55% of the qualified voters voting on the measure.

On July 14, 2009, the Board of Supervisors adopted Resolution No. 2009-244 authorizing the issuance and sale of Beaumont Unified School District, Election of 2008, General Obligation Bonds, Series A in an aggregate principal amount not to exceed \$37,000,000. These bonds were never issued because, after the resolution was adopted, the District learned that it would receive an allocation of Qualified School Construction Bonds under the American Recovery and Reinvestment Act of 2009. In addition, the District concluded that it might want to issue some of the authorized bonds as taxable Build America Bonds subject to the receipt of an interest subsidy from the U.S. Treasury. Consequently, the District Board of Trustees sought to have the authorization reflected in Board of Supervisors Resolution 2009-244 superseded by the current resolution before the Board of Supervisors, Resolution No. 2009-314, in order to authorize the issuance and sale of an aggregate principal amount of \$37,000,000 of the District's Election of 2008 General Obligation Bonds in one or more series thereby allowing a portion of the bonds to be issued as Qualified School Construction Bonds and a portion of the bonds to be issued as taxable Build America Bonds.

Resolution No. 2009-314 supersedes Resolution No. 2009-244 and authorizes the issuance and sale of Beaumont Unified School District, Election of 2008, General Obligation Bonds in one or more series in an aggregate principal amount not to exceed \$37,000,000 as requested by the District Board of Trustees. The proceeds of these bonds are to be expended for identified school facilities and improvements or to provide financing for the construction, reconstruction or repair of public school facilities, or the acquisition of land on which such facilities are to be constructed. Expenditures are subject to the review of a citizens' oversight committee appointed by the District's Board of Trustees.

These bonds represent general obligations of the District; these bonds do not constitute a debt or obligation of the County. No part of any fund of the County is pledged or obligated to the payment of these bonds.

The Office of County Counsel has reviewed Resolution No. 2009-314 and has approved it as to form.

RESOLUTION NO. 2009-314

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, CALIFORNIA, AUTHORIZING THE SALE AND ISSUANCE OF BEAUMONT UNIFIED SCHOOL DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, ELECTION OF 2008 GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES IN A PRINCIPAL AMOUNT NOT TO EXCEED \$37,000,000 AND APPROVING CERTAIN OTHER MATTERS RELATED THERETO

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RESOLUTION NO. 2009-314

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, CALIFORNIA, AUTHORIZING THE SALE AND ISSUANCE OF BEAUMONT UNIFIED SCHOOL DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, ELECTION OF 2008 GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$37,000,000 AND APPROVING CERTAIN OTHER MATTERS RELATED THERETO

WHEREAS, a duly called election was held in the Beaumont Unified School District (the "District"), Riverside County (the "County"), State of California, on November 4, 2008, at which the following proposition ("Measure Z") was submitted to the qualified electors of the District:

"To retain/attract excellent teachers, keep students from gangs by upgrading safety, technology security systems, energy efficiency; acquiring land; repairing, constructing, equipping schools/classrooms; adding vocational education/after-school space; fixing leaky roofs; replacing heating/air-conditioning; and qualifying for State matching grants shall Beaumont Unified School District issue \$125,000,000 in bonds at legal interest rates, with annual financial audits, Independent Citizens' Oversight, and no money for the State or administrators' salaries?"

WHEREAS, at such election Measure Z received the affirmative vote of more than fifty-five percent of the qualified electors of the District voting on the proposition as certified by the Registrar of Voters of the County of Riverside in the official canvassing of votes; and

WHEREAS, this Board has received a signed, certified copy of the resolution of the Board of Education of the District adopted on October 13, 2009 requesting the issuance of Election of 2008 General Obligation Bonds in one or more series in an aggregate principal amount not to exceed \$37,000,000 (the "Bonds") which is attached hereto as Exhibit A; and

WHEREAS, the Bonds will be issued under and pursuant to the provisions of Chapter 1.5 of Part 10 of Division 1 of Title 1 (Section 15264 *et seq.*) of the Education Code of the State of California and Article XIII A of the California Constitution (the "Authorizing Law"); and

WHEREAS, the Bonds may be issued in one or more series and in part as taxable Build America Bonds pursuant to the American Recovery Reinvestment Act of 2009; and

WHEREAS, the American Recovery and Reinvestment Act of 2009 grants a national allocation of \$11 billion to provide for the issuance of qualified school construction bonds, in accordance with the qualified tax credit bond program (the "Tax Credit Program") found in Section 54A of the Internal Revenue Code of 1986, as amended (the "Code"), and a portion of said allocation has been granted to the District (the "District Allocation") to provide financing for the construction, reconstruction or repair of public school facilities, or the acquisition of land on which such facilities are to be constructed with part of the proceeds of such issue; and

FORM APPROVED COUNTY COUNSEL
BY Dale A. Gardner 10/15/09
DATE

WHEREAS, the Board of Education of the District has determined to use all or a portion of the District Allocation to issue and sell a portion of the Bonds pursuant to the Tax Credit Program if it is determined by the Superintendent of the District, or her designee, to be in the best interests of the District; and

WHEREAS, in its resolution, the District found and informed this Board that all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including the proposed issue of Bonds, is within all limits prescribed by law;

NOW, THEREFORE, IT IS FOUND, DETERMINED, ORDERED AND RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, CALIFORNIA, AS FOLLOWS:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Purpose of the Bonds. The Bonds of the District shall be issued pursuant to the Authorizing Law in the name and on behalf of the District in one or more series in an aggregate Principal Amount not to exceed \$37,000,000, and this Board of Supervisors hereby authorizes, on behalf of the Beaumont Unified School District, the issuance and sale of the Bonds in one or more series and designates said Bonds to be issued and sold as the "Beaumont Unified School District Election of 2008 General Obligation Bonds Series __," with the first series of Bonds to be designated Series B and each series thereafter lettered sequentially (herein called the "Bonds"). The Bonds shall be issued as Current Interest Bonds, Capital Appreciation Bonds, Convertible Capital Appreciation Bonds or Qualified School Construction Bonds, or any combination thereof, as provided in Section 5 hereof.

The proceeds of the Bonds will be used for any of the purposes authorized by Measure Z, including the acquisition of land, the construction, equipping, furnishing, reconstruction, rehabilitation and replacement of school facilities and sites and the prepayment of any of lease payments or the repayment of other amounts owing by the District on financing entered into to fund such items on an interim basis (collectively, the "Projects").

Section 3. Terms and Conditions of Sale. The Bonds shall be sold at one or more negotiated sales pursuant to the Authorizing Law in accordance with the terms of this Resolution. Each series of Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract executed with respect to such series, as described in Section 4 below.

Section 4. Approval of Bond Purchase Contract. The form of Bond Purchase Contract (the "Bond Purchase Contract") to be entered into by and among the County, the District and the Underwriter (defined below) for each series, for the purchase and sale of the Bonds, is hereby approved substantially in the form attached hereto as Exhibit B. The Treasurer-Tax Collector of the County, or designated deputy thereof (the "Treasurer"), is hereby authorized to execute and deliver the Bond Purchase Contract for each series, and an Authorized Representative of the District (defined herein) is hereby authorized and requested to acknowledge the execution of such Bond Purchase Contract, but with such changes therein, deletions therefrom and modifications thereto as the Treasurer may approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that each series of Bonds shall have a final maturity no later

than twenty-five (25) years from the date of issue, the maximum interest rate on any Bond shall not exceed 12.00% per annum and the Underwriter's discount, excluding original issue discount, shall not exceed 1.5% of the aggregate principal amount of Bonds issued. The Authorized Representative of the District executing the Bond Purchase Contract shall determine the final principal amount of the Bonds to be sold in each series, provided that the aggregate principal amount of all series issued under the authority of this Resolution shall not exceed \$37,000,000, and shall determine whether to purchase municipal bond insurance for all or a portion of the Bonds.

The terms of each Bond Purchase Contract shall recite the aggregate principal amount of the Bonds being sold thereunder, and with respect to the Current Interest Bonds shall recite the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual interest payment dates thereof, and the terms of optional and mandatory sinking fund redemption thereof; and with respect to the Capital Appreciation Bonds shall recite the date thereof, the initial principal amounts, maturity dates, and maturity values of each maturity thereof, and the initial and semiannual interest dates thereof, and the terms of optional and mandatory sinking fund redemption thereof; and, with respect to the Convertible Capital Appreciation Bonds, shall recite the date thereof, the Conversion Dates (defined below) thereof, initial principal amounts, accreted values at the Conversion Dates and annual rates of interest of each maturity thereof, the initial and semiannual interest payment dates thereof, and the terms of optional and mandatory sinking fund redemption thereof; and, with respect to the Qualified School Construction Bonds, shall recite the date thereof, the Tax Credit Expiration Date (defined below) thereof, principal amounts and annual rates of interest of each maturity thereof, the interest payment dates therefor, the terms of optional and mandatory tender thereof, and the terms of optional, extraordinary mandatory and mandatory sinking fund redemption thereof. Each Bond Purchase Contract for one or more series of Bonds, together with this Resolution, shall constitute the order of the Board of Supervisors for purposes of Section 15230 of the Education Code.

Notwithstanding any provision herein to the contrary, at the request of an Authorized Representative of the District (defined herein) and with the consent of the Treasurer, one or more series of the Bonds may be sold to a joint powers authority of which the District is a member rather than to the Underwriter, and in such event, the Treasurer is authorized to execute a Bond Purchase Contract with the joint powers authority for the sale of such Bonds substantially in the form set forth herein but with such changes therein, deletions therefrom and modifications thereto as the Treasurer may approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that each series of Bonds shall have a final maturity no later than twenty-five (25) years from the date of issue, the maximum interest rate on any Bond shall not exceed 12.00% per annum and the Underwriter's discount, excluding original issue discount, shall not exceed 1.5% of the aggregate principal amount of Bonds issued.

Section 5. Stripping of Tax Credits; Qualified School Construction Bond and Tax Credit Purchase Contract. The Treasurer is hereby authorized to approve an agreement (the "Tax Credit Purchase Contract") providing for the separation of the ownership of the Qualified School Construction Bonds from the entitlement to the tax credits with respect to such Qualified School Construction Bonds pursuant to Section 54A of the Code, and for the sale of such separate interests if an Authorized Representative of the District has determined that it is in the best interest of the District. Upon such determination, the Treasurer is further authorized and directed on behalf of the County to execute and deliver a Tax Credit Purchase Contract providing for the sale by the County and the purchase by the Underwriter, or such other purchaser or purchasers as may be identified therein, of the Qualified School Construction Bonds and, if separated therefrom, the instruments

evidencing the entitlement to the tax credits with respect to the Qualified School Construction Bonds (the "Tax Credit Certificates"), at a purchase price to be set forth therein (which purchase price shall be approved by the Treasurer, this Board hereby expressly delegating to such officer the authority to execute the Tax Credit Purchase Contract on its behalf); provided that (i) the maximum interest rate on any Qualified School Construction Bond shall not exceed 12.00% per annum; (ii) the Underwriter's discount shall not exceed 1.5% of the aggregate principal amount of the Qualified School Construction Bonds sold thereunder (excluding any costs of issuance the Underwriter agrees to pay pursuant to the Tax Credit Purchase Contract); and (iii) the Qualified School Construction Bonds shall otherwise conform to the limitations specified herein; and provided, further, that such execution and approval shall constitute conclusive evidence of the Treasurer's approval and this Board's approval of the Tax Credit Purchase Contract.

The Tax Credit Certificates shall be in substantially the form set forth in the Tax Credit Purchase Contract.

The terms of the Tax Credit Purchase Contract shall recite the aggregate principal amount of the Qualified School Construction Bonds, the date thereof, the maturity dates and Tax Credit Expiration Dates thereof, principal amounts and annual rates of interest of each maturity thereof, the interest payment dates thereof, the terms of optional and mandatory tender thereof, if any, the terms of optional, mandatory or extraordinary redemption thereof, if any, the terms of the separation of the ownership interests thereof from the entitlement to the related tax credits pursuant to the Tax Credit Program, the rights and obligations of the owners of the Tax Credit Certificates, the terms of execution, registration, transfer, and exchange of the Tax Credit Certificates, the terms of tender for purchase, remarketing and redemption of the Tax Credit Certificates, and any other provisions necessary or desirable in order to satisfy the requirements of the Tax Credit Program. The Tax Credit Purchase Contract for a series of Qualified School Construction Bonds, together with this Resolution, shall constitute the order of the Board for purposes of Section 15230 of the Education Code.

The Tax Credit Purchase Contract may be executed and delivered as a separate document, as authorized pursuant to this Section 5, or the provisions thereof may be incorporated into a Bond Purchase Contract approved in Section 4 hereof. Pursuant to Section 5922 of the Government Code of California (the "Government Code"), this Board hereby finds and determines that the Tax Credit Purchase Contract and the Tax Credit Certificates will result in a reduction in the amount or duration of payment and lower the cost of borrowing when used in combination with the Qualified School Construction Bonds.

Section 6. Approval of Paying Agent and Transfer Agent Agreement. The form of a Paying Agent and Transfer Agent Agreement for the Qualified School Construction Bonds (the "QSCB Paying Agent Agreement") by and among the County, the District and the Paying Agent, substantially in the form presented at this meeting, is hereby approved and the Treasurer-Tax Collector of the County or any authorized designee thereof (the "Treasurer") is hereby authorized to execute and deliver the QSCB Paying Agent Agreement, and an Authorized Representative of the District is hereby requested to acknowledge the execution of such QSCB Paying Agent Agreement, with such changes therein, deletions therefrom and modifications thereto as the Treasurer may approve, such approval to be conclusively evidenced by his execution and delivery thereof. The QSCB Paying Agent Agreement shall govern the terms of the Qualified School Construction Bonds and in the event of any inconsistency between the provisions of this Resolution and the QSCB Paying Agent Agreement, the terms of the QSCB Paying Agent Agreement shall prevail.

Section 7. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them:

“Accreted Interest” means, with respect to the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds, the Accreted Value thereof minus the Principal Amount thereof as of the date of calculation.

“Accreted Value” means, with respect to the Capital Appreciation Bonds and any Convertible Capital Appreciation Bonds prior to the Conversion Date, as of the date of calculation, the Principal Amount thereof, plus interest thereon to such date of calculation, compounded semiannually on each Bond Payment Date at the stated yield to maturity thereof set forth in the applicable Bond Purchase Contract, assuming in any such semiannual period that such Accreted Value increases in equal daily amounts on the basis of a 360-day year of twelve 30-day months.

“Authorizing Law” means, collectively, (i) Chapter 1, Part 10, Division 1, of Title 1 of the California Education Code of the State of California (commencing with Section 15100), as amended, and (ii) Article XIII A of the California Constitution.

“Authorized Representative of the District” means each of the Superintendent of the District, the Deputy Superintendent of the District and their designees.

“Board” means the Board of Supervisors of the County.

“Bond Insurer” means any insurance company which issues a municipal bond insurance policy insuring the payment of Principal Amount and of any interest, including Accreted Interest, on a series of Bonds.

“Bond Obligation” means, from time to time as of the date of calculation, with respect to any Current Interest Bond and Qualified School Construction Bond, the Principal Amount thereof and, with respect to any Capital Appreciation Bond, the Accreted Value thereof, and, with respect to any Convertible Capital Appreciation Bond, prior to the Conversion Date the Accreted Value thereof and after the Conversion Date the Conversion Value thereof.

“Bond Payment Date” means, (i) with respect to any Bonds which bear interest on a current basis, the payment dates specified in the applicable Purchase Contract, and (ii) with respect to the Principal payments on the Bonds, the dates provided in the applicable Purchase Contract for such Bonds.

“Bond Register” means the listing of names and addresses of the current registered owners of each Bond, as maintained by the Paying Agent in accordance with Section 13 hereof.

“Bonds” means the Beaumont Unified School District Election of 2008 General Obligation Bonds issued and delivered pursuant to this Resolution.

“Building Fund” means the Beaumont Unified School District Election of 2008 General Obligation Bond Building Fund established pursuant to Section 17 of this Resolution.

“Business Day” means a day which is not a Saturday, Sunday or a day on which banking institutions in the State or the State of New York and the New York Stock Exchange are authorized or required to be closed.

“Capital Appreciation Bonds” means any Bonds the interest component of which is compounded semiannually to maturity as shown in the table of Accreted Values for such Bonds set forth in the Bond Purchase Contract for such Bonds.

“Capital Appreciation Term Bonds” means those Capital Appreciation Bonds for which mandatory sinking fund redemption dates have been established in the Bond Purchase Contract for such Bonds.

“Code” means the Internal Revenue Code of 1986, as amended.

“Continuing Disclosure Certificate” shall mean the Continuing Disclosure Certificate executed by the District in connection with the delivery of a series of Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Convertible Capital Appreciation Bonds” means any Bonds which are originally issued as Capital Appreciation Bonds, but which convert to Current Interest Bonds on a Conversion Date. Prior to its Conversion Date, a Convertible Capital Appreciation Bond shall be treated as a Capital Appreciation Bond hereunder and after the Conversion Date shall be treated as a Current Interest Bond hereunder.

“Conversion Date” means, with respect to each Convertible Capital Appreciation Bond, the date as stated in the Bond Purchase Contract or Official Statement, as the date on which such Convertible Capital Appreciation Bond converts to a bond which bears interest payable on each Bond Payment Date.

“Conversion Value” means the Accreted Value of a Convertible Capital Appreciation Bond as of its Conversion Date.

“Costs of Issuance” means all of the costs of issuing the Bonds, including, but not limited to, all printing and document preparation expenses in connection with this Resolution, the Bonds and any Official Statement pertaining to the Bonds and any and all other agreements, instruments, certificates or other documents prepared in connection therewith; financial advisory fees; underwriter’s fees; rating agency fees; auditor’s fees; CUSIP service bureau charges; legal fees and expenses of counsel with respect to the Bonds; the initial fees and expenses of the Paying Agent; fees for credit enhancement relating to the Bonds; and other fees and expenses incurred in connection with the issuance of the Bonds, to the extent such fees and expenses are approved by an Authorized Representative of the District.

“Costs of Issuance Fund” means the Beaumont Unified School District Election of 2008 General Obligation Bond Costs of Issuance Fund established pursuant to Section 17 of this Resolution.

“County” means the County of Riverside, California.

“Current Interest Bonds” means any Bonds the interest on which is payable on each Bond Payment Date specified for such Bond in the applicable Bond Purchase Contract.

“Date of Issuance” means as to each series of Bonds the date on which such series of the Bonds is delivered to the Underwriter thereof.

“Debt Service Fund” means the Beaumont Unified School District Election of 2008 General Obligation Bond Debt Service Fund established pursuant to Section 17 of this Resolution.

“Depository” means the securities depository acting as Depository pursuant to Section 15 hereof.

“District” means the Beaumont Unified School District.

“DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Bonds.

“Informational Services” means national information services that disseminate securities redemption notices; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the District may specify in a certificate to the County and the Paying Agent or as the Paying Agent may select.

“Maturity Value” means the Accreted Value of any Capital Appreciation Bond on its maturity date.

“Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 15 hereof.

“Official Statement” means the offering document to be delivered to investors with respect to a series of Bonds as described in Section 25 below.

“Outstanding,” when used with reference to the Bonds, means, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

- (a) Bonds canceled at or prior to such date;
- (b) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 13 hereof; or
- (c) Bonds for the payment or redemption of which funds or Federal Securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 19 or 20 of this Resolution.

“Owner” means the registered owner of an Bond as set forth on the registration books maintained by the Paying Agent pursuant to Section 13 hereof.

“Participants” means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

“Paying Agent” means Zions National Bank or any successor entity designated in accordance with Section 11 hereof to act in such capacity.

“Principal” or “Principal Amount” means, with respect to any Bond, the principal or principal amount thereof as specified in the Bond Purchase Contract for such Bond.

“Projects” shall have the meaning given to that term in Section 2 of this Resolution.

“Projects Costs” means all of the expenses of and incidental to the construction and/or acquisition of the Projects, including Costs of Issuance.

“Purchase Contract” means, as applicable, the Bond Purchase Contract or Tax Credit Purchase Contract executed for a series of Bonds in accordance with Section 4 or 5 of this Resolution.

“Qualified School Construction Bond” means any Bond issued under the Tax Credit Program from the District’s Allocation.

“Rebate Fund” means the Beaumont Unified School District Election of 2008 General Obligation Bond Rebate Fund established pursuant to Section 17 of this Resolution.

“Record Date” means, with respect to any Bond on which current interest is being paid, the close of business on the fifteenth day of the month preceding each Bond Payment Date for such Bond.

“Redemption Date” means any date on which any Bond is subject to optional redemption or mandatory sinking fund redemption in accordance with Section 14 hereof.

“Resolution” means this Resolution adopted by the Board of Supervisors of the County on October 27, 2009.

“Securities Depositories” means The Depository Trust Company, 55 Water Street, New York, New York 10041, Facsimile transmission: (212) 785-9681, or such other securities depositories as are designated by the District or the Paying Agent and whose business is to perform the functions of a clearing agency with respect to exempted securities, as defined in Section 3(a)(12) of the Securities Exchange Act of 1934, and who is registered as a clearing agency under Section 17A of the Act.

“Supplemental Resolution” means any resolution supplemental to or amendatory of this Resolution, adopted by the County in accordance with Section 27 hereof.

“Tax Certificate” means the certificate by that name executed by the District on the Date of Issuance of a series of Bonds.

“Tax Credit Expiration Date” means the date required under the Tax Credit Program for the maturity or mandatory tender of the Qualified School Construction Bonds.

“Tax Credit Program” means the qualified tax credit bond program found in Section 54A of the Code.

“Tax-Exempt Bonds” means any Bonds which, as set forth in the related Tax Certificate for such Bonds, are issued as bonds the interest on which is excluded from gross income for federal income tax purposes.

“Term Bonds” means those Bonds for which mandatory sinking fund redemption dates have been established in the applicable Purchase Contract.

“Transfer Amount” shall mean, with respect to any Outstanding Current Interest Bond, the aggregate Principal Amount, with respect to any Outstanding Capital Appreciation Bond, the Maturity Amount, with respect to any Outstanding Convertible Capital Appreciation Bond, its Conversion Amount and, with respect to any Qualified School Construction Bond, its Principal Amount.

“Treasurer” means the Treasurer and Tax Collector of the County and such other persons as may be designated by the Treasurer and Tax Collector to act on his behalf.

“Underwriter” means Piper Jaffray & Co. .

Section 8. Terms of the Bonds.

(a) The Bonds entitled to the benefit, protection and security of this Resolution are hereby authorized in an aggregate Principal Amount not to exceed \$37,000,000. Such Bonds shall be general obligation bonds of the District, payable as to Principal, premium, if any, and interest from *ad valorem* taxes to be levied upon all of the taxable property in the District. The Bonds shall be designated “Beaumont Unified School District, Riverside County, California, Election of 2008 General Obligation Bonds Series __,” with each series of Bonds to be lettered sequentially beginning with the letter subsequent to the last series of Bonds issued under the Measure Z authorization. The Bonds may be issued as Current Interest Bonds and/or Capital Appreciation Bonds and/or Convertible Capital Appreciation Bonds and/or Qualified School Construction Bonds as set forth in each Purchase Contract, subject to the provisions of this Resolution.

(b) The Bonds shall be issued as bonds registered as to both principal and interest and unless otherwise specified in the applicable Purchase Contract, in the denominations of, with respect to the Current Interest Bonds, \$5,000 Principal Amount, or any integral multiple thereof, with respect to the Capital Appreciation Bonds, \$5,000 Maturity Value, or any integral multiple thereof, with respect to Convertible Capital Appreciation Bonds, \$5,000 Conversion Value, or any integral multiple thereof and, with respect to the Qualified School Construction Bonds, in the Principal Amount authorized in the QSCB Paying Agent Agreement, or any integral multiple thereof; provided that one Capital Appreciation Bond may be issued in an odd Maturity Value and one Current Interest Bond may be issued in a denomination in excess of \$5,000 that is not an integral multiple thereof.

(c) The Current Interest Bonds shall mature in the years and be issued in the Principal Amounts as set forth in the applicable Purchase Contract. Each Current Interest Bond shall be dated as set forth in the Purchase Contract and shall bear interest at the applicable interest rate set forth in the Purchase Contract from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from its dated date; provided, however, that, if at the time of registration of any Current Interest Bond interest with respect thereto is in default, interest with respect thereto shall be payable from the Bond Payment Date to which interest has previously been paid or made available for payment.

(d) Each Capital Appreciation Bond shall be dated, and shall accrete interest equal to the Accreted Interest for such Bond from, its Date of Issuance. Capital Appreciation Bonds will not bear interest payable on a current basis. The Capital Appreciation Bonds shall be issued in

fully registered form, shall mature in the years and shall be issued in the aggregate Principal Amounts set forth in the applicable Purchase Contract and shall accrete interest at the rate or rates and shall have Principal Amounts per each five thousand dollars (\$5,000) in Maturity Value as shown in the Accreted Value Table contained in Appendix A to the applicable Purchase Contract; provided, that in the event that the amount shown in such Accreted Value Table and the Accreted Value calculated by the County or the Paying Agent by application of the definition of Accreted Value set forth in this Section 8 differ, the latter amount shall be the Accreted Value of such Capital Appreciation Bond.

(e) Each Convertible Capital Appreciation Bond shall be dated, and shall accrete interest equal to the Accreted Interest for such Bond from, its Date of Issuance to its Conversion Date and during such period no interest shall be payable on a current basis. From and after its Conversion Date, each Convertible Capital Appreciation Bond will bear interest payable on a current basis on the Conversion Value thereof on each Bond Payment Date at the interest rate set forth in the applicable Purchase Contract for such Bond. The Convertible Capital Appreciation Bonds shall be issued in fully registered form, shall mature in the years and shall be issued in the aggregate Principal Amounts set forth in the applicable Purchase Contract and shall accrete interest at the rate or rates and shall have Principal Amounts per each five thousand dollars (\$5,000) in Conversion Value as shown in the Accreted Value Table contained in Appendix A to the applicable Purchase Contract; provided that, in the event that the amount shown in such Accreted Value Table and the Accreted Value calculated by the County or the Paying Agent by application of the definition of Accreted Value set forth in this Section 8 differ, the latter amount shall be the Accreted Value of such Convertible Capital Appreciation Bond.

(f) The Qualified School Construction Bonds shall mature on the date, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the applicable QSCB Paying Agent Agreement; provided that each Qualified School Construction Bond shall mature or be subject to mandatory tender not later than the Tax Credit Expiration Date required under the Tax Credit Program. To the extent that the Bonds are issued as Qualified School Construction Bonds, such Bonds shall have, in addition to any applicable terms and provisions herein, such additional terms and provisions as may be set forth in the related Tax Credit Purchase Contract or QSCB Paying Agent Agreement.

(g) With respect to any of the Bonds issued as "Build America Bonds" for purposes of the American Recovery and Reinvestment Act of 2009 (the "Recovery Act") signed into law on February 17, 2009, the District expects to receive a cash subsidy payment from the United States Treasury equal to 35% of the interest payable on any Bonds issued pursuant to the Recovery Act on or about each Bond Payment Date. Prior to the issuance of any Build America Bonds, the District will authorize the Paying Agent to, and the Paying Agent shall, prior to each Bond Payment Date, submit to the United States Treasury a subsidy reimbursement request in accordance with applicable Federal regulations. Upon receipt of such subsidy, the District shall deposit or cause to be deposited any such cash subsidy payments into the Debt Service Fund.

Section 9. Execution. The Bonds, other than the Qualified School Construction Bonds, shall be in substantially the forms set forth in Exhibit C hereto. The Qualified School Construction Bonds shall be in substantially the form set forth in the applicable QSCB Paying Agent Agreement. The Bonds shall be signed by the Chairman of the Board and the Treasurer, or a deputy of the Treasurer, by their manual or facsimile signatures and countersigned by the manual or facsimile signature of the Clerk of the Board, or by an authorized deputy, all in their official capacities. The

County's seal (or a facsimile thereof) may be impressed, imprinted, engraved or otherwise reproduced on each Bond. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been issued by the County on behalf of the District, such Bonds may, nevertheless, be issued, as herein provided, as if the persons who signed or sealed such Bonds had not ceased to hold such offices. No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

Section 10. Appointment of Paying Agent.

(a) This Board does hereby consent to and confirm the appointment of Zions National Bank to act as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds. All fees and expenses incurred for services of the Paying Agent shall be the sole responsibility of the District.

(b) Unless otherwise provided, the office of the Paying Agent designated by the Paying Agent shall be the place for the payment of Principal of, premium, if any, and interest on the Bonds.

(c) The Paying Agent, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

(d) The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution. In no event shall the County be required to expend its own funds hereunder.

Section 11. Resignation or Removal of Paying Agent and Appointment of Successor.

(a) The Paying Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least 60 days' written notice to the District and the County. The Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the County and signed by the District. A successor Paying Agent shall be appointed by the District with the written consent of the Treasurer, which consent shall not be unreasonably withheld, and, if not the Treasurer, shall be a bank or trust company organized under the laws of any state of the United States, a national banking association or any other financial institution, having capital stock and surplus aggregating at least \$50,000,000 and doing business in the State of California and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution. Such Paying Agent

shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the County and the District a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(b) In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or, if there is no successor, to the Treasurer. In the event that for any reason there shall be a vacancy in the office of the Paying Agent, the Treasurer shall act as such Paying Agent. The County shall cause the new Paying Agent appointed to replace any resigned or removed Paying Agent to mail notice of its appointment and the address of its principal office to all registered Owners.

Section 12. Payment of Principal and Interest. The Principal of and interest on the Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Paying Agent as paying agent. Principal of the Current Interest Bonds and the Qualified School Construction Bonds, the Conversion Value of the Convertible Capital Appreciation Bonds and the Maturity Value of the Capital Appreciation Bonds shall be payable when due upon presentation and surrender of the Bonds at the office of the Paying Agent which has been designated by the Paying Agent for purposes of paying Principal of the Current Interest Bonds and the Qualified School Construction Bonds, the Conversion Value of the Convertible Capital Appreciation Bonds and Maturity Value of the Capital Appreciation Bonds on the Bonds. Any interest due on Current Interest Bonds and interest due on the Convertible Capital Appreciation Bonds after the Conversion Date shall be paid on each Bond Payment Date by check mailed by first class mail to the person in whose name the Bond was registered, and to that person's address appearing on the Bond Register (as described in Section 13 below) at the close of business on the Record Date. The Owner of an aggregate Principal Amount of \$1,000,000 or more of Bonds bearing interest on a current basis may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of any Record Date. Interest due on the Qualified School Construction Bonds shall be paid in accordance with the applicable QSCB Paying Agent Agreement.

Payments of Principal, Maturity Value, Conversion Value and redemption premiums, if any, with respect to the Bonds shall be payable at maturity or redemption upon surrender at the principal office of the Paying Agent. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity or redemption, and to cancel all Bonds which have matured or been redeemed upon payment thereof.

No current interest shall be payable to an Owner of a Capital Appreciation Bond; however, during the period Capital Appreciation Bonds are outstanding, interest will accrete on the Capital Appreciation Bonds to an amount equal to the Maturity Value. No payment of interest will be made to the Owner of the Convertible Capital Appreciation Bonds on the Conversion Date. Interest shall be paid on the first Bond Payment Date after the Conversion Date based upon the Conversion Value of the Convertible Capital Appreciation Bonds on the Conversion Date.

The Bonds are general obligation bonds of the District and do not constitute an obligation of the County. No part of any fund of the County is pledged or obligated to the payment of the Bonds.

Section 13. Bond Registration and Transfer. So long as any of the Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all

books and records necessary for the registration, exchange and transfer of the Bonds as provided in this Section.

Subject to the provisions of Section 14 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute owner of that Bond for all purposes of this Resolution. Payment of or on account of the Principal of and interest on any Bond shall be made only to or upon the order of that person; neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of like series, tenor, maturity and Transfer Amount upon presentation and surrender at the office of the Paying Agent designated for such purpose, together with a request for exchange signed by the registered Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred only on the Bond Register by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Paying Agent designated for such purpose, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. Upon exchange or transfer, the Paying Agent shall register, authenticate and deliver a new Bond or Bonds of like series, tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Bond surrendered and bearing or accreting interest at the same rate and maturing on the same date. Capital Appreciation Bonds, Convertible Capital Appreciation Bonds, Current Interest Bonds and Qualified School Construction Bonds may not be exchanged for one another.

If manual signatures on behalf of the County are required, the Paying Agent shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the County. In all cases of exchanged or transferred Bonds, the County shall sign and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the transferor. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District and the County may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District and the County may have acquired in any manner whatsoever, and those Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Bonds shall be made to the District and the County by the Paying Agent at least twice each calendar year. The cancelled Bonds shall be retained for a period of time and then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th business day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

In case any Bond secured hereby shall become mutilated or destroyed, stolen or lost, the Paying Agent shall cause to be executed and authenticated a new Bond of like series, date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond or in lieu of and in substitution for such Bond mutilated, destroyed, stolen or lost, upon the Owner's paying the reasonable expenses and charges in connection therewith, and, in the case of an Bond destroyed, stolen or lost, such Owner's filing with the Paying Agent and the County of evidence satisfactory to them that such Bond was destroyed, stolen or lost, and/or such Owner's ownership thereof in furnishing the Paying Agent and County with indemnity satisfactory to each of them.

Any new Bonds issued pursuant to this Section 13 in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the District, whether or not the Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Bonds.

Section 14. Redemption and Tender.

(a) Terms of Redemption. The Bonds shall be subject to redemption prior to maturity as provided in the applicable Purchase Contract for such Bonds. A Purchase Contract may provide that the Bonds issued thereunder shall not be subject to optional redemption, and may provide separate and distinct redemption provisions for the Current Interest Bonds, Capital Appreciation Bonds and Convertible Capital Appreciation Bonds.

The Bonds, if any, which are designated in the related Purchase Contract as Term Bonds, with appropriate series designation, shall be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot, from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the related Purchase Contract. The principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount of any Bonds of that maturity optionally redeemed prior to the mandatory sinking fund payment date and allocated by the District to such sinking fund payment, or as otherwise directed by the District. The Purchase Contract may provide that some or all of the Bonds shall not be subject to mandatory sinking fund redemption.

The Auditor-Controller of the County is hereby authorized to create such sinking funds or accounts for the Term Bonds as shall be necessary to accomplish the purposes of this Section.

(b) Selection of Bonds for Redemption. Whenever provision is made in this Resolution and the related Purchase Contract for the redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from an Authorized Officer of the District, shall select Bonds for redemption from such maturity or maturities in accordance with such written instructions. Within a maturity, the Paying Agent shall select Bonds for redemption in such manner as directed by the District or if not so directed then by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Current Interest Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof and the portion of any Convertible Capital Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per \$5,000 Conversion Value of such Convertible Capital Appreciation Bond the portion of any Capital

Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per \$5,000 Maturity Value of such Capital Appreciation Bond.

(c) Notice of Redemption. When redemption of any Bond is to be made pursuant to Section 14(a) hereof, the Paying Agent shall give notice (a "Redemption Notice") of the redemption of the Bonds by first class mail, postage prepaid to each Owner of the Bonds at the addresses appearing on the Bond Register at least 30 but not more than 60 days prior to the Redemption Date. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the Principal Amount or Accreted Value, as applicable, of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified Redemption Date there shall become due and payable upon each Bond or portion thereof being redeemed the Principal Amount thereof and applicable premium, if any, together with the interest accreted to the Redemption Date in the case of the Convertible Capital Appreciation Bonds and the Capital Appreciation Bonds, and that from and after such Redemption Date, interest with respect thereto shall cease to accrue or accrete in value.

In case of the redemption as permitted herein of all the Bonds of any one maturity then Outstanding, notice of redemption shall be given by mailing as herein provided, except that the Redemption Notice need not specify the serial numbers of the Bonds of such maturity.

Any Redemption Notice for an optional redemption of the Bonds delivered in accordance with this Section 14(c) may be conditional, and, if any condition stated in the Redemption Notice shall not have been satisfied on or prior to the redemption date: (i) the Redemption Notice shall be of no force and effect, (ii) the District shall not be required to redeem such Bonds, (iii) the redemption shall not be made, and (iv) the Paying Agent shall within a reasonable time thereafter give notice to the persons in the manner in which the conditional Redemption Notice was given that such condition or conditions were not met and that the redemption was canceled.

Neither failure to receive nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds.

(d) Additional Notice. In addition to the Redemption Notice given pursuant to Section 14(c), further notice shall be given by the Paying Agent as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption shall be sent at least thirty (30) days before the Redemption Date by registered or certified mail or overnight delivery service to each of the Securities Depositories which are then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more of the Informational Services that disseminate notice of redemption of obligations similar to the Bonds or, in accordance with the then-current guidelines of the Securities and Exchange Commission, such other securities depositories and services providing information on called bonds, or such securities depositories and services, as the District may designate in a certificate delivered to the Paying Agent.

(e) CUSIP Numbers. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(f) Payment of Redeemed Bonds. When notice of redemption has been given substantially as provided for herein, and, when the amount necessary for the redemption of the Bonds called for redemption is set aside for that purpose in the Debt Service Fund, as provided herein, the Bonds designated for redemption shall become due and payable on the date fixed for redemption thereof and upon presentation and surrender of said Bonds at the place specified in the notice of redemption with the form of assignment endorsed thereon executed in blank, said Bonds shall be redeemed and paid at the redemption price out of the Debt Service Fund.

(g) Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like series, tenor and maturity and of authorized denominations equal in Transfer Amount to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the County and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(h) Effect of Notice of Redemption. If on such Redemption Date, money for the redemption of the Bonds to be redeemed as provided in Section 14 hereof, together with interest to such Redemption Date, shall be held by the Paying Agent so as to be available therefor on such Redemption Date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such Redemption Date, interest with respect to the Bonds to be redeemed shall cease to accrue or accrete and become payable.

(i) Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest Redemption Date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, and, in the case of Bonds then bearing interest on a current basis, accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

(j) Redemption and Tender of Qualified School Construction Bonds. Except as set forth in this Section 14(j), the provisions of Section 14 are not applicable to the Qualified School Construction Bonds. The Qualified School Construction Bonds may be subject to redemption and mandatory tender for purchase prior to maturity as set forth in the Tax Credit Purchase Contract or the QSCB Paying Agent Agreement, subject to the requirements of the Tax Credit Program. The Auditor-Controller of the County is hereby authorized to create such bond purchase funds or accounts for the Qualified School Construction Bonds as shall be necessary to accomplish the purposes of this Section.

Section 15. Book-Entry System.

(a) The Bonds shall be initially executed and delivered in the form of a single, fully registered Bond for each maturity in each series (which may be typewritten). Upon initial execution and delivery, as provided for herein, the ownership of such Bond shall be registered in the Bond Register in the name of the Depository or its nominee (the "Nominee"), and its successors and assigns. Except as hereinafter provided, all of the outstanding Bonds shall be registered in the Bond Register in the name of the Nominee of the Depository, which may be the Depository, as determined from time to time pursuant to this Section. Each Bond certificate shall bear a legend substantially to the following effect: "UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

With respect to the Bonds registered in the Bond Register in the name of the Nominee, neither the District, the County nor the Paying Agent shall have any responsibility or obligation to any broker-dealers, banks and other financial institutions from time to time for which the Depository holds Bonds as securities depository (the "Participant") or to any person on behalf of which such a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, neither the District, the County nor the Paying Agent shall have any responsibility or obligation (unless the District is at such time the Depository) with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person, other than an Owner of an Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository and its Participants of the beneficial interests in the Bonds to be redeemed in the event the District redeems the Bonds in part, or (iv) the payment to any Participant or any other person, other than an Owner of an Bond as shown in the Bond Register, of any amount with respect to Accreted Value, Principal of or interest on the Bonds. The District and the Paying Agent may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute Owner of such Bond for the purpose of the payment of Accreted Value, Principal and interest with respect to such Bond, for the purpose of giving notices of redemption, if applicable, and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all Accreted Value, Principal of and interest on the Bonds only to or upon the order of the respective Owner of the Bond, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of Accreted Value, Principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner of an Bond, as shown in the Bond Register, shall receive an Bond evidencing the obligation of the District to make payments of Accreted Value, Principal and interest. Upon delivery by the Depository to the Owners of the Bonds, and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in this Resolution shall refer to such nominee of the Depository.

(b) In order to qualify the Bonds for the Depository's book-entry system, the District has executed and delivered to the Depository a Representation Letter. The execution and delivery of the Representation Letter shall not in any way limit the provisions of this Section or in any other way impose upon the District any obligation whatsoever with respect to persons having interests in the Bonds other than the owners of the Bonds, as shown on the Bond Register. In addition, to the execution and delivery of the Representation Letter, the District shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the Bonds for the Depository's book-entry program.

(c) If at any time the Depository notifies the County and the District that it is unwilling or unable to continue as Depository with respect to the Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the Treasurer within 90 days after the County and the District receive notice or become aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the Treasurer shall issue bonds representing the Bonds as provided below. In addition, the County and the District may determine at any time that the Bonds shall no longer be represented by book-entry securities and that the provisions of subsection (a) hereof shall no longer apply to the Bonds. In any such event, the Treasurer shall execute and deliver certificates representing the Bonds as provided below. Bonds issued in exchange for book-entry securities pursuant to this subsection (c) shall be registered in such names and delivered in such denominations as the Depository shall instruct the County and the District. The Treasurer shall deliver such bonds representing the Bonds to the persons in whose names such Bonds are so registered.

If the County and the District determine to replace the Depository with another qualified securities depository, the County and the District shall prepare or cause to be prepared new fully-registered book-entry securities for each of the maturities of the Bonds, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the County, the District and such securities depository and not inconsistent with the terms of this Resolution.

Notwithstanding any other provisions of this Resolution to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to Principal of, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository and acceptable to the District.

(d) The initial Depository under this Section shall be The Depository Trust Company, New York, New York ("DTC"). The initial Nominee shall be Cede & Co., as Nominee of DTC.

Section 16. Forms of Bonds. The Bonds shall be in substantially the forms as shown in Exhibit C hereto; provided, however, that those officials executing the Bonds are hereby authorized to make the insertions and deletions necessary to conform the Bonds to this Resolution, the applicable Purchase Contract and the Official Statement and to correct any defect or inconsistent provision therein or to cure any ambiguity or omission therein.

Section 17. Deposit of Proceeds of Bonds; Creation of Funds.

(a) Following the sale of a series of Bonds, the proper officials of the County shall cause the related Bonds to be prepared, signed and delivered to DTC for credit to the account of the Underwriter for such series upon payment by the Underwriter of the purchase price of such Bonds in immediately available funds.

(b) The proceeds from the sale of the Bonds, to the extent of the Principal amount thereof payable to the County under the terms of the Purchase Contract, shall be paid to the County to the credit of the fund hereby created and established and to be known as the "Beaumont Unified School District Election of 2008 General Obligation Bond Building Fund" (the "Building Fund") of the District, which shall be kept separate and distinct from all other District and County funds. Such proceeds shall be used solely for the purpose for which the Bonds are being issued and shall be applied solely to authorized purposes which relate to the Projects. Any amounts that remain in the Building Fund at the completion of the Projects, at the written direction of an Authorized Representative of the District, shall be transferred to the Debt Service Fund to be used to pay the Principal of, premium, if any, and interest on the Bonds, subject to any conditions set forth in any Tax Certificate.

(c) All premium received by the County from the sale of the Bonds, if any, and any accrued interest on the Bonds shall be kept separate and apart in the fund hereby created and established and to be designated as the "Beaumont Unified School District Election of 2008 General Obligation Bond Debt Service Fund" (the "Debt Service Fund") for the Bonds. Amounts in the Debt Service Fund shall be used only for payments of Principal, premium, if any, and interest, including Accreted Interest, on the Bonds on each Bond Payment Date and Redemption Date. All ad valorem taxes levied for the purposes described in Section 18 hereof shall be deposited upon collection by the County into the Debt Service Fund and used for the payment of the Principal of, premium, if any, and interest, including Accreted Interest, on the Bonds on each Bond Payment Date and Redemption Date. On the Business Day immediately preceding each Bond Payment Date and Redemption Date, the District shall transfer or cause to be transferred from the Debt Service Fund to the Paying Agent, an amount, in immediately available funds, sufficient to pay all the Principal of, premium, if any, and interest, including Accreted Interest, on the Bonds (collectively, the "Debt Service") on such Bond Payment Date or Redemption Date, as applicable. Debt Service on the Bonds shall be paid by the Paying Agent in the manner provided by law for the payment of Debt Service. If, after payment in full of the Bonds, there remain excess proceeds in the Debt Service Fund, any such excess amounts shall be transferred to the General Fund of the District.

(d) There is hereby created and established a "Beaumont Unified School District Election of 2008 General Obligation Bond Rebate Fund" (the "Rebate Fund"). The County shall from time to time receive funds from the District for deposit into the Rebate Fund as required to enable the District to comply with the requirements of Section 148(f) of the Code. The District shall instruct the County, in writing, as to the method of investing funds held in the Rebate Fund and disbursing such funds to the United States Treasury. The County agrees to comply with such instructions of the District. Any money remaining in the Rebate Fund after the payment in full of the Bonds, either at maturity or earlier redemption, and the payment to the United States Treasury of any amounts required pursuant to Section 148(f) of the Code, and any regulations thereunder, shall be transferred to the Building Fund, or if the Building Fund is not then in existence, shall be transferred to the General Fund of the District. The County shall have no liability or obligation with respect to

the required deposits to or disbursements from the Rebate Fund, which shall remain the sole responsibility of the District.

(e) There shall hereby be created and established the "Beaumont Unified School District Election of 2008 General Obligation Bond Costs of Issuance Fund" (the "Costs of Issuance Fund") which shall be accounted for separately and distinctly from all other District and County funds and accounts. Upon direction from an Authorized Representative of the District following the issuance of a series of Bonds, the Treasurer shall transfer from the Building Fund and deposit in the Costs of Issuance Fund an amount not to exceed two percent (2.0%) of the initial principal amount of such series of the Bonds. Monies held in the Costs of Issuance Fund shall be applied, upon direction from an Authorized Representative of the District, solely to pay Costs of Issuance. Upon direction from an Authorized Representative of the District amounts held in the Costs of Issuance Fund shall be transferred from the Costs of Issuance Fund and deposited in the Building Fund.

(f) Interest earned on the investment of monies held in the Debt Service Fund shall be retained in the Debt Service Fund, interest earned on the investment of monies held in the Building Fund shall be retained in the Building Fund, interest earned on the investment of moneys in the Costs of Issuance Fund shall be transferred and credited to the Building Fund, and interest earned in the investments in the Rebate Fund shall be retained in the Rebate Fund.

(g) If at any time it is deemed necessary or desirable by the District, upon the written direction of an Authorized Representative of the District, the County may establish additional funds under this Resolution and/or accounts within any of the funds or accounts established hereunder.

Section 18. Security for the Bonds; Tax Levy. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Bonds are Outstanding in an amount sufficient, together with moneys on deposit in the Debt Service Fund available for such purpose, to pay the Principal of, premium, if any, and interest, including Accreted Interest, on the Bonds when due. The Board hereby covenants to levy *ad valorem* taxes for the payment of the Bonds on all property in the District subject to taxation by the County without limitation as to rate or amount (except certain personal property which is taxable at limited rates). The taxes collected for the Bonds will be placed in the Debt Service Fund of the District, which taxes, together with the amounts on deposit in the Debt Service Fund, are irrevocably pledged for the payment of the Principal of, premium, if any, and interest, including Accreted Interest, on the Bonds when and as due. The Bonds are the general obligation bonds of the District and do not constitute an obligation of the County. No part of any fund or account of the County is pledged or obligated to the payment of the Bonds or the interest thereon.

Section 19. Defeasance. The Bonds may be defeased, in whole, prior to maturity in the following ways:

(a) by well and truly paying or causing to be paid the Principal, Accreted Value, premium, if any, and interest on all Bonds Outstanding, and when the same become due and payable;

(b) by irrevocably depositing with the County or a bank or trust company appointed by the County or the District in escrow an amount of cash which together with amounts then on deposit in the Debt Service Fund, is sufficient to pay all Bonds Outstanding, including all Principal, premium, if any, Accreted Value and interest; or

(c) by irrevocably depositing with the County or a bank or trust company appointed by the County or the District in escrow noncallable United States Obligations (defined below), together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys then on deposit in the Debt Service Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge all the Bonds Outstanding, including all Principal, premium, if any, Accreted Value and interest due with respect thereto at or before their maturity date or applicable redemption date;

then, notwithstanding that any Bonds shall not have been surrendered for payment, all obligations of the District, the County and the Paying Agent with respect to all Outstanding Bonds shall cease and terminate, except only the obligation of the County and the Paying Agent to pay or cause to be paid from funds deposited pursuant to paragraphs (a), (b) or (c) of this Section, to the owners of the Bonds not so surrendered and paid, all sums due with respect thereto and the obligations of the County with respect to the Rebate Fund in accordance with Section 17 hereof.

For purposes of this Section and Section 18, "United States Obligations" shall mean:

Direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidence of direct ownership or proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying United States Obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States Obligations; and (c) the underlying United States Obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claims of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated "AAA" by Standard & Poor's and "Aaa" by Moody's Investors Service.

Section 20. Partial Defeasance. Any portion of the Outstanding maturities of a series of the Bonds may be defeased prior to maturity in the following ways:

(a) by irrevocably depositing with the County, or a bank or trust company appointed by the County or the District, in escrow, an amount of cash which, together with amounts then on deposit in the Debt Service Fund, is sufficient to pay the designated Outstanding maturities of Bonds, including all Principal, Accreted Value, interest and premium, if any; or

(b) by irrevocably depositing with the County, or a bank or trust company appointed by the County or the District, in escrow, noncallable United States Obligations, together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon, be fully sufficient to pay and discharge the designated Outstanding maturities of Bonds (including all Principal, Accreted Value, interest and premium, if any, at or before their maturity date);

then, notwithstanding that any of such designated maturities of Bonds shall not have been surrendered for payment, all obligations of the District and the County with respect to such Outstanding maturities of Bonds shall cease and terminate, except only the obligation of the County and the Paying Agent to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or

(b) of this Section, to the Owners of the Bonds of such maturities defeased and not so surrendered and paid, all sums due with respect thereto.

For purposes of this Section, United States Obligations shall have the same meaning as set forth in Section 19 hereof.

Section 21. Continuing Disclosure. The District has covenanted and agreed that it will comply with and carry out all of the provisions of each Continuing Disclosure Certificate. Any Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under a Continuing Disclosure Certificate. The failure of the District to comply with a Continuing Disclosure Certificate shall not constitute a default hereunder nor shall any Owner be permitted to monetary damages for failure of the District to comply.

Section 22. Tax Covenants of the District. The District has covenanted for and on behalf of the Owners that it shall not take any action, or fail to take any action if such action or failure to take such action would adversely affect the exclusion from gross income for federal income tax purposes of the interest payable on the Tax-Exempt Bonds.

Section 23. Arbitrage Covenant. The District has covenanted for and on behalf of the Owners that it will restrict the use of the proceeds of the Tax-Exempt Bonds in such manner and to such extent, if any, as may be necessary, so that the Tax-Exempt Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed under that section or any predecessor section. Calculations for determining arbitrage requirements are the sole responsibility of the District. The County hereby covenants that it will follow such written directions as are given to it by an Authorized Representative of the District to restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, so that any Tax-Exempt Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed under that section or any predecessor section.

Section 24. Conditions Precedent. This Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligation bonds of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

Section 25. Official Statement. The District has agreed to cause a Preliminary Official Statement and a final Official Statement meeting the requirements of Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12") to be prepared for each series of Bonds for which an Official Statement is required under the Rule. Such Preliminary Official Statement and Official Statement shall be referred to as the "Official Statement," and will be substantially in the form of the Preliminary Official Statement to be approved by the Board of Education of the District, together with such changes as the District deems necessary to make such Official Statement accurate as of its date.

With respect to any section contained or to be contained in the Official Statement describing the County's investment policy, current portfolio holdings, and valuation procedures, as they may relate to funds of the District held by the Treasurer, the Treasurer is hereby authorized and directed to

prepare and review such information for inclusion in the District's Official Statement, and to certify in writing to the District prior to or upon the issuance of the Bonds that the information contained in such section does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading.

Section 26. Approval of Actions. Officers of the Board and County officials are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution, including the execution of any documents required by a Bond Insurer as a precondition to obtaining bond insurance if purchased by the District. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

Section 27. Supplemental Resolutions.

This Resolution, and the rights and obligations of the County, the District and of the Owners of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted by the County with the written consent of Owners owning at least 60% in aggregate Bond Obligation of the Outstanding Bonds, exclusive of Bonds, if any, owned by the County or the District; provided, however, that no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which Principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required by the Owners of a series of Bonds if the Owners of such series are not directly and adversely affected by such amendment or modification and such modification or amendment may be adopted with the approval of not less than 60% in aggregate Bond Obligation of the affected series of Bonds.

(a) This Resolution, and the rights and obligations of the County, the District and of the Owners of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted by the County without the written consent of the Owners:

(i) To add to the covenants and agreements of the County in this Resolution, other covenants and agreements to be observed by the County which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(ii) To add to the limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the County which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(iii) To confirm as further assurance any pledge under, and the subjection to any lien or pledge created or to be created by, this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;

(iv) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Resolution; or

(v) To amend or supplement this Resolution in any other respect, provided such Supplemental Resolution does not adversely affect the interests of the Owners.

(b) Any act done pursuant to a modification or amendment so consented to shall be binding upon the Owners of all the affected series of Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent relating to such specified matters has been given, no Owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the County or the District or any officer or agent of either from taking any action pursuant thereto.

Section 28. Insurance. In the event the District purchases bond insurance for a Bond, and to the extent that the Bond Insurer makes payment of the Principal, Accreted Value or interest on such Bond, it shall become the owner of such Bond, with the right to payment of Principal, Accreted Value or interest on such Bond, and shall be fully subrogated to all of the Owner's rights, including the Owner's rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for such Bond maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer or other evidence satisfactory to the Paying Agent for the payment of such interest to the Owner of such Bond, and (ii) in the case of subrogation as to claims for past due Principal, Accreted Value or interest, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for such Bond maintained by the Paying Agent upon surrender of such Bond by the Owner thereof to the Bond Insurer or the insurance trustee for the Bond Insurer. The Paying Agent shall request payment pursuant to the terms of any bond insurance policy to the extent required to pay the Principal of and interest on any insured Bond when due if amounts on deposit in the Debt Service Fund are not adequate for that purpose.

Section 29. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the County, the District and the Owners from time to time of the Bonds; and the pledge made in this Resolution shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof.

Section 30. Notices. All notices or communications herein required or permitted to be given to any party shall be given to each of the following parties and shall be given in writing and shall be deemed to have been sufficiently given or served for all purposes by being delivered or sent by telecopier or by being deposited, postage prepaid, in a post office letter box, to the addresses set forth below, or to such other address as may be provided to the other parties hereinafter listed in writing from time to time, namely:

If to the County: County of Riverside
4080 Lemon Street, Fourth Floor
Riverside, California 92501
Attention: Treasurer-Tax Collector

If to the Paying Agent: Zions National Bank
550 South Hope Street, Suite 2650
Los Angeles, California 90071
Attention: Corporate Trust Services

If to the District: Beaumont Unified School District
1601 East Chestnut Avenue
Beaumont, California 92701
Attention: Superintendent

Section 31. Unclaimed Moneys. Anything in this Resolution to the contrary notwithstanding, any moneys held by the County or the Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for one (1) year after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the County or the Paying Agent at such date, or for one (1) year after the date of deposit of such moneys if deposited with the County or the Paying Agent after said date when such Bonds become due and payable, shall be repaid by the County or the Paying Agent, as applicable, to the District, as its absolute property and free from trust, and the County and the Paying Agent shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the District for the payment of such Bonds; provided, however, that before being required to make such payment to the District, the Paying Agent shall, at the expense of District, cause to be mailed to the Owners of all such Bonds, at their respective addresses appearing on the registration books, a notice that said moneys remain unclaimed and that, after a date in said notice, which date shall not be less than thirty (30) days after the date of mailing such notice, the balance of such moneys then unclaimed will be returned to the District.

Section 32. Permitted Investments.

(a) All amounts held in the funds and accounts established hereunder shall be invested by the Treasurer in any instrument which is a lawful investment for funds of the District, including the Treasurer's Pooled Investment Fund, the Local Agency Investment Fund, any investment authorized pursuant to Sections 53601 and 53635 of the Government Code, or in investment agreements, including guaranteed investment contracts, float contracts or other investment products (provided that such agreements comply with the requirements of Section 148 of the Code, and with the requirements of the Bond Insurer, if any, and each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds). Unless otherwise instructed by an Authorized Representative of the District in writing, amounts held hereunder shall be invested in the Treasurer's Pooled Investment Fund. If invested in other than the Treasurer's Pooled Investment Fund, amounts in the Debt Service Fund shall be invested in investments maturing not later than the date on which such amounts will be needed to pay the Principal of and interest on the Bonds. Nothing in this Resolution shall prevent any investment securities acquired as investments of funds held hereunder from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

(b) Obligations purchased as an investment of moneys in any fund or account shall be deemed at all times to be a part of such fund or account. Profits or losses attributable to any fund or account shall be credited or charged to such fund or account. In computing the amount in any fund or account created under the provisions of this Resolution for any purpose provided in this Resolution, obligations purchased as an investment of moneys therein shall be valued at cost, plus, where applicable, accrued interest.

Section 33. Effective Date. This Resolution shall take effect immediately upon its passage.

The foregoing resolution was adopted by the Board of Supervisors of the County of Riverside on October 27, 2009.

COUNTY OF RIVERSIDE

By: _____
Chairman

ATTEST:

Clerk of the Board of Supervisors

EXHIBIT A
[FORM OF DISTRICT RESOLUTION]

RESOLUTION NO. ____

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE BEAUMONT UNIFIED SCHOOL DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE TO SELL ONE OR MORE SERIES OF ELECTION OF 2008 GENERAL OBLIGATION BONDS OF THE DISTRICT IN A PRINCIPAL AMOUNT NOT TO EXCEED \$37,000,000 AND APPROVING CERTAIN OTHER MATTERS RELATED THERETO

WHEREAS, a duly called election was held in the Beaumont Unified School District (the "District"), Riverside County (the "County"), State of California, on November 4, 2008, at which the following proposition ("Measure Z") was submitted to the qualified electors of the District:

"To retain/attract excellent teachers, keep students from gangs by upgrading safety, technology security systems, energy efficiency; acquiring land; repairing, constructing, equipping schools/classrooms; adding vocational education/after-school space; fixing leaky roofs; replacing heating/air-conditioning; and qualifying for State matching grants shall Beaumont Unified School District issue \$125,000,000 in bonds at legal interest rates, with annual financial audits, Independent Citizens' Oversight, and no money for the State or administrators' salaries?"

WHEREAS, at such election Measure Z received the affirmative vote of more than fifty-five percent (55%) of the qualified electors of the District voting on the proposition as certified by the Registrar of Voters of the County of Riverside in the official canvassing of votes and authorized the issuance of bonds; and

WHEREAS, at this time the Board of Trustees of the District has determined that it is necessary and desirable to request the Board of Supervisors to issue, in the name and on behalf of the District, one or more series of general obligation bonds pursuant to the Measure Z authorization and the provisions of Chapter 1.5 of Part 10 of Division 1 of Title 1 (Section 15264 *et seq.*) of the Education Code of the State of California and Article XIII A of the California Constitution (the "Authorizing Law") in an aggregate principal amount not to exceed \$37,000,000 to be designated as the "Beaumont Unified School District Election of 2008 General Obligation Bonds Series ____" with the first series of bonds to be designated "Series A" and each series thereafter lettered sequentially (the "Bonds"); and

WHEREAS, the American Recovery and Reinvestment Act of 2009 grants a national allocation of \$11 billion to provide for the issuance of qualified school construction bonds, in accordance with the qualified tax credit bond program (the "Tax Credit Program") found in Section 54A of the Internal Revenue Code of 1986, as amended (the "Code"), and an allocation of \$25,000,000 has been granted to the District (the "District Allocation") to provide financing for the construction, reconstruction or repair of public school facilities, or the acquisition of land on which such facilities are to be constructed with part of the proceeds of such issue; and

WHEREAS, the Board of Trustees deems it necessary and desirable to use all or a portion of the District Allocation to issue and sell a portion of its Bonds pursuant to the Tax Credit Program as qualified school construction bonds within the meaning of Section 54F of the Code (the "Qualified School Construction Bonds") if it is determined by the Superintendent, or his designee, to be in the best interest of the District; and

WHEREAS, the Bonds may be issued, in part, as federally taxable "Build America Bonds" pursuant to the American Recovery and Reinvestment Tax Act of 2009; and

WHEREAS, this Board of Trustees has previously retained Dolinka Group LLC (the "Financial Consultant") to serve as Financial Consultant to the District with respect to the Bonds and Stradling Yocca Carlson & Rauth, a Professional Corporation as bond counsel ("Bond Counsel") to the District with respect to the Bonds; and

WHEREAS, this Board of Trustees further deems it necessary and desirable to authorize the sale of said bonds by a negotiated sale to Piper Jaffray & Co. (the "Underwriter") pursuant to one or more Bond Purchase Contracts (each, a "Bond Purchase Contract"), and pursuant to Section 15146 of the Education Code, has found and determined the following reasons therefor: (1) better ensure that the tax rate estimated to voters at the time of the election will be maintained, (2) provide more flexibility in the timing of the sale of the Bonds, (3) provide more flexibility in the debt structure; (4) allow the District to work with participants familiar with the District, and (5) increase the opportunity to pre-market the Bonds for sale to local residents and other investors; and

WHEREAS, this Board of Trustees further deems it necessary and desirable to authorize the sale of the Qualified School Construction Bonds to a joint powers authority if it is determined that such sale would be more beneficial to the District than a sale of such Bonds to the Underwriter; and

WHEREAS, Education Code Section 15140 provides that the Board of Supervisors of the County shall issue bonds on behalf of the District following adoption of a resolution of the Board of Trustees; and

WHEREAS, there has been presented to this Board of Trustees at this meeting the form of a Bond Purchase Contract (the "Purchase Contract") to be entered into by and among the District, the County and the Underwriter, the form of a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") to be entered into by and between the District and the Financial Consultant and the form of a Paying Agent and Transfer Agreement (the "QSCB Agreement") to be entered into by and among the District, Zions First National Bank, as paying agent, and the Treasurer-Tax Collector of the County of Riverside; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including the proposed issue of Bonds, is within all limits prescribed by law;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Beaumont Unified School District, as follows:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Request for Sale. In order to raise money for the purposes described in Measure Z and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, in accordance with the provisions of Education Code Section 15140, the Board of Trustees hereby petitions the Board of Supervisors of the County to issue the Bonds, in the name and on behalf of the District pursuant to the Authorizing Law, in one or more series and in an aggregate principal amount not to exceed \$37,000,000 and to order such Bonds sold at a negotiated sale to the Underwriter. The Bonds shall bear or accrete interest at a rate which for each series as a whole shall not exceed 12.00% per annum payable on the dates set forth in the Purchase Contract for such series with principal maturing on the dates and in the amounts set forth in the Purchase Contract, not to exceed more than 25 years from the date of issuance of the Bonds. The discount paid to the Underwriter for a series shall not exceed 1.5% of the principal amount of such series.

The Bonds may be issued as Current Interest Bonds, Capital Appreciation Bonds, Convertible Capital Appreciation Bonds, Build America Bonds and, in the case of Bonds sold pursuant to the District Allocation, as Qualified School Construction Bonds, as set forth in the Purchase Contract for each series, subject to the provisions of a resolution of the Board of Supervisors of the County relating to the Bonds (the "County Resolution").

The Board of Supervisors is hereby requested to provide by resolution (the "County Resolution") for the terms of the sale and issuance of each series of Bonds in accordance with the particular terms and manner set forth herein and, with respect to such necessary or desirable terms as are not specified herein, as the Board of Supervisors shall otherwise see fit to determine. With respect to such necessary or desirable terms as are not finally determined by the County Resolution, the Board of Supervisors is hereby requested to provide for such terms to be finally determined and set forth in the Purchase Contract for such Bonds or, in the case of the Qualified School Construction Bonds, the QSCB Agreement.

Section 3. Paying Agent, Paying Agent Agreement and QSCB Agreement. The Board of Trustees does hereby authorize the appointment of Zions First National Bank, as authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds by the Board of Supervisors of the County on behalf of the District. Each of the Superintendent or his designee and the Assistant Superintendent, Business Services or her designee is authorized to enter into an agreement (the "Paying Agent Agreement") with the Paying Agent setting forth the duties and responsibilities of the Paying Agent with respect to the Bonds and any provisions of the Bonds and the terms upon which they are issued and, from time to time, to appoint a successor Paying Agent if determined to be in the best interest of the District. The form of the QSCB Agreement presented at this meeting is hereby approved. Each of the Superintendent or his designee and the Assistant Superintendent, Business Services or her designee is hereby authorized and directed for and in the name of the District to execute the QSCB Agreement in substantially the form hereby approved, with such additions thereto and changes therein as are recommended or approved by Bond Counsel to the District or County Counsel and approved by the officer or officers executing such agreement.

Section 4. Tax Covenants.

(a) The District hereby covenants for the benefit of the owners of each Tax-Exempt Bond (defined below) that it shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on any of the Bonds the interest on which is intended to be excluded from gross

income for federal income tax purposes under Section 103 of the Code (the "Tax-Exempt Bonds") and will restrict the use of the proceeds of Tax-Exempt Bonds in such manner and to such extent, if any, as may be necessary, so that the Tax-Exempt Bonds will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations prescribed under that section or any predecessor section. The District further covenants for the benefit of the owners of any Build America Bonds that it shall not take any action, or fail to take any action, if such action or failure to take such action would cause any of the Build America Bonds not to be treated as build america bonds within the meaning of Section 54AA of the Code. The District hereby covenants for the benefit of the owners of any Bonds issued as Qualified School Construction Bonds that it shall not take any action or fail to take any action that would cause any of such Bonds not to be treated as qualified tax credit bonds within the meaning of Section 54A of the Code and qualified school construction bonds within the meaning of Section 54F of the Code. In furtherance of this covenant, the District agrees to comply with the covenants contained in the Tax Certificate (the "Tax Certificate") to be executed by the District on the date of delivery of each series of Bonds. The District hereby agrees to deliver instructions to the County and the Paying Agent in order to comply with each Tax Certificate.

(b) Notwithstanding any provision of this Section (4), if the District shall provide to the County Treasurer an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds (an "Opinion of Bond Counsel") that any specified action required under this Section (4) is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Tax-Exempt Bonds, or to comply with any provisions of the Code applicable to the Build America Bonds or applicable to the Qualified School Construction Bonds, the County Treasurer and the District may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

Section 5. Filing of Resolution. The Clerk of the Board of Trustees is hereby directed to file a certified copy of this Resolution with the Board of Supervisors of the County and the County Superintendent of Schools.

Section 6. Estimated Costs of Issuance. The cost associated with the issuance of the Bonds, including municipal bond insurance, if any, and Underwriter's discount is estimated to be approximately 8.0% of the par amount of the Bonds.

Section 7. Lawful Authority for Sale. The Board of Trustees determines that all acts and conditions necessary to be performed by the Board of Trustees or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

Section 8. Expenditure of Proceeds. The District hereby covenants to spend all Bond proceeds in accordance with applicable law, including, but not limited to, the Authorizing Law.

Section 9. Bond Purchase Contract. The form of the Purchase Contract presented at this meeting is hereby approved. Each of the Superintendent or his designee, the Assistant Superintendent, Business Services or her designee and the Clerk of the Board of Trustees is hereby

authorized and directed for and in the name of the District to execute a Purchase Contract for each series in substantially the form hereby approved, with such additions thereto and changes therein as are recommended or approved by Bond Counsel to the District or County Counsel and approved by the officer or officers executing such agreement; provided, however, that the Purchase Contract shall be executed only if the aggregate principal amount of the Bonds sold pursuant to the authority of this Resolution is equal to or less than \$37,000,000 and the discount paid to the Underwriter (exclusive of original issue discount and costs of issuance paid by the Underwriter) for a series does not to exceed 1.5% of the principal amount of the Bonds sold pursuant to such Purchase Contract. Each of the Superintendent or his designee, the Assistant Superintendent, Business Services or her designee and the Clerk of the Board of Trustees is hereby authorized and directed for and in the name of the District to solicit bids for municipal bond insurance for each series of Bonds to be sold and to purchase such insurance if such officer, on the basis of information provided by the Financial Consultant, determines that such insurance will result in net interest cost savings for the District that exceeds the cost of such insurance.

Notwithstanding the foregoing, if the Superintendent, or his designee, or the Assistant Superintendent, Business Services, or her designee, in consultation with the Financial Consultant and the Underwriter, shall determine that a sale of the Qualified School Construction Bonds to a joint powers authority is more beneficial to the District than a sale to the Underwriter, then the Purchase Contract shall be modified to provide for a sale of the Qualified School Construction Bonds to the joint powers authority.

Section 10. Qualified School Construction Bond and Tax Credit Purchase Contract: Stripping of Tax Credits. Each of the Superintendent or his designee and the Assistant Superintendent, Business Services or her designee is hereby authorized to approve an agreement (the "Tax Credit Purchase Contract") providing for the separation of the ownership of the Qualified School Construction Bonds from the entitlement to the tax credits with respect to such Qualified School Construction Bonds pursuant to Section 54A of the Code, and for the sale of such separate interests if one of such officers determines it is in the best interest of the District. Upon such determination, each of the Superintendent or his designee and the Assistant Superintendent, Business Services or her designee is further authorized and directed on behalf of the District to execute and approve a Tax Credit Purchase Contract providing for the sale by the Board of Supervisors of the County and the purchase by the Underwriter of the tax credits or such other purchaser or purchasers as may be identified therein at a purchase price to be set forth therein. The Tax Credit Purchase Contract may be executed and delivered as a separate document, as authorized pursuant to this Section 11, or the provisions thereof may be incorporated into a Bond Purchase Contract approved in Section 10 hereof. Pursuant to Section 5922 of the Government Code of California (the "Government Code"), this Board of Trustees hereby finds and determines that the Tax Credit Purchase Contract will result in a reduction in the amount or duration of payment and lower the cost of borrowing when used in combination with the Qualified School Construction Bonds. The Board of Supervisors of the County is hereby requested to cause the Tax Credit Purchase Contract to be executed and delivered on behalf of the County, subject to such changes or revisions therein as may be acceptable to the District officer executing the same and to the Board of Supervisors of the County.

Section 11. Build America Bonds. The Build America Bonds shall have the terms set forth in the Purchase Contract related thereto. The Superintendent or his designee and the Assistant Superintendent, Business Services are directed to take or cause to be taken all actions necessary to

qualify the Build America Bonds under Section 54AA and to obtain the federal subsidy for the payment of a portion of interest expense of the Bonds.

With respect to the Build America Bonds, the District expects to receive a cash subsidy payment from the United States Treasury equal to 35% of the interest payable on the Build America Bonds on or about each interest payment date. The District will, or will direct the bond registrar, prior to each interest payment date, to submit to the United States Treasury a subsidy reimbursement request in accordance with applicable federal regulations. Upon receipt of such subsidy, the District shall deposit or cause to be deposited any such cash subsidy payments into the Debt Service Fund.

Section 12. Continuing Disclosure Agreement. The form of the Continuing Disclosure Agreement presented at this meeting is hereby approved. Each of the Superintendent or his designee and the Assistant Superintendent, Business Services or her designee is hereby authorized and directed for and in the name of the District to execute the Continuing Disclosure Agreement in substantially the form hereby approved, with such additions thereto and changes therein as are recommended or approved by Bond Counsel to the District or County Counsel and approved by the officer or officers executing such agreement.

Section 13. Investment of Funds. The proceeds of sale of the Bonds, exclusive of any premium and accrued interest received by the District or any moneys set aside to pay costs of issuance on the Bonds, shall be deposited in the County treasury to the credit of the building fund of the District. Any net premium and accrued interest received by the District shall be deposited upon receipt in the interest and sinking fund of the District within the County treasury.

All funds held by the County Treasurer with respect to the Bonds shall be invested by the County Treasurer in the County Investment Pool, the Local Agency Investment Fund, any investment authorized pursuant to Sections 53601 and 53635 of the Government Code, or in investment agreements, including guaranteed investment contracts, float contracts or other investment products (hereinafter collectively referred to as "Investment Agreements"); provided that such agreements comply with the requirements of Section 148 of the Code, Section 54A of the Code, Section 54F of the Code and Section 54AA of the Code, as applicable, and with the requirements of each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds. The County Treasurer shall assume no responsibility in the reporting, reconciling or monitoring in the investment of proceeds related to the Bonds.

The Superintendent or his designee or the Assistant Superintendent, Business Services or her designee may request the County Treasurer, subject to his fiduciary responsibilities, to invest funds held in the interest and sinking fund of the District and in the building fund of the District in specific investments, so as to effectively coordinate the investments to the construction program of the District and the debt service payments on the Bonds. Pursuant to Section 5922 of the Government Code, this Board of Trustees hereby finds and determines that the Investment Agreements will reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreements and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Bonds or enhance the relationship between risk and return with respect to investments of proceeds of the Bonds and funds held to pay the Bonds.

Any funds held by the County Treasurer with respect to the Bonds may also be held in whole or in part by the Paying Agent pursuant to the Paying Agent Agreement or another agreement entered into between the County Treasurer and the Paying Agent.

Section 14. Approval of Actions. Members of the Board of Trustees, the Superintendent, the Assistant Superintendent, Business Services and other District employees are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution and the Tax Credit Program. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

Section 15. Effective Date. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 13th day of October, 2009.

President of the Board of Trustees of the
Beaumont Unified School District

ATTEST:

Secretary of the Board of Trustees of the
Beaumont Unified School District

SECRETARY'S CERTIFICATE

I, Barry Kayrell, Secretary of the Board of Trustees of the Beaumont Unified School District, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District duly and regularly held at the regular meeting place thereof on _____, 2009, of which meeting all of the members of said Board of Trustees had due notice and at which a majority thereof were present; and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT OR NOT VOTING:

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: _____, 2009

Secretary of the Board of Trustees of the
Beaumont Unified School District

EXHIBIT B
[FORM OF PURCHASE CONTRACT]

BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES A]

BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
TAXABLE ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES B
(BUILD AMERICA BONDS - DIRECT PAYMENT TO DISTRICT)]

BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
TAXABLE ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES C
QUALIFIED SCHOOL CONSTRUCTION BONDS (TAX CREDIT BONDS)]

BOND PURCHASE CONTRACT

_____, 2009

County of Riverside
Board of Supervisors
4080 Lemon Street, 5th Floor
Riverside, California 92501

Beaumont Unified School District
500 Grace Avenue
Beaumont, California 92223

Ladies and Gentlemen:

The undersigned, _____ (the "Underwriter"), offers to enter into this Bond Purchase Contract (the "Purchase Contract") with the County of Riverside, California (the "County"), and the Beaumont Unified School District, (the "District"), which, upon your acceptance hereof, will be binding upon the District, the County and the Underwriter. This offer is made subject to the written acceptance of this Purchase Contract by the County and the District and delivery of such acceptance to the Underwriter at its office specified in Section 13 below prior to 11:59 p.m., California Time, on the date hereof.

1. Purchase and Sale of the Bonds. Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the County for reoffering to the public, and the County hereby agrees to sell in the name and on behalf of the District to the Underwriter for such purpose, all (but not less than all) of \$ _____ in aggregate initial amount of the District's Election of 2008 General Obligation Bonds Series __ (the "Bonds"), which consist of [\$ _____ Series __ Current Interest Bonds and \$ _____ of Series __ Capital Appreciation Bonds and \$ _____ of Convertible Capital Appreciation Bonds and \$ _____ of Qualified School Construction Bonds and \$ _____ Build America Bonds] as specified in Exhibit A hereto. The Bonds shall bear or accrete interest at the rates, and shall mature in the principal amounts and in the years shown on Appendix A hereto, which is incorporated herein by this reference. [The Series __ Current Interest Bonds shall be dated their date of delivery and bear interest payable semiannually on each _____ 1 and _____ 1, commencing _____ 1, 2010. The Series __ Capital Appreciation Bonds shall be dated the date of delivery and accrete interest from such date, compounded semiannually on

_____ 1 and _____ 1 of each year, commencing _____ 1, 2009, which accreted interest is payable only at maturity. The Series __ Convertible Capital Appreciation Bonds shall be dated the date of delivery and accrete interest from such date, compounded semiannually on _____ 1 and _____ 1 in each year, commencing _____ 1, 2009, to the date specified in Exhibit A hereto (the "Conversion Date"), and from and after the Conversion Date shall bear interest payable semiannually on each _____ 1 and _____ 1. A table of accreted values for the Series __ Capital Appreciation Bonds and the Series __ Convertible Capital Appreciation Bonds is shown on Appendix A hereto, which is incorporated herein by this reference. The Qualified School Construction Bonds will be issued as "qualified school construction bonds" as defined in Section 54F of the Code and are comprised of a principal component (the "Principal Component") and tax credit components (the "Tax Credit Components") evidenced by the Tax Credit Certificates associated with each Tax Credit Bond (the "Tax Credit Certificates"). The Qualified School Construction Bonds shall be dated their date of delivery and [do not bear interest] [bear interest payable semiannually on each _____ 1 and _____ 1, commencing _____ 1, 2010]. The Tax Credit Rate with respect to the Qualified School Construction Bonds, as established by U.S. Department of the Treasury on _____, 2009, is _____% per annum.] [The Build America Bonds will be issued pursuant to Section 54AA(g) of the Code. The Build America Bonds shall be dated their date of delivery and bear interest payable semiannually on each _____ 1 and _____ 1, commencing _____ 1, 2010.]

The Underwriter shall purchase the Bonds in immediately available funds by wire transfer to the County at a price of \$ _____ (consisting of the aggregate initial principal amount of the Bonds, plus net original issue premium of \$ _____, less Underwriter's discount of \$ _____, less costs of issuance of \$ _____) to be paid by the Underwriter.

In order to provide for the payment of certain costs relating to the issuance of the Bonds, the Underwriter will enter into the Fiscal Agent Agreement, dated as of _____ 1, 2009 (the "Fiscal Agent Agreement") with Zions First National Bank, as Fiscal Agent. At closing, there shall be set aside by the Underwriter from the proceeds of the sale of the Bonds \$ _____ (the "COI Deposit"), which amount shall be deposited with the Fiscal Agent to be applied in accordance with the provisions of the Fiscal Agent Agreement.

2. The Bonds. The Bonds are subject to redemption as set forth in Appendix A hereto. In all other respects the Bonds shall be as described in, and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on October 13, 2009 (the "District Resolution") and the Resolution of the Board of Supervisors of the County adopted October 27, 2009 (the "County Resolution" and collectively with the District Resolution, the "Resolutions"), Chapter 1.5 of Part 10 of Division 1 of Title 1 of the California Education Code commencing with Section 15264 (the "Act") and paragraph (3) of subdivision (b) of Article XIII A of the California Constitution. All capitalized terms used herein without definition shall have the meanings given to them in the County Resolution.

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Contract and the Resolutions. The Bonds shall be in book-entry form, shall bear CUSIP numbers, shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"); the Bonds shall initially be in authorized denominations of \$5,000 principal amount or any integral multiple thereof.

The Qualified School Construction Bonds will be issued in accordance with the provisions of a Paying Agent and Transfer Agent Agreement, dated as of _____ 1, 2009 (the "Paying Agent Agreement"), by and among the District, the Treasurer of the County and Zions First National Bank (the "Paying Agent"). The Paying Agent Agreement shall be in form and substance satisfactory to the Underwriter, and the provisions thereof with respect to the Qualified School Construction Bonds shall be incorporated herein and be made a part hereof. The Qualified School Construction Bonds will be issued in denominations of \$ _____ and integral multiples thereof.

3. Use of Documents. The District and the County hereby authorize the Underwriter to use, in connection with the offer and sale of the Bonds, this Purchase Contract and an Official Statement (defined below), the Resolutions and all information contained herein and therein and all of the documents, certificates or statements furnished by the District or the County to the Underwriter in connection with the transactions contemplated by this Purchase Contract.

4. Public Offering of the Bonds. The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering price or yield set forth in Appendix A and to be set forth on the cover page of the Official Statement. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering price or yield as it deems necessary in connection with the marketing of the Bonds.

5. Review of Official Statement. The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated _____, 2009 (the "Preliminary Official Statement"). The District represents that it has deemed the Preliminary Official Statement to be final, except for either revisions or additions relating to the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule").

The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received. The Underwriter agrees that it will deliver a printed copy of the final Official Statement to each purchaser of the Bonds as required by the Rule. The Underwriter agrees that, in accordance with Rule G-32 of the Municipal Securities Rulemaking Board, within one business day after receipt from the District but by no later than the Closing (as defined below), it will file a copy of the Official Statement with the Municipal Securities Rulemaking Board.

6. Closing. At 8:00 a.m., California Time, on _____, 2009, or at such other time or on such other date as shall have been mutually agreed upon by the Underwriter, the County and the District (the "Closing"), the County and the District shall cause to be delivered to the Underwriter, at the offices of The Depository Trust Company, or at such other place as the parties hereto may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, in Newport Beach, California, the other documents described in Section 10(e) below.

7. **Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriter that:

(a) **Due Organization.** The District is a school district duly organized and validly existing under the laws of the State of California, with the power to cause the Bonds to be issued by the County on its behalf pursuant to the Act.

(b) **Due Authorization.** (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power and authority to deliver the Preliminary Official Statement, to execute and deliver the Official Statement, to enter into this Purchase Contract and the Continuing Disclosure Certificate, to adopt the District Resolution, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract, the Continuing Disclosure Certificate and the District Resolution; (iii) the District Resolution was duly adopted at a meeting of the governing body of the District 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 at the time of adoption; (iv) the delivery of the Preliminary Official Statement, the execution and delivery of the Official Statement, and the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the District Resolution, the County Resolution, the Continuing Disclosure Certificate and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (v) this Purchase Contract and the Continuing Disclosure Certificate constitute valid and legally binding obligations of the District; (vi) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract and the Continuing Disclosure Certificate; and (vii) no statutory or constitutional limitation on indebtedness or taxation will be exceeded in issuing the Bonds.

(c) **Consents.** No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds, the execution and delivery of this Purchase Contract and the Continuing Disclosure Certificate, the adoption of the District Resolution or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(d) **No Conflicts.** To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Purchase Contract, the Continuing Disclosure Certificate, the District Resolution and the Bonds, and the compliance with the provisions hereof do not conflict with or constitute on the part of the District a violation of or default under the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(e) **Litigation.** Except as described in the Preliminary Official Statement, as of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending in

which service of process has been completed against the District, or to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices or of the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection of the tax revenues pledged or to be pledged or available to pay the principal of and interest on the Bonds, or the pledge thereof, or the levy of any taxes contemplated by the Resolutions or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract, the Continuing Disclosure Certificate or the Resolutions or contesting the powers of the District or the County under the Resolutions or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the operations of the District or the consummation of the transactions contemplated by this Purchase Contract or the Resolutions, (b) declare this Purchase Contract, the District Resolution or the Continuing Disclosure Certificate to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds[, other than the Qualified School Construction Bonds] from gross income for federal income tax purposes and the exemption of such interest from California personal income taxation, [or (d) adversely affect the tax credit available to the holders of the Qualified School Construction Bonds.]

(f) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District directly, nor the County on behalf of the District at the District's request, will have issued in the name and on behalf of the District any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(g) Compliance with Internal Revenue Code. The District will comply with the applicable provisions of the Internal Revenue Code of 1986, as amended, with respect to the Bonds.

(h) Certificates. Any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

(i) Continuing Disclosure. At or prior to the Closing, the District shall have duly authorized, executed and delivered the Continuing Disclosure Certificate. The Continuing Disclosure Certificate shall comply with the provisions of Rule 15c2-12(b)(5) and be substantially in the form attached to the Official Statement in Appendix __. Except as disclosed in the Preliminary Official Statement, within the past five years, the District has never failed to comply in all material respects with any of its previous undertakings under the Rule.

(j) Official Statement. As of its date, the Preliminary Official Statement did not contain any untrue 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. At the date hereof, the Final Official Statement did not, and as of the Closing Date it will not, contain any untrue 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; provided that the District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the Final Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein or as to the information

therein [provided by the Insurer or] relating to DTC and its book-entry system or as to CUSIP numbers.

(k) Levy of Tax. The District hereby agrees to take any and all actions as may be required by the County or otherwise necessary in order to arrange for the levy and collection of taxes by the County for payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the County Auditor and the County Treasurer-Tax Collector a copy of the District Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Bonds, in accordance with Education Code Section 15140(c) and policies and procedures of the County.

8. Representations, Warranties and Agreements of the County. The County hereby represents, warrants and agrees with the Underwriter that:

(a) Due Organization. The County is a political subdivision duly organized and validly existing under the laws of the State of California, with the power to issue the Bonds on behalf of the District pursuant to the Act.

(b) Due Authorization. (i) At or prior to the Closing, the County will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the County has full legal right, power and authority to enter into this Purchase Contract, to adopt the County Resolution, to issue and deliver the Bonds to the Underwriter on behalf of the District and to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract and the Resolutions; (iii) the execution and delivery or adoption of, and the performance by the County of the obligations contained in the Bonds, the County Resolution and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Contract constitutes a valid and legally binding obligation of the County; and (v) the County has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract.

(c) Consents. No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, or which have not been taken or obtained; except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, provided, however, that the County shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(d) No Conflicts. To the best knowledge of the County, the issuance of the Bonds, the execution, delivery and performance of this Purchase Contract, the County Resolution and the Bonds, and the compliance with the provisions hereof do not conflict with or constitute on the part of the County a violation of or default under the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the County is a party or by which it is bound or to which it is subject.

(e) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending in which service of process has been completed against the County, or to the best knowledge of the County, threatened against the County: (i) in any way affecting the existence of the County or in any way challenging the respective powers of the several offices or of the titles of the officials of the County to such offices; (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection of the tax revenues pledged or to be pledged or available to pay the principal of and interest on the Bonds, or the pledge thereof, or the levy of any taxes contemplated by the Resolutions, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract or the County Resolution or contesting the powers of the County or its authority with respect to the Bonds, the County Resolution or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the consummation of the transactions contemplated by this Purchase Contract or the Resolutions, (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds[, other than the Qualified School Construction Bonds,] from gross income for federal income tax purposes and the exemption of such interest from California personal income taxation, [or (d) adversely affect the tax credit available to the holders of the Qualified School Construction Bonds].

(f) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, the County will not have issued in the name and on behalf of the District any bonds, notes or other obligations for borrowed money except for such borrowing as may be described in or contemplated by the Official Statement.

(g) Arbitrage Certificate. The County has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the County is a bond issuer whose arbitrage certificates may not be relied upon.

(h) Certificates. Any certificates signed by any officer of the County and delivered to the Underwriter shall be deemed a representation and warranty by the County to the Underwriter, but not by the person signing the same, as to the statements made therein.

(i) Securities Laws. The County will furnish such information, execute such instruments, and take such other action in cooperation with, and at the expense of, the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, provided, however, that the County shall not be required to consent to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(j) Official Statement Accurate and Complete. The section of the Preliminary Official Statement entitled "Riverside County Investment Pool," at the date thereof, did not contain any untrue 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. At the date hereof and on the Closing Date, the section of the Final Official Statement entitled "Riverside County Investment Pool" did not and will not contain any untrue 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.

9. Covenants of the District. The District covenants and agrees with the Underwriter and in the case of Section 9(e) below with the owners of the Bonds that:

(a) Securities Laws. The District will furnish such information, execute such instruments, and take such other action in cooperation with, and at the expense of, the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which it is not so subject as of the date hereof;

(b) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds for the purposes specified in the District Resolution;

(c) Official Statement. The District will deliver or cause to be delivered (and the County agrees to cooperate with the District in connection with such delivery) to the Underwriter, not later than the seventh (7th) business day following the date this Purchase Contract is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto being called the "Official Statement") in such reasonable quantities as may be requested by the Underwriter not later than five (5) business days following the date this Purchase Contract is signed, in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the Municipal Securities Rulemaking Board; provided, however, that the failure of the District to comply with this requirement due solely to the acts of the Underwriter, its counsel or agents, shall not be considered cause for the Underwriter to refuse to accept delivery of and pay for the Bonds. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

(d) Subsequent Events. The District hereby agrees to notify the Underwriter of any event or occurrence that may affect the accuracy or completeness of any information set forth in the Official Statement relating to the District until the date which is twenty-five (25) days following the Closing;

(e) Amendments to Official Statement. For a period of twenty-five (25) days after the End of the Underwriting Period (as defined below), the District will amend or supplement the Official Statement in any manner necessary to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser, and (at the expense of the District) shall deliver a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance reasonably satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading. As used herein, the term "End of the Underwriting Period" means the later of such time as (i) the Bonds are delivered to the Underwriter, or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the date of the Closing. Any notice delivered pursuant to this provision shall be written notice delivered to the District at or prior to the Closing, and shall specify a date (other than the date of

Closing and not more than 90 days after the Closing) to be deemed the "End of the Underwriting Period."

10. Conditions to Closing. The Underwriter has entered into this Purchase Contract in reliance upon the representations and warranties of the County and the District contained herein and the performance by the County and the District of their obligations hereunder, both as of the date hereof and as of the date of Closing. The Underwriter's obligations under this Purchase Contract are and shall be subject at the option of the Underwriter, to the following further conditions at the Closing:

(a) Representations True. The representations and warranties of the County and the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing; and each of the County and the District shall be in compliance with each of the agreements made by it in this Purchase Contract;

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Purchase Contract, the District Resolution and the County Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; (ii) all actions under the Act which, in the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, bond counsel ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the County and the District shall perform or have performed all of their obligations required under or specified in the District Resolution, the County Resolution, this Purchase Agreement, the Continuing Disclosure Certificate and the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside), or to the best knowledge of the County or the District, be threatened which has any of the effects described in Section 7(e) or 8(e) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Marketability. Between the date hereof and the Closing, the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, at the initial offering prices set forth in the Official Statement, shall not have been materially adversely affected in the reasonable judgment of the Underwriter (evidenced by a written notice to the County and the District terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds) by reason of any of the following:

(1) legislation enacted or introduced in the Congress 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 United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of

causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds[, other than the Qualified School Construction Bonds], or [the value, transferability, availability, or amount of the tax credit to the holders of the Qualified School Construction Bonds as described in the Official Statement]; or

(ii) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds [(including the Tax Credit Certificates related to the Qualified School Construction Bonds)], or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;

(2) the declaration of war or engagement in major military hostilities by the United States or the occurrence of any other national emergency or calamity relating to the effective operation of the government or the financial community in the United States;

(3) 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) the imposition by the New York Stock Exchange, 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 securities generally, 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, the Underwriter;

(5) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(6) the withdrawal or downgrading of any rating of the District's outstanding general obligation bonds by a national rating agency or of the Insurer's rating; or

(7) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any 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 required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(e) Delivery of Documents. At or prior to the date of the Closing, the Underwriter shall receive a copy of the following documents in each case dated as of the Closing Date and satisfactory in form and substance to the Underwriter:

(1) Bond Opinion. An approving opinion of Bond Counsel, as to the validity and tax status of the Bonds, dated the date of the Closing, addressed to the District substantially in the form attached as Appendix __ to the Preliminary Official Statement;

(2) Reliance Letter. A reliance letter from Bond Counsel to the effect that the Underwriter [and the Insurer] can rely upon the approving opinion described in (e)(1) above;

(3) Supplemental Opinion. A supplemental opinion from Bond Counsel, addressed to the Underwriter, to the effect that:

(i) the Purchase Contract has been duly executed and delivered by the District and, assuming due authorization, execution and delivery by the Underwriter, is a valid and binding agreement of the District, subject to laws relating to bankruptcy, insolvency, reorganization, moratorium or creditors' rights generally and to the application of equitable principles and to the exercise of judicial discretion in appropriate cases and to the limitation on legal remedies against school districts and counties in the State of California;

(ii) the statements contained in the Official Statement in the sections thereof entitled: "INTRODUCTION –Purpose of the Bonds," "—Security and Source of Payment for the Bonds," and "—Description of the Bonds" (excluding the discussion of "Use of Book Entry System"); "THE SERIES A BONDS AND THE SERIES B BONDS" (excluding statements under the subcaptions "Accreted Values" and "Debt Service Schedule"), "THE TAX CREDIT BONDS" (excluding statements under the subcaption "Debt Service Schedule), "SECURITY FOR THE BONDS" and "LEGAL MATTERS—Tax Exemption," insofar as such statements purport to summarize certain provisions of the Bonds, the District Resolution and the County Resolution and the Bond Counsel opinion on the tax status of the Bonds for federal and State income tax purposes, are accurate in all material respects;

(iii) the Bonds [(including the Tax Credit Certificates related thereto)] are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(4) Disclosure Counsel Opinion. A letter from Stradling Yocca Carlson & Rauth, a Professional Corporation, Disclosure Counsel, addressed to the Underwriter to the effect that, without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the District and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement contains any untrue statement of a material fact or omits 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 (except that no opinion or belief need be expressed as to any financial or statistical data, assessed valuations, any forecasts, any assumptions or any expressions of opinion contained in the Official Statement, or as to any information related to Depository Trust Company).

(5) Certificate of the County. A certificate signed by an appropriate official of the County to the effect that (i) such official is authorized to execute this Purchase Contract; (ii) the representations, agreements and warranties of the County herein are true and correct in all material respects as of the date of Closing; (iii) the County has complied with all the terms of the County Resolution and this Purchase Contract to be complied with by the County prior to or concurrently with the Closing and such documents are in full force and effect; (iv) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the County Resolution; (v) no event concerning the

County has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement in light of the circumstances in which they were made not misleading; and (vi) the information in the Official Statement under the caption "THE SERIES A BONDS—Riverside County Treasury Pool," was furnished by the County, and 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 in which they were made, not misleading;

(6) Certificate of the District. A certificate signed by an appropriate official of the District to the effect that (i) such official is authorized to execute this Purchase Contract; (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing; (iii) the District has complied with all the terms of the District Resolution, the Continuing Disclosure Certificate and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect; (iv) such District official has reviewed the Official Statement and on such basis certifies that the Official Statement (other than the information therein [provided by the Insurer and] as to DTC and the book-entry system and CUSIP numbers, as to which no view is expressed) 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 in which they were made, not misleading; (v) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the County Resolution; and (vi) no consent is required for inclusion of the District's Fiscal Year 2007-08 audit in the Official Statement;

(7) No Arbitrage. A nonarbitrage certificate of the District in form satisfactory to Bond Counsel;

(8) District Resolution. A certificate, together with a fully executed copy of the District Resolution, of the Clerk of the Board of Trustees to the effect that:

(i) such copy is a true and correct copy of the District Resolution;

and

(ii) the District Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing.

(9) District Counsel Opinion. An opinion of counsel to the District substantially in the form attached as Appendix B;

(10) County Resolution. A certificate, together with a fully executed copy of the County Resolution, of the Clerk of the Board of Supervisors to the effect that:

(i) such copy is a true and correct copy of the County Resolution;

and

(ii) the County Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing;

(11) County Counsel Opinion. An opinion of counsel to the County substantially in the form attached hereto as Appendix C;

(12) Official Statement. A copy of the “deemed final” certificate of the appropriate official of the District evidencing his or her determinations respecting the Preliminary Official Statement in accordance with the Rule; and

(13) Rating. Evidence as of the Closing Date satisfactory to the Underwriter that the Bonds have received, at a minimum, a rating of “___” from [Moody’s Investors Service (“Moody’s”)] and a rating of “___” from [Standard & Poor’s Ratings Services (“S&P”)], [provided that, upon delivery of the Bonds, a policy insuring the payment when due of principal of and interest on the Bonds is issued by the Insurer and that such ratings have not been revoked or downgraded];

(14) Bond Insurance. An executed municipal bond insurance policy (the “Policy”) of the Insurer insuring the scheduled payment of principal of and interest on the Bonds, substantially in the form attached as Appendix H of the Official Statement;]

(15) Opinion of Counsel to Insurer. An opinion of counsel to the Insurer, dated as of the date of Closing, addressed to the Underwriter and the District and the County in form and substance acceptable 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 Policy constitutes the legal, valid and binding obligation of the Insurer enforceable in accordance with its 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;]

(16) Form 8038-G. Evidence that the federal tax information Form 8038-G has been prepared for filing;

(17) Notice of Final Sale. A copy of the Notice of Final Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855 of the California Government Code;

(18) District Tax Credit Allocation. Evidence that the District has received an allocation of Qualified School Construction Bond authority for calendar year 2009 pursuant to Section 54A of the Code in an amount at least equal to the principal amount of the Bonds; and

(19) Other Documents. A duly executed copy of the Continuing Disclosure Certificate and such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence compliance (i) by the County and the District with legal requirements; (ii) the truth and accuracy, as of the time of Closing, of the representations of the County and the District herein contained; (iii) the truth and accuracy, as of the time of Closing, of the Official Statement; and (iv) the due performance or satisfaction by the

County and the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the County and the District.

(f) **Termination.** If the County and/or the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Contract prior to the close of business on the date of Closing and if such unsatisfied conditions have not been waived by the Underwriter, or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and be of no further force or effect except with respect to the obligations of the District and the Underwriter under Section 12 hereof.

11. Conditions to Obligations of the County and the District. The performance by the County and the District of their obligations hereunder is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the District and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than the County and the District.

12. Expenses. Pursuant to the Fiscal Agent Agreement, the Underwriter shall apply up to \$_____ to pay the expenses listed in the following paragraph, as set forth in a written instruction from the District, and all amounts not expended for such purpose shall be paid to the District to be held in the Debt Service Fund under the County Resolution. The Underwriter shall pay from its own funds out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, travel (except in connection with securing a rating on the Bonds) and other expenses incurred by it, including the fees of its counsel.

The District shall pay any expenses incident to the performance of its obligations hereunder from the proceeds of the Bonds (or from any other source of available funds of the District) which are not paid by the Underwriter from the amounts specified in the prior paragraph. The expenses to be paid by the Underwriter from the \$_____ referenced in the prior paragraph include: (i) the cost of the preparation and reproduction of the Resolutions; (ii) the fees and expenses of consultants; (iii) the fees and disbursements of Bond Counsel; (iv) the cost of the preparation, printing and delivery of the Bonds; (v) the cost of the preparation, printing and delivery of the Preliminary Official Statement, the Official Statement, and any amendment or supplement thereto in the quantity requested by the Underwriter in accordance herewith; (vi) initial rating fees of [Standard & Poor's Ratings Services and Moody's Investors Service]; (vii) fees and expenses of the Paying Agent for the Bonds[, and (viii) the premium for the Policy issued by the Insurer, if acquired].

In the event that the Closing does not occur, the Underwriter shall not be responsible for any costs related to the proposed issuance of the Bonds, which costs, if any are due, shall be the responsibility of the District.

13. Notices. Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the County, to the Treasurer-Tax Collector of the County of Riverside, 4080 Lemon Street, Riverside, California 92501; if to the District, to the Superintendent, Beaumont Unified School District, 500 Grace Avenue, Beaumont, California 92223; or if to the Underwriter, to Piper Jaffray & Co., 1235 Hermosa Avenue, Suite 300, Hermosa Beach, California 90254, Attention: _____.

14. Parties in Interest; Survival of Representations and Warranties. This Purchase Contract, when accepted by the District and the County, in writing, shall constitute the entire agreement among the County, the District and the Underwriter. This Purchase Contract is made solely for the benefit of the County, the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All representations, warranties and agreements of the County and the District in this Purchase Contract shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Contract.

15. Severability. If any one or more of the provisions in this Purchase Contract to be performed on the part of the District, the County or the Underwriter should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be null and void and shall be deemed separate from the remaining provisions herein contained and shall in no way affect the validity of the remaining provisions of this Purchase Contract.

16. No Prior Agreements. This Purchase Contract supersedes and replaces all prior negotiations, agreements and understandings between the parties hereto in relation to the sale of the Bonds.

17. Execution in Counterparts. This Purchase Contract may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

18. Applicable Law. This Purchase Contract shall be interpreted, governed and enforced in accordance with the law of the State of California applicable to contracts made and performed in such State.

Very truly yours,

PIPER JAFFRAY & CO.

By: _____
Authorized Representative

The foregoing is hereby agreed to and accepted as of the date first above written:

COUNTY OF RIVERSIDE

By: _____
Treasurer-Tax Collector

APPROVED AS TO FORM:

PAMELA J. WALLS, County Counsel

By: _____
Deputy County Counsel

BEAUMONT UNIFIED SCHOOL DISTRICT

By: _____
Assistant Superintendent, Business Services

APPENDIX A

MATURITY SCHEDULE

ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES A

\$ _____ Series __ Current Interest Serial Bonds

<i>Maturity Date</i> (____ 1)	<i>Principal</i> <i>Amount</i>	<i>Interest</i> <i>Rate</i>	<i>Yield</i>
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^c Yield to par call date of _____ 1, 20__.

\$ _____ % Term Bonds due _____ 1, 20__ - Yield _____ %

\$ _____ Series __ Capital Appreciation Bonds

<i>Maturity Date</i> (____ 1)	<i>Original</i> <i>Principal</i> <i>Amount</i>	<i>Reoffering</i> <i>Principal</i> <i>Amount</i>	<i>Accretion</i> <i>Rate</i>	<i>Reoffering</i> <i>Yield to</i> <i>Maturity</i>	<i>Maturity</i> <i>Value</i>
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\$ _____ Series __ Convertible Capital Appreciation Bonds

<i>Maturity Date</i> (____ 1)	<i>Original</i> <i>Principal</i> <i>Amount</i>	<i>Conversion</i> <i>Date</i>	<i>Reoffering</i> <i>Principal</i> <i>Amount</i>	<i>Accretion</i> <i>Rate</i>	<i>Reoffering</i> <i>Yield to</i> <i>Maturity</i>	<i>Conversion</i> <i>Value</i>	<i>Coupon Upon</i> <i>Conversion</i>
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TAXABLE ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES B
(BUILD AMERICA BONDS — DIRECT PAYMENT TO DISTRICT)

\$ _____ Series __ Current Interest Serial Bonds

<i>Maturity Date</i> (_____ 1)	<i>Principal</i> <i>Amount</i>	<i>Interest</i> <i>Rate</i>	<i>Yield</i>
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^c _____
Yield to par call date of _____ 1, 20__.

\$ _____ % Term Bonds due _____ 1, 20__ - Yield _____ %

TAXABLE ELECTION OF 2008 GENERAL OBLIGATION BONDS

SERIES C QUALIFIED SCHOOL CONSTRUCTION BONDS (TAX CREDIT BONDS)

<i>Maturity Date</i> (_____ 1)	<i>Original Principal</i> <i>Amount</i>	<i>Interest</i> <i>Rate</i>	<i>Yield</i>	<i>Tax Credit</i> <i>Rate</i>
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Redemption Provisions

No Redemption of Series __ Capital Appreciation Bonds[, and Convertible Capital Appreciation Bonds]. The Series __ Capital Appreciation Bonds[, and Convertible Capital Appreciation Bonds] are [not subject to redemption prior to maturity].

Optional Redemption of the Series __ Current Interest Bonds. The Series __ Current Interest Bonds maturing on or before _____ 1, 20__, are not subject to redemption prior to their maturity dates. Any Series __ Current Interest Bonds maturing on or after _____ 1, 20__ may be redeemed before maturity at the option of the District, from any source of funds on any date, on or after _____ 1, 20__, as a whole, or in part in such manner as directed by the District and by lot within a maturity if not otherwise directed by the District. For the purposes of such selection, Series __ Current Interest Bonds will be deemed to consist of \$5,000 portions, and any such portion may be separately redeemed. Any Series __ Current Interest Bonds called prior to

maturity will be redeemed at the following redemption prices, expressed as a percentage of the principal amount thereof, together with accrued interest to the date of redemption:

<i>Redemption Date</i>	<i>Redemption Price</i>
_____ 1, _____ and _____ 1, _____	%
_____ 1, _____ and _____ 1, _____	
_____ 1, _____ and thereafter	

Sinking Fund Redemption for the Term Series __ Current Interest Bonds. The Term Series __ Current Interest Bonds maturing on _____, 20__ are subject to mandatory sinking fund redemption on the following dates and in the following amounts at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the redemption date, without premium:

<i>Date</i>	<i>Principal Amount To Be Redeemed</i>
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†

† Final Maturity.

The Qualified School Construction Bonds are not subject to optional or mandatory sinking fund redemption prior to their stated maturity. The principal of all of the Qualified School Construction Bonds matures on _____, 20__.

The Qualified School Construction Bonds are subject to extraordinary mandatory redemption, in whole or in part, on _____, 20__, or, in the event of an extension negotiated with the IRS, on or after _____, 20__ and before _____, 20__, in authorized denominations, and on a tax credit redemption date, at a redemption price equal to the principal amount of the Qualified School Construction Bonds called for redemption, in an amount equal to the unexpended proceeds of the sale of the Qualified School Construction Bonds held by the District, but only to the extent that the District fails to expend all of the proceeds of the Qualified School Construction Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the IRS.

Upon a Determination of Loss of Qualified School Construction Bond Status (as defined below) the Qualified School Construction Bonds are subject to extraordinary mandatory redemption prior to their fixed maturity date, in whole, on the date designated by the District, which date shall be a date on or prior to the _____ 15 following the next succeeding _____ 1 after a Determination of Loss of Qualified School Construction Bond Status, at a redemption price equal to (i) the principal amount of the Qualified School Construction Bonds to be redeemed, plus, (ii) if the Redemption Premium is a positive number, the Redemption Premium, plus (iii) accrued interest on (i) (calculated at the Tax Credit Rate) from the last Tax Credit Date immediately preceding the redemption date to the date of redemption.

In addition, in the event that any Tax Credits previously recognized by Owners are determined to be ineligible as Tax Credits as a result of the loss of status of the Qualified School Construction Bonds as Qualified School Construction Bonds under the Code, the redemption price shall include an additional amount equal to the amount of such Tax Credits, plus interest thereon from the date of such Tax Credits to the date of redemption, at a rate equal to the large corporate underpayment rate determined from time to time by the Internal Revenue Service. The registration books maintained by the Paying Agent shall be utilized to determine the Owners which are entitled to payment of the amounts described in this paragraph.

In the event that the ownership of the Tax Credit Certificates affixed to the Qualified School Construction Bonds has been separated from the ownership of the Qualified School Construction Bonds and registered separately, the Tax Credit Strips related to the redeemed Principal Strips will be called for redemption in the same manner as the Qualified School Construction Bonds pursuant to the foregoing, and the redemption price therefor will be allocated to the Principal Strips and the Tax Credit Strips in the proportions and values set forth in "APPENDIX G – TABLE OF REDEMPTION VALUES."

The term "Date of Loss of Qualified School Construction Bond Status" means the date specified in a Determination of Loss of Qualified School Construction Bond Status as the date from and after which the Qualified School Construction Bonds lost their status, or failed to qualify, as Qualified School Construction Bonds as a result of an Accountable Event of Loss of Qualified School Construction Bond Status, which date could be as early as the date of issuance of the Qualified School Construction Bonds.

The term “Determination of Loss of Qualified School Construction Bond Status” means (a) a final determination by the IRS (after the District has exhausted all administrative appeal remedies) determining that an Accountable Event of Loss of Qualified School Construction Bond Status has occurred and specifying the Date of Loss of Qualified School Construction Bond Status, or (b) a non-appealable holding by a court of competent jurisdiction holding that an Accountable Event of Loss of Qualified School Construction Bond Status has occurred and specifying the Date of Loss of Qualified School Construction Bond Status.

The term “Accountable Event of Loss of Qualified School Construction Bond Status” means (a) any act or any failure to act on the part of the District or the County, which act or failure to act is a breach of a covenant or agreement of the District or the County contained in the District Resolution, the Bond Resolution, the Paying Agent Agreement, the Tax Certificate respecting the issuance of the Qualified School Construction Bonds, or the Qualified School Construction Bonds and which act or failure to act causes the Qualified School Construction Bonds to lose their status, or fail to qualify, as Qualified School Construction Bonds, or (b) the making by the District or the County of any representation contained in the District Resolution, the Bond Resolution, the Paying Agent Agreement, the Tax Certificate or the Qualified School Construction Bonds, which representation was untrue when made and the untruth of which representation at such time causes the Qualified School Construction Bonds to lose their status, or fail to qualify, as Qualified School Construction Bonds under the Code.

“Redemption Premium” means, as calculated by the District (or, at the District’s option, its Designated Investment Banker), the greater of (x) zero and (y) (a) the sum of the present values of the remaining scheduled payments of principal of and Tax Credits related to the Qualified School Construction Bonds to be so redeemed (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of 12 months of 30 days each) at a rate per annum equal to the Treasury Rate, minus (b) the principal amount of the Qualified School Construction Bonds to be so redeemed.

For the purpose of determining the Treasury Rate, the following definitions apply:

“Treasury Rate” means the rate per annum, expressed as a percentage of the principal amount, equal to the semiannual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, assuming that the Comparable Treasury Issue is purchased on the redemption date for a price equal to the Comparable Treasury Price, as calculated by the Designated Investment Banker.

“Comparable Treasury Issue” means the U.S. Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life, as of the redemption date, of the Qualified School Construction Bonds to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life, as of the redemption date, of the Qualified School Construction Bond to be redeemed.

“Comparable Treasury Price” means (a) if the Designated Investment Banker receives at least four Reference Treasury Dealer Quotations, the average of such quotations for the date on which such Qualified School Construction Bonds are to be redeemed, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (b) if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all such quotations.

“Designated Investment Banker” means one of the Reference Treasury Dealers designated by the District.

“Reference Treasury Dealer” means the original underwriter of the Qualified School Construction Bonds, their successors and other firms, as specified by the District from time to time, that are primary U.S. government securities dealers in the City of New York, New York; provided, however, that if any such firm ceases to be such a primary treasury dealer, the District will substitute another primary treasury dealer for such firm.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the third business day preceding the date on which such Qualified School Construction Bonds are to be redeemed.

CAPITAL APPRECIATION BOND ACCRETED VALUE TABLE

[TO COME]

**CONVERTIBLE CAPITAL APPRECIATION BOND
ACCRETED VALUE TABLE**

[TO COME]

APPENDIX B

FORM OF DISTRICT COUNSEL OPINION

**§ _____
BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY , CALIFORNIA)
[TAXABLE] ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES __**

(Introduction)

1. The District is a school district duly organized and existing pursuant to the Constitution and the laws of the State of California.

2. The District Resolution was duly adopted at a meeting of the governing body of the District 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 at the time of adoption.

3. The District Resolution has been duly executed and remains in effect and is valid, binding and enforceable against the District except as limited by bankruptcy, moratorium, reorganization, insolvency or other laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity or otherwise in appropriate cases.

4. To our knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened against the District, which would adversely impact the District's ability to complete the transactions described in and contemplated by the Official Statement, to restrain or enjoin the levy or collection of tax revenues pledged for the Bonds or in any way contesting or affecting the validity of the District Resolution or the Bonds or the transactions described in and contemplated by the Official Statement wherein an unfavorable decision, ruling or finding would adversely affect the validity and enforceability of the District Resolution or the Bonds or in which a final adverse decision could materially adversely affect the operations of the District.

Very truly yours,

APPENDIX C

FORM OF OPINION OF COUNTY COUNSEL

**BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY , CALIFORNIA)**

[TAXABLE] ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES __

(Introduction)

1. The County is a political subdivision duly organized and existing pursuant to the Constitution and the laws of the State of California.

2. The County Resolution was duly adopted at a meeting of the governing body of the County 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 at the time of adoption.

3. The County Resolution has been duly executed and remains in effect and is valid, binding and enforceable against the County except as limited by bankruptcy, moratorium, reorganization, insolvency or other laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity or otherwise in appropriate cases.

4. To our knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened against the County, which would adversely impact the County's ability to complete the transactions described in and contemplated by the Official Statement, to restrain or enjoin the levy or collection of tax revenues pledged for the Bonds or in any way contesting or affecting the validity of the County Resolution or the Bonds or the transactions described in and contemplated by the Official Statement wherein an unfavorable decision, ruling or finding would adversely affect the validity and enforceability of the County Resolution or the Bonds or in which a final adverse decision could materially adversely affect the operations of the County.

5. To our knowledge, the obligations of the County under the Bonds, and the approval of the Official Statement and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the County a breach of or default under any agreement or other instrument to which the County is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the County is subject.

Very truly yours,

County Counsel

EXHIBIT C

FORM OF CURRENT INTEREST BOND

R- _____

\$ _____

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

BEAUMONT UNIFIED SCHOOL DISTRICT
RIVERSIDE COUNTY, CALIFORNIA
ELECTION OF 2008 GENERAL OBLIGATION BOND SERIES _____

INTEREST RATE: **MATURITY DATE:** **DATED DATE:** **CUSIP**
_____ % per annum _____ 1, 20____ _____, 2009 _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ AND NO/100 DOLLARS

The Beaumont Unified School District (the "District") Riverside County, California (the "County"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on _____ 1 and _____ 1 of each year, commencing _____ 1, 2010 (each, a "Bond Payment Date"). This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from its Dated Date; provided, however, that, if at the time of registration of this bond interest with respect hereto is in default, interest with respect hereto shall be payable from the Bond Payment Date to which interest has previously been paid or made available for payment). Principal and interest are payable in lawful money of the United States of America,

without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the register maintained by the Paying Agent, initially Zions National Bank. Principal is payable when due upon presentation and surrender of this bond at the principal office of the Paying Agent. Interest is payable by check mailed by the Paying Agent on each Bond Payment Date to the Registered Owner as shown and at the address appearing on said register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"); provided that a Registered Owner of bonds in the aggregate principal amount of \$1,000,000 or more may request in writing to the Paying Agent that the Registered Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

The bonds of this issue (the "Bonds") are comprised of \$_____ principal amount of Convertible Capital Appreciation Bonds, \$_____ principal amount of Capital Appreciation Bonds and \$_____ principal amount of Current Interest Bonds of which this bond is a part.

The Bonds have been issued in the principal amount of \$_____ to finance the acquisition of land and the construction, equipping, furnishing, reconstruction, rehabilitation and replacement of school facilities and sites under authority of and pursuant to the laws of the State of California, and the requisite fifty-five percent vote of the electors of the District cast at an election held on November 4, 2008, upon the question of issuing bonds in the amount of \$125,000,000 and the resolution of the Board of Education of the District adopted on October 13, 2009 (the "District Resolution") and the resolution of the County Board of Supervisors adopted on _____, 2009 (the "Bond Resolution"). Any capitalized terms not defined herein shall have the meaning set forth in the Bond Resolution. This bond and the issue of which this bond is a part are payable as to both principal and interest from the proceeds of the levy of ad valorem taxes on all property subject to such taxes in the District, which taxes are, under the laws now in force, unlimited as to rate or amount. THE BONDS OF THIS ISSUE ARE GENERAL OBLIGATION BONDS OF THE DISTRICT AND DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY. NO PART OF ANY FUND OF THE COUNTY IS PLEDGED OR OBLIGATED TO THE PAYMENT OF THE BONDS OF THIS ISSUE.

This bond is exchangeable and transferable for Bonds of other authorized denominations at the principal office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District, the County and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer any Bond during a period beginning with the opening of business on the 15th business day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.

The Current Interest Bonds maturing on or before _____ 1, 20____, are not subject to redemption prior to their maturity dates. Any Current Interest Bonds maturing on or after _____ 1, 20____ may be redeemed before maturity at the option of the District, from any source of funds, on any date on or after _____ 1, 20____, as a whole, or in part in such manner as directed by the District and by lot within a maturity if not otherwise directed by the District. For the purposes of such selection, Current Interest Bonds will be deemed to consist of \$5,000 portions, and any such portion may be separately redeemed. Any Current Interest Bonds called prior to maturity will be redeemed at the following redemption prices, expressed as a percentage of the principal amount thereof, together with accrued interest to the date of redemption:

<i>Redemption Date</i>	<i>Redemption Price</i>
_____ 1, _____ and _____ 1, _____	%
_____ 1, _____ and _____ 1, _____	
_____ 1, _____ and thereafter	

The Current Interest Bonds maturing on _____ 1, 20____ are subject to mandatory sinking fund redemption on the following dates and in the following amounts at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the redemption date, without premium:

<i>Year</i> (_____ 1)	<i>Principal Amount To Be Redeemed</i>
---------------------------	--

*

* Final Maturity

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot at the direction of the District by the Paying Agent in such manner as the Paying Agent in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, the Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

The rights and obligations of the County and of the Owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the County in certain cases with the written consent of Owners of at least 60% in aggregate Bond Obligation of the Outstanding Bonds and other bonds issued under the Resolution, exclusive of Bonds, if any, owned by the County and in certain cases without the consent of the Owners as further specified in the Resolution.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the County, the Paying Agent and the Registered

Owners, and the terms and conditions upon which the Bonds are issued and secured. The Registered Owner of this Election of 2008 General Obligation Bond Series __ assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds described herein in order to make them legal, valid and binding general obligation bonds of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting ad valorem property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the Board of Supervisors has caused this Bond to be executed on behalf of the District, by the facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the facsimile signature of the Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

[SEAL]

Chairman of the Board of Supervisors

COUNTERSIGNED:

Clerk of the Board of Supervisors

Treasurer-Tax Collector of the County of Riverside

(FORM OF CERTIFICATE OF AUTHENTICATION)

This bond is one of the Current Interest Bonds described in the Bond Resolution referred to herein, which has been authenticated and registered on _____, 2009.

Zions National Bank, as Paying Agent

By: _____
Its: Authorized Officer

(FORM OF LEGAL OPINION)

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

Clerk of the Board of Supervisors of the County of
Riverside

(FORM OF STATEMENT OF INSURANCE)

[TO COME]

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address, and Tax Identification or Social Security Number of Assignee)

the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor institution.

Note: The signature(s) on this Assignment must correspond with the names as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

FORM OF CAPITAL APPRECIATION BOND

R-___

\$ _____

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

BEAUMONT UNIFIED SCHOOL DISTRICT
RIVERSIDE COUNTY, CALIFORNIA
ELECTION OF 2008 GENERAL OBLIGATION BOND SERIES ___

YIELD
TO MATURITY: *MATURITY DATE:* *DATE OF ISSUANCE:* *CUSIP*
_____ 1, 20__ _____, 2009

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

MATURITY VALUE:

The Beaumont Unified School District (the "District") in Riverside County, California, for value received, promises to pay to the Registered Owner named above, or registered assigns, the Maturity Value on the Maturity Date, each as stated above. Interest due and payable on the Maturity Date consists of interest compounded from the Date of Issuance at the Yield to Maturity specified above to the Maturity Date, assuming that the sum of such compounded interest and the Principal Amount hereof increases in equal daily amounts on the basis of a 360-day year consisting of twelve 30-day months (interest, together with the Principal Amount hereof, being herein called the "Accreted Value"). Accreted Value is payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the register maintained by the Paying Agent, initially Zions National Bank. Accreted Value is payable upon presentation and surrender of this bond at the principal office of the Paying Agent.

The bonds of this issue (the "Bonds") are comprised of \$ _____ principal amount of Current Interest Bonds (each a "Current Interest Bond"), \$ _____ principal amount of

Convertible Capital Appreciation Bonds and Capital Appreciation Bonds (each a "Capital Appreciation Bond") of which this bond is a part, in \$ _____ Principal Amount and \$ _____ Maturity Value.

The Bonds have been issued to finance the construction, equipping, furnishing, reconstruction, rehabilitation and replacement of school facilities and sites under authority of and pursuant to the laws of the State of California, and the requisite fifty-five percent vote of the electors of the District cast at an election held on November 4, 2008, upon the question of issuing bonds in the amount of \$125,000,000 and the resolutions of the Board of Education of the District adopted on October 13, 2009 (the "District Resolution") and the resolution of the Board of Supervisors of the County of Riverside (the "County") adopted on _____, 2009 (the "Bond Resolution"). Any capitalized terms not defined herein shall have the meaning set forth in the Bond Resolution. This bond and the issue of which this bond is a part are payable as to both principal and interest from the proceeds of the levy of ad valorem taxes on all property subject to such taxes in the District, which taxes, under the laws now in force, are unlimited as to rate or amount. **THE BONDS OF THIS ISSUE ARE GENERAL OBLIGATION BONDS OF THE DISTRICT AND DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY. NO PART OF ANY FUND OR MONEYS OF THE COUNTY IS PLEDGED OR OBLIGATED TO THE PAYMENT OF THE BONDS OF THIS ISSUE.**

This bond is exchangeable and transferable for Capital Appreciation Bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the principal office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District, the County and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer this bond during a period beginning with the opening of business on the 15th business day next preceding either the Maturity Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Maturity Date or day on which the applicable notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

The Capital Appreciation Bonds are subject to optional redemption prior to maturity as set forth in the Bond Resolution.

The Capital Appreciation Bonds maturing on _____ 1, 20__ are subject to mandatory sinking fund redemption on the following dates and in the following amounts at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the redemption date, without premium:

Year
(_____)

Principal Amount
To Be Redeemed

The rights and obligations of the County and of the Owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the County in certain cases with the written consent of Owners of at least 60% in aggregate Bond Obligation of the Outstanding Bonds and other bonds issued under the Resolution, exclusive of Bonds, if any, owned by the County and in certain cases without the consent of the Owners as further specified in the Resolution.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the County, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting ad valorem property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due, and for levying and collecting such taxes the full faith and credit of the District are hereby pledged.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the Board of Supervisors has caused this Election of 2008 General Obligation Bond Series ___ to be executed on behalf of the District, in the official capacities and by the facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the facsimile signature of the Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

[SEAL]

COUNTERSIGNED:

By: _____
Chairman of the Board of Supervisors

Clerk of the Board of Supervisors

Treasurer-Tax Collector of the County of
Riverside

CERTIFICATE OF AUTHENTICATION

This bond is one of the Capital Appreciation Bonds described in the Bond Resolution referred to herein, which has been authenticated and registered on _____, 2009.

Zions National Bank, as Paying Agent

By: _____
Its: Authorized Officer

(FORM OF LEGAL OPINION)

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

Clerk of the Board of Supervisors of the County of
Riverside

(FORM OF STATEMENT OF INSURANCE)

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address, and Tax Identification or Social Security Number of Assignee)

the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor institution.

Note: The signature(s) on this Assignment must correspond with the names as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before _____, in which event it will bear interest from the Conversion Date. The Conversion Value hereof and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the register maintained by the Paying Agent, initially Zions National Bank. Accreted Value and redemption premium, if any, are payable upon presentation and surrender of this bond at the principal office of the Paying Agent.

The bonds of this issue (the "Bonds") are comprised of \$_____ principal amount of Current Interest Bonds (each a "Current Interest Bond"), \$_____ principal amount of Capital Appreciation Bonds and Convertible Capital Appreciation Bonds (each a "Convertible Capital Appreciation Bond") of which this bond is a part, in \$_____ Principal Amount and \$_____ Conversion Value.

The Bonds have been issued to finance the construction, equipping, furnishing, reconstruction, rehabilitation and replacement of school facilities and sites under authority of and pursuant to the laws of the State of California, and the requisite fifty-five percent vote of the electors of the District cast at an election held on November 4, 2008, upon the question of issuing bonds in the amount of \$125,000,000 and the resolutions of the Board of Education of the District adopted on October 13, 2009 (the "District Resolution") and the resolution of the Board of Supervisors of the County of Riverside (the "County") adopted on _____, 2009 (the "Bond Resolution"). Any capitalized terms not defined herein shall have the meaning set forth in the Bond Resolution. This bond and the issue of which this bond is a part are payable as to both principal and interest from the proceeds of the levy of ad valorem taxes on all property subject to such taxes in the District, which taxes, under the laws now in force, are unlimited as to rate or amount. **THE BONDS OF THIS ISSUE ARE GENERAL OBLIGATION BONDS OF THE DISTRICT AND DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY. NO PART OF ANY FUND OR MONEYS OF THE COUNTY IS PLEDGED OR OBLIGATED TO THE PAYMENT OF THE BONDS OF THIS ISSUE.**

This bond is exchangeable and transferable for Convertible Capital Appreciation Bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the principal office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District, the County and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer this bond during a period beginning with the opening of business on the 15th business day next preceding either the Maturity Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Maturity Date or day on which the applicable notice of redemption is

given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

The Convertible Capital Appreciation Bonds are subject to optional redemption prior to maturity as set forth in the Bond Resolution.

The Convertible Capital Appreciation Bonds maturing on _____ 1, 20__ are subject to mandatory redemption from moneys in the Debt Service Fund prior to their stated maturity date, at the Accreted Value thereof without premium on each _____ 1 on and after _____ 1, 20__, in the Accreted Value as set forth in the following table:

<i>Year</i> (_____ 1)	<i>Accreted Values</i>
---------------------------	------------------------

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Convertible Capital Appreciation Bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the bonds are issued and secured. The Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

The rights and obligations of the County and of the Owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the County in certain cases with the written consent of Owners of at least 60% in aggregate Bond Obligation of the Outstanding Bonds and other bonds issued under the Resolution, exclusive of Bonds, if any, owned by the County and in certain cases without the consent of the Owners as further specified in the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting ad valorem property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due, and for levying and collecting such taxes the full faith and credit of the District are hereby pledged.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the Board of Supervisors has caused this Bond to be executed on behalf of the District, in the official capacities and by the facsimile signatures of the Chairman of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the facsimile signature of the Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

[SEAL]

COUNTERSIGNED:

By: _____
Chairman of the Board of Supervisors

Clerk of the Board of Supervisors

Treasurer-Tax Collector of the County of
Riverside

CERTIFICATE OF AUTHENTICATION

This bond is one of the Convertible Capital Appreciation Bonds described in the Bond Resolution referred to herein, which has been authenticated and registered on _____, 2009.

Zions National Bank, as Paying Agent

By: _____
Its: Authorized Officer

(FORM OF LEGAL OPINION)

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

Clerk of the Board of Supervisors of the County of
Riverside

(FORM OF STATEMENT OF INSURANCE)

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address, and Tax Identification or Social Security Number of Assignee)

the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor institution.

Note: The signature(s) on this Assignment must correspond with the names as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

PAYING AGENT AND TRANSFER AGENT AGREEMENT

among the

BEAUMONT UNIFIED SCHOOL DISTRICT,

TREASURER-TAX COLLECTOR OF THE
COUNTY OF RIVERSIDE, CALIFORNIA,

and

U.S. BANK NATIONAL ASSOCIATION,
as Paying Agent

Dated as of _____ 1, 2009

Relating to the

\$ _____
BEAUMONT UNIFIED SCHOOL DISTRICT
ELECTION OF 2008 GENERAL OBLIGATION BONDS
QUALIFIED SCHOOL CONSTRUCTION BONDS
SERIES _____,
(TAX CREDIT BONDS)

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PAYING AGENT AND TRANSFER AGENT AGREEMENT

This PAYING AGENT AND TRANSFER AGENT AGREEMENT, dated as of _____, 2009 (the "Agreement"), among U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as paying agent and transfer agent (the "Paying Agent"), the BEAUMONT UNIFIED SCHOOL DISTRICT, a school district duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), and the TREASURER-TAX COLLECTOR OF THE COUNTY OF RIVERSIDE, CALIFORNIA, acting in its official capacity as ex officio treasurer of the District (the "County"),

WITNESSETH:

WHEREAS, a duly called election was held in the Beaumont Unified School District (the "District"), County of Riverside (the "County"), State of California, on November 4, 2008 (the "Election") and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$125,000,000, payable from the levy of an ad valorem tax against the taxable property in the District (the "Authorization");

WHEREAS, at this time this Board of Trustees (the "Board") has determined that it is necessary and desirable to request the Board of Supervisors of the County to issue a first series of such bonds in an aggregate principal amount not to exceed \$_____ to be styled as the "Beaumont Unified School District (Riverside County, California) Election of 2008 General Obligations Bonds, Qualified School Construction Bonds, Series ____ (Tax Credit Bonds)" (the "Bonds") on behalf of the District;

WHEREAS, the American Recovery and Reinvestment Act of 2009 grants a national allocation of \$11 billion to provide for the issuance of qualified school construction bonds, in accordance with the qualified tax credit bond program (the "Tax Credit Program") found in Section 54A of the Internal Revenue Code of 1986, as amended (the "Code"), and \$25,000,000 of said allocation has been granted to the District (the "District Allocation") to provide financing for the construction, reconstruction or repair of public school facilities, or the acquisition of land on which such facilities are to be constructed or equipment to be used in such portion or portions of the public school facilities that are to be constructed with part of the proceeds of such issue; and

WHEREAS, the District has determined that it is in its best interests to use all or a portion of the District Allocation to issue and sell a portion of its Series __ Bonds as a separate series pursuant to the Tax Credit Program designated as the Beaumont Unified School District Election of 2008 General Obligation Bonds, Qualified School Construction Bonds Series _____ (Tax Credit Bonds) (the "Series ____ Bonds", or together with any other Series __ Bonds issued under this Agreement, the "Tax Credit Bonds") in order to finance improvements to school facilities permitted by the Tax Credit Program and the Authorization (the "Project") and to pay costs of issuance of the Series ____ Bonds; and

WHEREAS, the District has further determined that it is in its best interest to provide for the separation of the ownership of the Series ____ Bonds from the entitlement to the tax credits (the "Tax Credits") with respect to such Series ____ Bonds pursuant to the Tax Credit Program, and for the sale of instruments evidencing the Tax Credits (the "Tax Credit Certificates"); and

WHEREAS, the County shall provide for the payment of the principal of and interest on the Bonds by the levy and collection of taxes upon all property in the District subject to taxation by the District without limitation of rate or amount as provided by law, and shall deposit or cause to be deposited such taxes with the Paying Agent to provide for the payment of the Bonds;

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

NOW, THEREFORE, in order to provide for the terms and the payment of the Bonds and the performance and observance by the District and the County of all the covenants, agreements and conditions herein and in the Bonds and the Tax Credit Certificates contained, and in consideration of the mutual covenants and agreements contained herein, and for other valuable consideration, the District, the County and the Paying Agent hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes hereof and of any amendment hereof or supplement hereto and of the Bonds and of any certificate, opinion, request or other document mentioned herein or therein, have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

"Accountable Event of Loss of Qualified School Construction Bond Status" means (a) any act or any failure to act on the part of the District or the County, which act or failure to act is a breach of a covenant or agreement of the District or the County contained in the District Resolution, the County Resolution, this Agreement, the Tax Certificate or the Bonds and which act or failure to act causes the Bonds to lose their status, or fail to qualify, as Qualified School Construction Bonds, or (b) the making by the District or the County of any representation contained in the District Resolution, the County Resolution, this Agreement, the Tax Certificate or the Bonds, which representation was untrue when made and the untruth of which representation at such time causes the Bonds to lose their status, or fail to qualify, as Qualified School Construction Bonds.

"Agreement" means this Paying Agent and Transfer Agent Agreement, dated as of _____, 2009, among the Paying Agent, the County and the District, as the same may be supplemented, modified or amended in accordance with its terms.

"Authorization" means the Authorization approved by voters at the election held in the District, on November 4, 2008, pursuant to Section 15100 and following of the Education Code authorizing the issuance of the Bonds.

“Authorized District Representative” means the Superintendent of the District, the Assistant Superintendent, Business Services or a designated deputy thereof.

“Authorized County Representative” means the Treasurer, any designee of the Treasurer, or any other officer of the County designated by the Board of Supervisors.

“Authorized Denomination” means, with respect to the Series ____ Bonds, \$_____ or any integral multiple thereof, and with respect to any other Series of Bonds, such denomination as shall be set forth in a Supplemental Agreement.

“Board of Supervisors” means the Board of Supervisors of the County of Riverside.

“Board of Trustees” means the Board of Trustees of the Beaumont Unified School District.

“Bonds” or “Tax Credit Bonds” mean the Series ____ Bonds, and any general obligation bonds authorized under the Authorization and issued as Qualified School Construction Bonds hereunder.

“Bond Payment Fund” means the fund established by that name pursuant to Section 5.02 of this Agreement.

“Book-Entry Bonds” means Bonds of any Series registered in the name of the Nominee of a Depository as the owner thereof pursuant to the terms and provisions of Section 2.04 this Agreement.

“Book-Entry Tax Credit Certificates” means Tax Credit Certificates related to any Series of Bonds registered in the name of the Nominee of a Depository as the owner thereof pursuant to the terms and provisions of Section 6.04 this Agreement.

“Building Fund” means the Building Fund of the District administered by the Treasurer, established pursuant to the Education Code and the County Resolution.

“Business Day” means any day other than a Saturday, Sunday, legal holiday or other day on which banking institutions in San Francisco or Riverside, California, or New York, New York, or any state in which the Principal Corporate Trust Office of the Paying Agent is located, are authorized or required by law to close, or any day on which the New York Stock Exchange is closed.

[“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement with respect to the Series ____ Bonds and any other continuing disclosure agreement entered into in connection with a Series of Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.]

“Code” means the Internal Revenue Code of 1986, as amended, and as the same shall be hereafter amended, and any regulations heretofore issued or which shall be hereafter issued by the United States Department of the Treasury thereunder.

“Comparable Treasury Issue” means the U.S. Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life, as of the redemption date, of the Bonds to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of

comparable maturity to the remaining average life, as of the redemption date, of the Tax Credit Bond to be redeemed.

“Comparable Treasury Price” means (a) if the Designated Investment Banker receives at least four Reference Treasury Dealer Quotations, the average of such quotations for the date on which such Bonds are to be redeemed, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (b) if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all such quotations.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to District and related to the authorization, issuance, sale and delivery of a Series of Bonds, including but not limited to costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of the Paying Agent, underwriting fees, legal fees and charges, fees and disbursements of consultants and professionals, rating agency fees, fees and expenses related to any credit enhancement (including without limitation bond insurance) for the Bonds, fees and expenses with respect to the conduct of the election and other proceedings authorizing the issuance of the Bonds, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

“County” means the County of Riverside, California.

“County Resolution” means a resolution of the Board of Supervisors authorizing the issuance of a Series of Bonds, including the Series ____ Bonds County Resolution.

“Date of Loss of Qualified School Construction Bond Status” means the date specified in a Determination of Loss of Qualified School Construction Bond Status as the date from and after which the Bonds lost their status, or failed to qualify, as Qualified School Construction Bonds as a result of an Accountable Event of Loss of Qualified School Construction Bond Status, which date could be as early as the date of issuance of the Bonds.

“Depository” means the securities depository acting as Depository pursuant to Section 2.04 of this Agreement.

“Designated Investment Banker” means one of the Reference Treasury Dealers designated by the District.

“Determination of Loss of Qualified School Construction Bond Status” means (a) a final determination by the Internal Revenue Service (after the District has exhausted all administrative appeal remedies) determining that an Accountable Event of Loss of Qualified School Construction Bond Status has occurred and specifying the Date of Loss of Qualified School Construction Bond Status, or (b) a non-appealable holding by a court of competent jurisdiction holding that an Accountable Event of Loss of Qualified School Construction Bond Status has occurred and specifying the Date of Loss of Qualified School Construction Bond Status.

“District” means the Beaumont Unified School District, located in the County.

“District Resolution” means a resolution of the Board of Trustees authorizing the issuance of a Series of Bonds, including the Series ____ Bonds District Resolution.

“Education Code” means the Education Code of the State of California, as the same shall be hereafter amended.

“Insurer” means any issuer of a bond insurance policy guaranteeing the payment when due of the principal of and interest on a Series of Bonds.

“Debt Service Fund” means the Debt Service Fund of the District administered by the Treasurer, established pursuant to the Education Code and the County Resolution.

“Bond Payment Date” means the Bond Payment Date or dates for any Bonds set forth in a Supplemental Agreement.

“Investment Securities” means:

i. any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed as to full and timely payment by, the United States of America, including obligations of any of the federal agencies and federally sponsored entities set forth in clause (iii) below to the extent unconditionally guaranteed by the United States of America and including interest strips of any such obligations or of bonds issued by the Resolution Funding Corporation and held in book-entry form by the Federal Reserve Bank of New York;

ii. any certificates, receipts, securities or other obligations evidencing ownership of, or the right to receive, a specified portion of one or more interest payments or principal payments, or any combination thereof, to be made on any bond, note, or other obligation described above in clause (i);

iii. obligations of the Fannie Mae Corporation, the Government National Mortgage Association, Farm Credit System Financial Corporation, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation, Tennessee Valley Authority, Washington Metropolitan Area Transit Authority, United States Import-Export Bank, United States Department of Housing and Urban Development, Farmers Home Administration, General Services Administration and United States Maritime Administration;

iv. housing authority bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or project notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

v. obligations of any state, territory or commonwealth of the United States of America or any political subdivision thereof or any agency or department of the foregoing; provided that such obligations are rated in the highest Rating Category by Moody’s and Standard & Poor’s;

vi. any bonds or other obligations of any state of the United States of America or any political subdivision thereof (a) which are not callable prior to maturity or as to which irrevocable instructions have been given to the Paying Agent of such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (b) which are secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or bonds or other obligations of the character described above in

clause (i) or (ii) which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the bond payment dates and the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, (c) as to which the principal of and interest on the bonds and obligations of the character described above in clause (i) or (ii) which have been deposited in such fund along with any cash on deposit in such fund are sufficient to pay the principal of and interest and redemption premium, if any, on the bonds or other obligations described in this clause (vi) on the Bond Payment Dates and the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (vi), as appropriate, and (d) which are rated in the highest long-term Rating Category by Moody's and Standard & Poor's;

vii. demand or time deposits or certificates of deposit, whether negotiable or nonnegotiable, trust funds, trust accounts, interest-bearing deposits, overnight bank deposits, interest-bearing money market accounts or bankers acceptances issued by any bank or trust company (including, without limitation, the Paying Agent or any of its affiliates) organized under the laws of any state of the United States of America or any national banking association (including the Paying Agent or any of its affiliates) or by a state licensed branch of any foreign bank, provided that such certificates of deposit shall be purchased directly from such a bank, trust company, national banking association or branch and shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities and obligations as are described above in clauses (i) through (v), inclusive, which shall have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and shall be lodged with the Paying Agent or third-party agent, as custodian, by the bank, trust company, national banking association or branch issuing such certificates of deposit, and the bank, trust company, national banking association or branch issuing each such certificate of deposit required to be so secured shall furnish the Paying Agent with an undertaking satisfactory to it that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount equal to the principal amount of each such certificate of deposit and the Paying Agent shall be entitled to rely on each such undertaking;

viii. taxable commercial paper or tax-exempt commercial paper rated in the highest Rating Category by Moody's and Standard & Poor's which matures not more than 270 calendar days after the date of purchase;

ix. variable rate obligations required to be redeemed or purchased by the obligor or its agent or designee upon demand of the holder thereof secured as to such redemption or purchase requirement by a liquidity agreement with a corporation and as to the payment of interest and principal either upon maturity or redemption (other than upon demand by the holder thereof) thereof by an unconditional credit facility of a corporation, provided that the variable rate obligations themselves are rated in the highest short-term Rating Category, if any, and in the highest long-term Rating Category, if any, by Moody's and Standard & Poor's, and that the corporations providing the liquidity agreement and credit facility have, at the date of acquisition of the variable rate obligations by the Paying Agent, an outstanding issue of unsecured, uninsured and unguaranteed debt obligations rated in the highest long-term Rating Category by Moody's and Standard & Poor's;

x. any repurchase or reverse-repurchase agreement approved by the District and the County which does not cause the rating on the Bonds to be reduced or withdrawn, or entered into with a financial institution (including, without limitation, the Paying Agent or any of its affiliates) or

insurance company which has at the date of execution thereof an outstanding issue of unsecured, uninsured and unguaranteed debt obligations or a claims paying ability rated (or the parent company of which is rated) in the highest long-term Rating Category by Moody's and Standard & Poor's, which agreement is secured by any one or more of the securities and obligations described in clauses (i), (ii), (iii) or (iv) above, which shall have a market value (exclusive of accrued interest and valued at least weekly) at least equal to one hundred three percent (103%) of the principal amount of such investment and shall be lodged with the Paying Agent or other fiduciary or agent, as custodian, by the provider executing such repurchase agreement, and the provider executing each such repurchase agreement required to be so secured shall furnish the Paying Agent with an undertaking satisfactory to the Paying Agent that the aggregate market value of all such obligations securing each such repurchase agreement (as valued at least weekly) will be an amount equal to one hundred three percent (103%) of the principal amount of each such repurchase agreement and the Paying Agent shall be entitled to rely on each such undertaking;

xi. any cash sweep or similar account arrangement of or available to the Paying Agent, the investments of which are limited to investments described in clauses (i), (ii), (iii), (iv), (v) and (x) of this definition of Investment Securities and any money market fund including money market mutual funds having a rating in the highest investment category granted thereby from Standard & Poor's and Moody's, including, without limitation any mutual fund for which the Paying Agent or an affiliate of the Paying Agent serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Paying Agent or an affiliate of the Paying Agent receives fees from funds for services rendered, (ii) the Paying Agent collects fees for services rendered pursuant to this Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Agreement may at times duplicate those provided to such funds by the Paying Agent or an affiliate of the Paying Agent; provided that as used in this clause (xi) and clause (xii) investments will be deemed to satisfy the requirements of clause (x) if they meet the requirements set forth in clause (x) ending with the words "clauses (i), (ii), (iii) or (iv) above" and without regard to the remainder of such clause (x);

xii. any investment agreement with, or the obligations under which are guaranteed by, a financial institution or insurance company or domestic or foreign bank which has at the date of execution thereof an outstanding issue of unsecured, uninsured and unguaranteed debt obligations or a claims paying ability rated in the highest long-term Rating Category by Moody's and Standard & Poor's, approved by the District and the County and which does not cause the rating on the Bonds to be reduced or withdrawn;

xiii. the County of Riverside Investment Pool;

xiv. the Local Agency Investment Fund or similar pooled fund operated by or on behalf of the State of California and which is authorized to accept investments of moneys held in any of the funds or accounts established pursuant to this Agreement;

xv. commercial paper having, at the time of investment or contractual commitment to invest therein, a rating from Standard & Poor's and Moody's in the highest rating category granter thereby; and

xvi. any other investment approved by the District and the County which does not cause the rating on the Bonds to be reduced or withdrawn.

“Moody’s” means Moody’s Investors Service, a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

“Nominee” shall mean the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.04 of this Agreement.

“Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the District.

“Owner” means, with respect to Bonds, the person in whose name any Bond shall be registered, and, with respect to Tax Credit Certificates, the person in whose name any Tax Credit Certificate shall be registered.

“Paying Agent” means U.S. Bank National Association, which has been appointed as agent of the Treasurer and Tax Collector of the Riverside County to act as paying agent, registrar, and transfer agent with respect to the Bonds, its successors and assigns and any other corporation or association which may at any time be substituted in its place as provided in Section 7.02 hereof.

“Principal Component” means any Bond, the Tax Credits related to which have been separated therefrom pursuant to Article VI of this Agreement.

“Principal Corporate Trust Office” means, unless otherwise specifically noted, any reference to the “principal corporate trust office” of the Paying Agent for purposes of transfer, registration, exchange, payment, and surrender of the Bonds shall mean in care of the corporate trust office of U.S. Bank National Association, in St. Paul, Minnesota, and for all other purposes shall mean the corporate trust office of the Paying Agent in Riverside, California; provided, however, that in any case “principal corporate trust office” shall mean any other office of the Paying Agent designated for a particular purpose, and shall include the principal corporate trust office or other designated office of any successor paying agent.

“Principal Payment Date” means, with respect to the Series ____ Bonds, _____ 15 of each year specified in Section 2.01 hereof and such other date or dates as may be set forth in a Supplemental Agreement with respect to a Series of Bonds.

“Project” means the school facilities improvements authorized by voters of the District under the Authorization and permitted under the Tax Credit Program.

“Qualified School Construction Bond” means a “qualified school construction bond,” as defined in Section 54F of the Code.

“Rating Category” means: (i) with respect to any long-term rating category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier, and (ii) with respect to any short-term or commercial paper rating category, all ratings designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

“Rebate Fund” shall mean the fund by that name established pursuant to Section 5.03.

“Rebate Instructions” shall mean those calculations and directions required to be delivered to the Paying Agent under the Tax Certificate.

“Rebate Requirement” shall mean the Rebate Requirement for a Series of Bonds defined in the Tax Certificate related to such Series of Bonds.

“Record Date” means the fifteenth day of the month prior to an Bond Payment Date, whether or not such day is a Business Day.

“Redemption Date” means the date on which the Bonds or any of them are called for redemption, as provided in Article IV hereof.

“Redemption Premium” means, with respect to the Series ____ Bonds, as calculated by the District (or, at the District’s option, its Designated Investment Banker), the greater of (x) zero and (y) an amount calculated as (a) the sum of the present values of the remaining scheduled payments of principal of and Tax Credits related to the Series ____ Bonds called for redemption (exclusive of interest accrued to the Redemption Date) discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of 12 months of 30 days each) at a rate per annum equal to the Treasury Rate, minus (b) the principal amount of the Series ____ Bonds called for redemption.

“Reference Treasury Dealer” means the original underwriters of the Bonds, their successors and other firms, as specified by the District from time to time, that are primary U.S. government securities dealers in the City of New York, New York; provided, however, that if any such firm ceases to be such a primary treasury dealer, the District will substitute another primary treasury dealer for such firm.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the third business day preceding the date on which such Bonds are to be redeemed.

“Registration Books” means the records maintained by the Paying Agent for the registration of ownership and registration of transfer of the Bonds and the Tax Credit Certificates pursuant to Sections 2.07 and 6.07, respectively, of this Agreement.

“Series” means, whenever used herein with respect to Bonds, all of the Bonds designated as being of the same series, regardless of variations in maturity, interest rate and other provisions.

“Series ____ Bonds” means the Beaumont Unified School District Election of 2008 General Obligation Bonds, Qualified School Construction Bonds Series ____, (Tax Credit Bonds) authorized to be issued pursuant to the Authorization approved by voters of the District on November 4, 2008.

“Series ____ Bonds County Resolution” means the resolution, adopted by the Board of Supervisors on _____, 2009, authorizing the issuance of the Series ____ Bonds

[“Series ____ Bonds Continuing Disclosure Agreement” means the Continuing Disclosure Agreement between the District and _____, as dissemination agent, entered into in connection with the Series ____ Bonds.]

“Series ____ Bonds District Resolution” means the resolution of the Board of Trustees adopted on _____, 2009 authorizing the issuance of the Series ____ Bonds

“Series ____ Bonds Principal Components” means the Principal Components of the Series ____ Bonds.

“Series ____ Bonds Tax Credit Certificates” means the Tax Credit Certificates designated as “Certificates Evidencing Tax Credit Entitlement related to the Beaumont Unified School District Election of 2008 General Obligation Bonds, Qualified School Construction Bonds Series ____, (Tax Credit Bonds)”, executed and delivered in accordance with Article VI of this Agreement.

“Standard & Poor’s” means Standard & Poor’s Ratings Service, a division of The McGraw-Hill Companies, a corporation duly organized and existing under and by virtue of the laws of the State of New York, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “Standard & Poor’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

“Supplemental Agreement” means any agreement hereafter duly executed and delivered, supplementing, modifying or amending this Agreement, but only if and to the extent that such Supplemental Agreement is specifically authorized hereunder.

“Tax Certificate” means a tax certificate concerning certain matters pertaining to the use of proceeds of a Series of Bonds, executed and delivered by the District on the date of issuance of such Series of Bonds, including all exhibits attached thereto, as such certificate may from time to time be modified or supplemented in accordance with the terms thereof.

“Tax Credit” means the entitlement, pursuant to the Tax Credit Program, of a taxpayer to recognize a credit against the tax imposed by Chapter 1 of the Code.

“Tax Credit Allowance Date” means, with respect to any Series of Bonds, each _____ 15, _____ 15, _____ 15, and _____ 15, beginning on the date of issuance of such Series of Bonds and ending on the maturity date thereof, or such of those dates as specified in any Tax Credit Certificate related thereto.

“Tax Credit Certificate” means an instrument evidencing the entitlement of the Owner thereof or of the Owner of the related Bond to a Tax Credit.

“Tax Credit Program” means the program for allocating Tax Credits and authorizing the issuance of Qualified School Construction Bonds promulgated under Sections 54A and 54F of the Code.

“Term Bond” means a Bond subject to mandatory sinking fund redemption prior to its stated maturity date, without a redemption premium, in part by lot, from mandatory sinking fund payments in the amounts and years specified herein or in the Supplemental Agreement relating to such Bond, as applicable.

“Treasurer” means the Treasurer-Tax Collector of the County of Riverside, California.

“Treasury Rate” means the rate per annum, expressed as a percentage of the principal amount, equal to the semiannual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, assuming that the Comparable Treasury Issue is purchased on the redemption date for a price equal to the Comparable Treasury Price, as calculated by the Designated Investment Banker.

“Written Certificate” and “Written Request” mean (a) with respect to the District, a written certificate or written request, respectively, signed in the name of the District by an Authorized Representative of the District, and (b) with respect to the County, a written certificate or written request, respectively, signed in the name of the County by an Authorized Representative of the County. Any such certificate or request may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

ARTICLE II

THE BONDS

Section 2.01 Authorization; Date; Payment of Principal; Denominations. (a) The Series ____ Bonds shall be issued for the purpose of providing funds to pay costs of the Project and to pay Costs of Issuance. The Series ____ Bonds shall be issued by the District and sold by the County under and subject to the terms of District Resolution, the County Resolution, this Agreement and all applicable laws, and shall be designated as the “Beaumont Unified School District Election of 2008 General Obligation Bonds, Qualified School Construction Bonds Series ____, (Tax Credit Bonds),” and shall be in the aggregate principal amount of _____ dollars (\$_____). The Series ____ Bonds are hereby designated as “qualified school construction bonds” for purposes of Section 54F of the Code.

(b) The Series ____ Bonds shall be dated date of their delivery. The Series ____ Bonds shall not bear interest. The Series ____ Bonds shall mature on [_____, 15, 20__].

(c) The principal and any premium of the Series ____ Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the Principal Corporate Trust Office of the Paying Agent, or at such other location as the Paying Agent shall designate. Each payment of principal on the Series ____ Bonds shall include the CUSIP identification number, if any, of the Series ____ Bond with respect to which such payment is made. So long as Cede & Co. or its registered assigns shall be the registered owner of any Series ____ Bonds, payment shall be made thereto by wire transfer as provided in Section 2.04(d) hereof.

(d) The Series ____ Bonds shall be issued as fully registered Bonds, without coupons, in Authorized Denominations.

Section 2.02 Form and Registration of Bonds. (a) The Series ____ Bonds, the Paying Agent’s certificate of authentication and registration, and the form of assignment to appear thereon shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions as permitted or required by this Agreement.

(b) The Series ____ Bonds when issued shall be Book-Entry Bonds, registered in the name of “Cede & Co.,” as nominee of The Depository Trust Company, New York, New York, and

shall be initially issued as one bond, in the principal amount set forth in Section 2.01, including the Tax Credit Certificate related thereto. The Depository Trust Company is hereby appointed depository for the Series ____ Bonds and registered ownership of the Series ____ Bonds may not thereafter be transferred except as provided in Sections 2.04 and 2.05 hereof.

(c) The form and registration provisions applicable to each additional Series of Bonds shall be as set forth in the Supplemental Agreement establishing the terms and provisions of such Series of Bonds.

Section 2.03 Execution and Authentication of Bonds. The Bonds shall be signed by the manual or facsimile signatures of the Chairman of the Board of Supervisors (the "Chair") and of the Treasurer, and countersigned by the manual or facsimile signature of the Executive Officer-Clerk of the Board of Supervisors (the "Clerk") or by a deputy of either of said Clerk or of the Treasurer. The Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.

Only such of the Bonds as shall bear thereon a certificate of authentication and registration in the form given in Exhibit A hereto, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of the Paying Agent shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Agreement.

Section 2.04 Book-Entry System. (a) Unless otherwise provided in a Supplemental Agreement establishing the terms and provisions of a Series of Bonds, each Series of Bonds shall be initially issued and registered as provided in Section 2.02(b) hereof. Any series of Bonds issued hereunder may be Book-Entry Bonds and shall be so designated in the Supplemental Agreement for such series of Bonds. Book-Entry Bonds shall be evidenced by one Bond maturing on each of the maturity dates as set forth in the Agreement providing for the issuance of such Bonds in a Authorized Denominations corresponding to the total principal amount of the Bonds maturing on each maturity date. Each Bond shall be assigned by the underwriter of the bonds a distinctive number or letter or letter and number, and a record of the same shall be maintained by the Paying Agent. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this section (a "substitute depository"); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the District, upon (1) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for The Depository Trust Company (or its successor) because The Depository Trust Company or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of The Depository Trust Company or its successor (or substitute depository or its successor) from its functions as depository, or (2) a determination by the District to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) hereof, upon receipt of the outstanding Bonds by the Paying Agent, together with a Written Request, a new Bond for each Series and maturity shall be executed and delivered pursuant to the procedures described in the third paragraph of Section 2.05 hereof in the aggregate principal amount of the Bonds then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Written Request. In the case of any transfer pursuant to clause (iii) of subsection (a) hereof, upon receipt of the outstanding Bonds by the Paying Agent together with a Written Request, new Bonds shall be executed and delivered in such denominations numbered in the manner determined by the Paying Agent and registered in the names of such persons as are requested in such Written Request, subject to the limitations of Section 2.01 and the receipt of such a Written Request, and thereafter, the Bonds shall be transferred pursuant to the provisions set forth in Section 2.05 of this Agreement; provided, that the Paying Agent shall not be required to deliver such new Bonds within a period of fewer than sixty (60) days.

(c) The County and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof, notwithstanding any notice to the contrary received by the Paying Agent or the County, and the County and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Bonds. Neither the County nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except as the owner of any Bonds.

(d) So long as the outstanding Bonds are registered in the name of Cede & Co. or its registered assigns, the County and the Paying Agent shall cooperate with Cede & Co., as sole holder, or its registered assigns, in effecting payment of the principal of and interest, if any, on the Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available (e.g., by wire transfer) on the date they are due.

Section 2.05 Transfer of Bonds that are not Book-Entry Bonds, or upon Termination of Book-Entry System. In the event that at any time the Bonds shall not be registered in the name of Cede & Co., either upon their original issuance or as a result of the operation of Section 2.04 hereof, then the procedures contained in this Section 2.05 shall apply.

Any Bond may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 2.07 hereof by the person in whose name it is registered, in person or by the duly authorized attorney of such person, upon surrender of such Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Bond or Bonds shall be surrendered for transfer, the designated County officials shall execute (as provided in Section 2.03 hereof) and the Paying Agent shall authenticate and deliver a new Bond or Bonds of the same Series and maturity, for a like aggregate principal

amount and bearing the same rate of interest, if any. The Paying Agent shall require the payment by the Owner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of Bonds shall be required to be made by the Paying Agent during the period from the date on which notice of redemption is given to and including the specified Redemption Date or, with respect to any Bonds that bear current interest, from any Record Date to the following Bond Payment Date.

Section 2.06 Exchange of Bonds. Bonds may be exchanged at the designated office of the Paying Agent, for a like aggregate principal amount of Bonds of other authorized denominations of the same Series, maturity and interest rate, if any. The Paying Agent shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. No exchange of Bonds shall be required to be made by the Paying Agent from the date on which notice of redemption is given to and including the specified Redemption Date, or for Bonds that bear current interest, during the period from any Record Date to and including the following Bond Payment Date.

Section 2.07 Bond Register. (a) The Paying Agent will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as hereinbefore provided.

(b) The Paying Agent shall assign each Bond authenticated and registered by it a distinctive letter or number, or letter and number.

Section 2.08 Mutilated, Destroyed, Stolen or Lost Bonds. In case any Bond shall become mutilated, or shall be believed by the County or the Paying Agent to have been destroyed, stolen or lost, upon proof of ownership satisfactory to the Paying Agent, and upon the surrender of such mutilated Bond at the Principal Corporate Trust Office or upon the receipt of evidence satisfactory to the Paying Agent of such destruction, theft or loss, and upon receipt also of indemnity satisfactory to the County and the Paying Agent, and upon payment by the Owner of all expenses incurred by the County and the Paying Agent, the County shall execute and the Paying Agent shall authenticate and deliver at said office a new Bond or Bonds of the same maturity and for the same aggregate principal amount, of like tenor and date, bearing the same number or numbers, with such notations as the Paying Agent shall determine, in exchange and substitution for and upon cancellation of the mutilated Bond, or in lieu of and in substitution for the Bond so destroyed, stolen or lost.

If any such destroyed, stolen or lost Bond shall have matured or shall have been called for redemption, payment of the amount due thereon may be made by the County or the Paying Agent upon receipt of like proof, indemnity and payment of expenses.

Any such duplicate Bonds issued pursuant to this section shall be entitled to equal and proportionate benefits with all other Bonds issued hereunder. The County and the Paying Agent shall not be required to treat both the original Bond and any duplicate Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and duplicate Bond shall be treated as one and the same.

Section 2.09 Temporary Bonds. Until definitive Bonds shall be prepared, the County may cause to be executed and delivered in lieu of such definitive Bonds and subject to the same provisions, limitations and conditions as are applicable in the case of definitive Bonds, one or more temporary typed, printed, lithographed or engraved Bonds in fully registered form, as may be authorized by the County, substantially of the same tenor and, until exchange for definitive Bonds, entitled and subject to the same benefits and provisions of the County Resolution and this Agreement as definitive Bonds. If the County issues temporary Bonds it will execute and furnish definitive Bonds without unnecessary delay and thereupon the temporary Bonds shall be surrendered to the Paying Agent at the Principal Corporate Trust Office, without expense to the Owner in exchange for such definitive Bonds. All temporary Bonds so surrendered shall be cancelled by the Paying Agent and shall not be reissued.

ARTICLE III

ISSUANCE OF BONDS

Section 3.01 Delivery of Bonds. The Paying Agent is hereby authorized to authenticate and deliver each Series of Bonds, including the Series ____ Bonds, to or upon the Written Request of the County.

Section 3.02 Application of Proceeds of Sale of the Bonds. (a) Upon the receipt from the initial purchaser of the Series ____ Bonds by the County of the purchase price of the Series ____ Bonds (\$_____) the Paying Agent shall authenticate and deliver the Series ____ Bonds Tax Credit Certificates attached thereto as Exhibit A, to the purchaser thereof and the Treasurer shall deposit said amount to the Building Fund established pursuant to the County Resolution.

(b) Upon the delivery of any other Series of Bonds, the proceeds of the sale of such Series of Bonds shall be applied as set forth in the Supplemental Agreement establishing the terms and provisions of such Series of Bonds.

Section 3.03 Issuance of Additional Series of Bonds. (a) The District may from time to time authorize and the County may issue and sell one or more additional Series of Bonds pursuant to the Authorization and the Tax Credit Program. Whenever the District shall determine to issue an additional Series of Bonds, the District and the County shall authorize the execution of a Supplemental Agreement specifying the principal amount, and prescribing the forms of Bonds of such Series and providing the Series designation, terms, conditions, distinctive designation, denominations, methods of numbering, date, maturity date or dates, interest rate or rates (or the manner of determining the same), redemption provisions and place or places of payment of principal or redemption premium, if any, of and interest on such Bonds, and any other provisions respecting the Bonds of such Series.

(b) Before such additional Series of Bonds shall be issued and delivered, the District and the County shall file the following documents with the Paying Agent (upon which documents the Paying Agent may conclusively rely in determining whether the conditions precedent to the issuance of such Series of Bonds have been satisfied): (i) an executed copy of the Supplemental Agreement authorizing such Series, and (ii) an Opinion of Bond Counsel to the effect that the execution of the Supplemental Agreement has been duly authorized by the District and the County in accordance with this Agreement; that such Series of Bonds, when duly executed by the District and authenticated and delivered by the Paying Agent, will be valid and binding obligations of the District; that the issuance

and delivery of such additional Series of Bonds will not, in and of itself, cause any Bonds outstanding not to be Qualified School Construction Bonds under Section 54A of the Code; and that upon the delivery of such Series the aggregate principal amount of Bonds then outstanding will not exceed the amount permitted by the Authorization.

ARTICLE IV

REDEMPTION

Section 4.01 Terms of Redemption of the Series _____ Bonds and the Series _____ Bonds Tax Credit Certificates. (a) No Optional or Mandatory Sinking Fund Redemption. The Series _____ Bonds shall not be subject to optional or mandatory sinking fund redemption prior to their stated maturity date.

(b) Extraordinary Mandatory Redemption from Unexpended Proceeds of the Bonds. The Series _____ Bonds shall be subject to extraordinary mandatory redemption, in whole or in part, on _____ 15, 20__, or, in the event of an extension negotiated with the Internal Revenue Service, on a Tax Credit Allowance Date that occurs on or before _____ 15, 20__, in Authorized Denominations, at a redemption price equal to the principal amount of the Series _____ Bonds called for redemption, in an amount equal to the unexpended proceeds of the sale of the Bonds held by the District, but only to the extent that the District fails to expend all of the proceeds of the Series _____ Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the Internal Revenue Service.

In the event that the ownership of the Series _____ Bonds Tax Credit Certificates has been separated from the ownership of the Series _____ Bonds and registered separately pursuant to Article VI hereof, the Series _____ Bonds Tax Credit Certificates related to the redeemed Series _____ Bonds shall be called for redemption in the same manner as the Series _____ Bonds pursuant to this subsection (b), and the redemption price pursuant to this subsection (b) shall be allocated to the Series _____ Bonds Principal Components and the Series _____ Bonds Tax Credit Certificates in the proportions and values set forth in the redemption value tables attached as Schedule I to the Series _____ Bonds in Appendix A to this Agreement.

(c) Extraordinary Mandatory Redemption Upon a Determination of Loss of Qualified School Construction Bond Status. Upon a Determination of Loss of Qualified School Construction Bond Status, the Series _____ Bonds shall be subject to extraordinary mandatory redemption prior to their fixed maturity date, in whole, on the date designated by the District, which date shall be a date on or prior to the [_____ 15] following the next succeeding _____ after such Determination of Loss of Qualified School Construction Bond Status, at a redemption price equal to (i) the principal amount of the Series _____ Bonds called for redemption, plus (ii) the Redemption Premium, plus (iii) accrued interest on the principal amount of the Series _____ Bonds called for redemption (calculated at the Tax Credit Rate) from the Tax Credit Allowance Date immediately preceding the Redemption Date to the date of redemption.

In the event that the ownership of the Series _____ Bonds Tax Credit Certificates has been separated from the ownership of the Series _____ Bonds and registered separately pursuant to Article VI hereof, the Series _____ Bonds Tax Credit Certificates related to the redeemed Series _____ Bonds shall be called for redemption in the same manner as the Series _____ Bonds pursuant to this subsection (c), and the redemption price pursuant to this subsection (c) shall be allocated to the Series

____ Bonds Principal Components and the Series ____ Bonds Tax Credit Certificates in the proportions set forth in the redemption value tables attached as Schedule I to the Series ____ Bonds in Appendix A to this Agreement.

In addition, in the event that any Tax Credits recognized prior to the Redemption Date are determined to be ineligible as Tax Credits as a result of the Determination of Loss of Qualified School Construction Bond Status, the redemption price shall include an additional amount payable to the owners, as of the applicable Tax Credit Allowance Dates, of the Tax Credit Certificates for such Tax Credits equal to the amount of such Tax Credits, plus interest thereon from the applicable Tax Credit Allowance Date to the date of redemption, at a rate equal to the large corporate underpayment rate determined from time to time by the Internal Revenue Service.

(d) Notice of Redemption. Notice of redemption of any Bonds shall be given by the Paying Agent upon the written request of the County. Notice of any redemption of Bonds shall be mailed postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date (i) by first class mail to the respective Owners thereof and of any related Tax Credit Certificates at the addresses appearing on the bond registration books described in Sections 2.07 and 6.06, and (ii) as may be further required in accordance with the applicable Continuing Disclosure Agreement.

Each notice of redemption shall contain all of the following information:

- (i) the date of such notice;
- (ii) the name of the Bonds and the date of issue of the Bonds;
- (iii) the redemption date;
- (iv) the redemption price, if available;
- (v) the dates of maturity of the Bonds to be redeemed;
- (vi) (if less than all of the Bonds of any maturity are to be redeemed) the distinctive numbers of the Bonds of each maturity to be redeemed;
- (vii) (in the case of Bonds redeemed in part only) the respective portions of the principal amount of the Bonds of each maturity to be redeemed;
- (viii) the CUSIP number, if any, of each maturity of Bonds, or if separated, Principal Components and Tax Credit Certificates, to be redeemed;
- (ix) a statement that such Bonds or, if separated, Principal Components and Tax Credit Certificates, must be surrendered by the Owners at the Principal Corporate Trust Office of the Paying Agent, or at such other place or places designated by the Paying Agent; and
- (x) notice that further interest on such Bonds, if any, will not accrue after the designated redemption date.

Such redemption notices may state that no representation is made as to the accuracy or correctness of the CUSIP numbers provided therein or on the Bonds or the Tax Credit Certificates.

(e) Effect of Notice. A certificate of the Paying Agent or the County that notice of call and redemption has been given to Owners and as may be further required in the applicable Continuing Disclosure Agreement as herein provided shall be conclusive as against all parties. The actual receipt by the Owner of any Bond or Tax Credit Certificate or any other party of notice of redemption shall not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, shall not affect the validity of the proceedings for the redemption of such Bonds or the cessation of interest, if any, on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Bonds called for redemption is set aside for the purpose as described in subsection (g) of this Section, the Bonds designated for redemption shall become due and payable on the specified redemption date and interest, if any, shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Bonds or, if separated, Principal Components and Tax Credit Certificates, at the place specified in the notice of redemption, such Bonds or, if separated, Principal Components and Tax Credit Certificates, shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Bonds so called for redemption after such redemption date shall look for the payment of such Bonds and the redemption premium thereon, if any, only to the Debt Service Fund or the escrow fund established for such purpose. All Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(f) Right to Rescind Notice. Upon oral or written notice from the District that the District has cured the conditions that caused the Bonds to be subject to extraordinary mandatory redemption, the County may rescind any extraordinary mandatory redemption and notice thereof on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the Owners of the Bonds and Tax Credit Certificates so called for redemption, with a copy to the Paying Agent. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Bond or Tax Credit Certificate of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

(g) Funds for Redemption. Prior to or on the redemption date of any Bonds there shall be available in the Debt Service Fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the premiums payable as in this Agreement provided, the Bonds designated in said notice of redemption. Such monies so set aside in the Debt Service Fund or in the escrow fund established for such purpose shall be applied on or after the redemption date solely for payment of principal of and premium, if any, on the Bonds to be redeemed upon presentation and surrender of such Bonds, provided that all monies in the Debt Service Fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the Debt Service Fund of the District, unless otherwise provided for to be paid from an escrow fund established for such purpose. If, after all of the Bonds of a Series have been redeemed and cancelled or paid and cancelled, there are monies remaining in the Debt Service Fund of the District or otherwise held in trust for the payment of redemption price of the Bonds of such Series, said monies shall be held in or returned or transferred to the Debt Service Fund of the District for payment of any outstanding Bonds of the District payable from said fund; provided, however, that if said monies are part of the proceeds of refunding bonds of the District, said monies shall be transferred to the fund created for the payment of principal of and interest on such bonds. If no such refunding bonds of the District are at such time outstanding, said monies shall be transferred to the general fund of the District as provided and permitted by law.

(h) Selection of Bonds for Redemption. The Paying Agent shall effect each mandatory redemption of the Bonds by redeeming pro rata from each registered Owner of a Bond to be redeemed, an amount of such Bonds determined by multiplying the principal amount of the Bonds to be redeemed on the applicable redemption date by a fraction, the numerator of which is the principal amount of the Bonds owned by such registered Owner and the denominator of which is the principal amount of the Bonds outstanding immediately prior to such date of redemption, and then rounding the product down to the next lower integral multiple of \$ _____. The Paying Agent will apply, to the extent possible, any remaining amount of proceeds to redeem such Bonds in Authorized Denominations and will select, by lot, the units to be redeemed from all such registered Owners, which selection shall be conclusive. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Bond to be redeemed shall be in Authorized Denominations and all Bonds to remain Outstanding after any redemption in part shall be in Authorized Denominations. The Tax Credit Certificates related to the Bonds called for redemption shall also be called for redemption.

(i) No Defeasance of Bonds. The Bonds shall not be subject to defeasance, and the District and the County may not pay or discharge all or any portion of the Bonds prior to their stated maturity dates, except pursuant to the extraordinary mandatory redemption provisions of Article IV hereof.

ARTICLE V

PAYMENT OF BONDS

Section 5.01 Establishment and Maintenance of Debt Service Fund. The Treasurer shall establish and maintain a separate fund herein referred to as the "Beaumont Unified School District Election of 2008 General Obligation Bonds Debt Service Fund" or the "Debt Service Fund." All taxes levied to pay Bonds shall be deposited in the Debt Service Fund as required by law. On or prior to the Business Day preceding the date any payment is due in respect of the Bonds, the County will transfer such monies as shall be lawfully available for the payment of the Bonds to the Paying Agent for deposit in the Bond Payment Fund in an amount sufficient to pay the principal of, interest, if any, and premium, if any, on all Bonds outstanding coming due on such payment date.

Section 5.02 Establishment and Application of Bond Payment Fund. The Paying Agent shall establish, maintain and hold in trust a separate fund designated as the "Beaumont Unified School District Qualified School Construction Bonds Bond Payment Fund" (the "Bond Payment Fund"). All amounts in the Bond Payment Fund shall be used and withdrawn by the Paying Agent solely for the purpose of paying principal of, interest, if any, and premium, if any, on the Bonds as it shall become due and payable. On or prior to the Business Day preceding the date any payment is due in respect of the Bonds, the County will cause such monies as shall be lawfully available for the payment of the Bonds to be transferred to the Paying Agent for deposit in the Bond Payment Fund sufficient to pay the principal of, interest, if any, and premium, if any, on all Bonds outstanding coming due on such payment date. In the event that the Paying Agent shall fail to receive an amount sufficient to equal the amount required to be deposited pursuant to this Section 5.02 by the close of business on the Business Day preceding a scheduled Bond Payment Date or Principal Payment Date, the Paying Agent shall promptly notify the County in writing of the amount of such insufficiency by fax or other electronic means of communication acceptable to the County, receipt of which by the County shall be confirmed by the Paying Agent. On the Business Day after each Bond Payment Date and Principal Payment Date, the Paying Agent shall transfer all amounts remaining in the Bond

Payment Fund to the County. When and as paid in full, and following surrender thereof to the Paying Agent, all Bonds shall be cancelled by the Paying Agent, and thereafter they shall be destroyed.

Section 5.03 Rebate Fund. (a) Upon receipt of money to be applied to the Rebate Requirement for a Series of Bonds, the Paying Agent shall establish and maintain a fund separate from any other fund established and maintained hereunder designated as the “_____ Rebate Fund.” Within the Rebate Fund, the Paying Agent shall maintain such accounts as directed in writing by the District. Subject to the transfer provisions provided in paragraph (d) below, all money at any time deposited in the Rebate Fund shall be held by the Paying Agent in trust to the extent required to satisfy the Rebate Requirement, for payment to the federal government of the United States of America, and neither the Paying Agent nor the District nor any Insurer nor the Owner of any Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Agreement and by the applicable Tax Certificate. The District hereby covenants to comply with the directions contained in the applicable Tax Certificate and the Paying Agent hereby covenants to comply with all written instructions of the District delivered to the Paying Agent pursuant to such Tax Certificate (which instructions shall state the actual amounts to be deposited in or withdrawn from the Rebate Fund and shall not require the Paying Agent to make any calculations with respect thereto). The Paying Agent shall be deemed conclusively to have complied with the provisions of this Section 5.03(a) if it follows such instructions received from the District pursuant to the applicable Tax Certificate, and the Paying Agent shall have no liability or responsibility to enforce compliance by the District with the terms of the applicable Tax Certificate nor to make computations in connection therewith.

(b) Pursuant to the applicable Tax Certificate, an amount shall be deposited in the Rebate Fund by the District so that the balance of the amount on deposit thereto shall be equal to the Rebate Requirement. Computations of the Rebate Requirement shall be furnished by the District to the Paying Agent in accordance with the applicable Tax Certificate.

(c) The Paying Agent shall invest all amounts held in the Rebate Fund, pursuant to written instructions of the District, in Investment Securities, subject to the restrictions set forth in the applicable Tax Certificate. Money shall not be transferred from the Rebate Fund except as provided in paragraph (d) below.

(d) Upon receipt of the Rebate Instructions required to be delivered to the Paying Agent by the applicable Tax Certificate, the Paying Agent shall remit part or all of the balances in the applicable Rebate Fund to the United States of America, as so directed. In addition, if the Rebate Instructions so direct, the Paying Agent will deposit moneys into or transfer moneys out of the applicable Rebate Fund from or into such accounts or funds as directed by the Rebate Instructions. Any funds remaining in any Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Requirement, shall be withdrawn and remitted to the District in accordance with a Written Request.

Notwithstanding any other provision of the Agreement, the obligation to remit the Rebate Requirement to the federal government of the United States of America and to comply with all other requirements of this Section 5.03 and the Tax Certificate shall survive the payment in full of the Bonds.

ARTICLE VI

STRIPPING OF THE TAX CREDITS

Section 6.01 Tax Credit Stripping Permitted; Date; Denominations. (a) The District and the County have caused the Bonds to be issued in a form that permits the separation, under the Tax Credit Program, of the ownership of the Bonds from the entitlement of the Owner thereof to the related Tax Credits. At any time, the Owner of a Bond may, by written request to the Paying Agent in the form attached hereto as Appendix B, direct the Paying Agent to authenticate and deliver the Tax Credit Certificates separated from such Bond and endorse and renumber the Principal Component of such Bond.

(b) Upon the receipt of a request pursuant to Section 6.01 hereof, the Paying Agent shall (i) authenticate and deliver to the Owner so requesting, Series ____ Bond Tax Credit Certificates in accordance with Section 6.02, in a notional amount equal to the principal amount of the related Series ____ Bond, and (ii) contemporaneously with the delivery thereof, the Paying Agent shall (x) evidence the Principal Component by executing the legend, entitled "Principal Strip Legend", that appears on the Paying Agent's authentication page for such related Series ____ Bond and (y) assign a new identification number to the Principal Component of such Series ____ Bond that is distinct from the identification number for the original combined Series ____ Bond. The Series ____ Bonds Tax Credit Certificates shall be dated the date of the Series ____ Bonds and shall represent an amount of Tax Credits based upon the notional amount and the applicable rate set forth therein.

(c) The Series ____ Bonds Tax Credit Certificates shall be executed and delivered as fully registered Tax Credit Certificates, in notional amounts corresponding to Authorized Denominations, in an aggregate notional amount equal to the principal amount of the related Series ____ Bonds.

Section 6.02 Form and Registration of Series ____ Bonds Tax Credit Certificates. (a) The Series ____ Bonds Tax Credit Certificates, the Paying Agent's certificate of authentication and registration, and the form of assignment to appear thereon shall be in substantially the form attached as Exhibit A of the Form of Tax Credit Bond in Appendix A of this Agreement, with necessary or appropriate variations, omissions and insertions as permitted or required by this Agreement. The Series ____ Bonds Tax Credit Certificates shall be numbered in consecutive numerical order from TC-1 upwards.

(b) The Series ____ Bonds Tax Credit Certificates, when executed and delivered, shall be Book-Entry Tax Credit Certificates, registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, New York, New York, and shall be delivered initially upon exchange of the related Series ____ Bond and thereafter be exchanged for one Tax Credit Certificate for each Tax Credit Allowance Date for the related Series ____ Bonds, in the notional amount set forth in Section 6.01. The Depository Trust Company is hereby appointed depository for the Book-Entry Tax Credit Certificates and registered ownership of the Book-Entry Tax Credit Certificates may not thereafter be transferred except as provided in Sections 6.04 and 6.05 hereof.

Section 6.03 Execution and Authentication of Tax Credit Certificates. The Series ____ Bonds Tax Credit Certificates shall be signed by the manual or facsimile signatures of the Chairman and of the Treasurer. The Series ____ Bonds Tax Credit Certificates shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.

Only such of the Series ____ Bonds Tax Credit Certificates as shall bear thereon a certificate of authentication and registration in the form given in Exhibit A of the Form of Tax Credit Bond in Appendix A of this Agreement, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of the Paying Agent shall be conclusive evidence that the Series ____ Bonds Tax Credit Certificates so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Agreement.

Section 6.04 Book-Entry System for Tax Credit Certificates. (a) Unless otherwise provided in a Supplemental Agreement establishing the terms and provisions of Tax Credit Certificates related to a Series of Bonds, the Tax Credit Certificates shall be initially executed and delivered and registered as provided in Section 6.02(b) hereof. Registered ownership of the Tax Credit Certificates, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this section (a "substitute depository"); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the District, upon (1) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for The Depository Trust Company (or its successor) because The Depository Trust Company or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of The Depository Trust Company or its successor (or substitute depository or its successor) from its functions as depository, or (2) a determination by the District to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) hereof, upon receipt of the Tax Credit Certificates related to outstanding Bonds by the Paying Agent, together with a Written Request, a new Tax Credit Certificate for the same related Series of Bonds and maturity shall be executed and delivered pursuant to the procedures described in the third paragraph of Section 6.05 hereof in the aggregate principal amount of the Bonds then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Written Request. In the case of any transfer pursuant to clause (iii) of subsection (a) hereof, upon receipt of the Tax Credit Certificates related to outstanding Bonds by the Paying Agent together with a Written Request, new Tax Credit Certificates related to such Bonds shall be executed and delivered in such denominations numbered in the manner determined by the Paying Agent and registered in the names of such persons as are requested in such Written Request, subject to the limitations of Section 6.01 and the receipt of such a Written Request, and thereafter, the Tax Credit Certificates related to such Bonds shall be transferred pursuant to the provisions set forth in Section 6.05 of this Agreement; provided, that the Paying Agent shall not be required to

deliver such new Tax Credit Certificates related to such Bonds within a period of fewer than sixty (60) days.

(c) The County, the District and the Paying Agent shall be entitled to treat the person in whose name any Tax Credit Certificate is registered as the Owner thereof, notwithstanding any notice to the contrary received by the Paying Agent, the District or the County, and the County, the District and the Paying Agent shall have no responsibility for communicating with, notifying, or otherwise dealing with any beneficial owners of the Tax Credit Certificates. Neither the County, the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except as the owner of any Tax Credit Certificates.

(d) So long as the Tax Credit Certificates are registered in the name of Cede & Co. or its registered assigns, the County, the District and the Paying Agent shall cooperate with Cede & Co., as sole holder, or its registered assigns, in effecting payment of the redemption price, if any, of the Tax Credit Certificates by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available (e.g., by wire transfer) on the date they are due.

(e) So long as the Tax Credit Certificates are registered in the name of Cede & Co. or its registered assigns, the Paying Agent shall provide notice to the Depository of the expiration of each Tax Credit Certificate, not less than forty-five (45) days prior to the Tax Credit Allowance Date for such Tax Credit Certificate, in the form included as Appendix C hereto.

Section 6.05 Transfer of Tax Credit Certificates that are not Book-Entry Tax Credit Certificates, or upon Termination of Book-Entry System. In the event that at any time the Tax Credit Certificates shall not be registered in the name of Cede & Co., either upon their original execution and authentication or as a result of the operation of Section 6.04 hereof, then the procedures contained in this Section 6.05 shall apply.

Any Tax Credit Certificate may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 6.07 hereof by the person in whose name it is registered, in person or by the duly authorized attorney of such person, upon surrender of such Tax Credit Certificate to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Tax Credit Certificate or Tax Credit Certificates shall be surrendered for transfer, the designated District and County officials shall execute (as provided in Section 6.03 hereof) and the Paying Agent shall authenticate and deliver a new Tax Credit Certificate or Tax Credit Certificates for the same related Series of Bonds and maturity, and for a like aggregate notional amount. The Paying Agent shall require the payment by the Owner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of Tax Credit Certificates shall be required to be made by the Paying Agent from the date on which notice of redemption is given for the related Series of Bonds to and including the specified Redemption Date or, with respect to a related Series of Bonds that bears current interest, during the period from any Record Date to the following Bond Payment Date.

Section 6.06 Exchange of Tax Credit Certificates. Tax Credit Certificates may be exchanged at the designated office of the Paying Agent, for a like aggregate notional amount of Tax Credit Certificates of other authorized denominations of the same related Series of Bonds, maturity and interest rate, if any. The Paying Agent shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. If the related Bonds bear current interest, no exchange of Tax Credit Certificates shall be required to be made by the Paying Agent during the period from any Record Date to and including the following Bond Payment Date or, regardless of the interest borne by such Bonds, from the date on which notice of redemption is given to and including the specified Redemption Date.

Section 6.07 Tax Credit Certificate Register. (a) The Paying Agent will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient books for the registration and transfer of the Tax Credit Certificates, which shall at all times be open to inspection by the District and the County, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Tax Credit Certificates as hereinbefore provided.

(b) The District shall assign each Tax Credit Certificate authenticated and registered by it a distinctive letter or number, or letter and number.

Section 6.08 Mutilated, Destroyed, Stolen or Lost Tax Credit Certificates. In case any Tax Credit Certificate shall become mutilated, or shall be believed by the District, the County or the Paying Agent to have been destroyed, stolen or lost, upon proof of ownership satisfactory to the Paying Agent, and upon the surrender of such mutilated Tax Credit Certificate at the Principal Corporate Trust Office or upon the receipt of evidence satisfactory to the Paying Agent of such destruction, theft or loss, and upon receipt also of indemnity satisfactory to the District, the County and the Paying Agent, and upon payment by the Owner of all expenses incurred by the District, the County and the Paying Agent, the District and the County shall execute and the Paying Agent shall authenticate and deliver at said office a new Tax Credit Certificate or Tax Credit Certificates of the same maturity and for the same notional amount, of like tenor and date, bearing the same number or numbers, with such notations as the Paying Agent shall determine, in exchange and substitution for and upon cancellation of the mutilated Tax Credit Certificate, or in lieu of and in substitution for the Tax Credit Certificate so destroyed, stolen or lost.

If any such destroyed, stolen or lost Tax Credit Certificate shall have been called for redemption, payment of the amount due thereon may be made by the County or the Paying Agent upon receipt of like proof, indemnity and payment of expenses.

Any duplicate Tax Credit Certificates issued pursuant to this Section shall be entitled to equal and proportionate benefits with all other Tax Credit Certificates issued hereunder. The District, the County and the Paying Agent shall not be required to treat both the original Tax Credit Certificate and any duplicate Tax Credit Certificate as being Outstanding for the purpose of determining any percentage of Tax Credit Certificates Outstanding hereunder, but both the original and duplicate Tax Credit Certificate shall be treated as one and the same.

Section 6.09 Temporary Tax Credit Certificates. Until definitive Tax Credit Certificates shall be prepared, the District and the County may cause to be executed and delivered in lieu of such definitive Tax Credit Certificates and subject to the same provisions, limitations and conditions as are applicable in the case of definitive Tax Credit Certificates, one or more temporary typed, printed,

lithographed or engraved Tax Credit Certificates in fully registered form, as may be authorized by the County, substantially of the same tenor and, until exchange for definitive Tax Credit Certificates, entitled and subject to the same benefits and provisions of the District Resolution, the County Resolution and this Agreement as definitive Tax Credit Certificates. If the District and the County execute and deliver temporary Tax Credit Certificates they will execute and deliver definitive Tax Credit Certificates without unnecessary delay and thereupon the temporary Tax Credit Certificates shall be surrendered to the Paying Agent at the Principal Corporate Trust Office, without expense to the Owner in exchange for such definitive Tax Credit Certificates. All temporary Tax Credit Certificates so surrendered shall be cancelled by the Paying Agent and shall not be redelivered.

ARTICLE VII

COVENANTS OF THE DISTRICT AND THE COUNTY

Section 7.01 Obligation to Levy Taxes For Payment of Bonds; Sinking Fund Deposits. (a) The money for the payment of principal, redemption price, and interest, if any, on the Bonds shall be raised by ad valorem taxation without limitation as to rate or amount (except with respect to certain personal property which is taxable at limited rates) upon all taxable property in the District, and provision shall be made for the levy and collection of such taxes in the manner provided by law, and the County shall cause such money to be transferred to the Paying Agent for payment of the Bonds as provided hereunder.

(b) The County shall, in each fiscal year set forth below, set aside from the tax levied pursuant to this Section 7.01(a) and the Authorization, an amount equal to that portion of the principal amount of the Series ____ Bonds set forth below for deposit in a subaccount established within the Debt Service Fund for the accumulation of funds necessary to pay the Series ____ Bonds at maturity.

Set-Aside Date
(_____)

Set-Aside Amount
\$

Section 7.02 Validity of Bonds. The recital contained in the Bonds that the same are regularly issued pursuant to all applicable laws shall be conclusive evidence of their validity and of compliance with the provisions of the law in their issuance.

Section 7.03 Further Assurances. The District and the County will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Owners all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Agreement.

Section 7.04 Tax Covenants of the District. (a) The District shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue, if such action or inaction would cause the Bonds to not be Qualified School Construction Bonds under Section 54A of the Code. Without limiting the generality of the forgoing, the District shall comply with the instructions and requirements of the Tax Certificate, which is incorporated herein as if fully set forth herein. This covenant shall survive payment in full or defeasance of the Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the County under the County Resolution, or held by the Paying Agent under this Agreement, the District shall so instruct the County or the Paying Agent, as applicable, in writing, and the County and the Paying Agent shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provisions of this Section, if the District shall provide to the Paying Agent an opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required in order for the Bonds to be Qualified School Construction Bonds under Section 54A of the Code, the Paying Agent may conclusively rely on such opinion in complying with the requirements of this Section, and the covenants hereunder shall be deemed to be modified to that extent.

Section 7.05 Tax Covenants of the County. (a) The County shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue, if such action or inaction would cause the Bonds to not be Qualified School Construction Bonds under Section 54A of the Code. Without limiting the generality of the forgoing, the County shall comply with the instructions and requirements of the Tax Certificate, which is incorporated herein as if fully set forth herein. This covenant shall survive payment in full or defeasance of the Bonds.

(b) In the event that at any time the County is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Paying Agent under this Agreement, the County shall so instruct the Paying Agent, in writing, and the Paying Agent shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provisions of this Section, if the District shall provide to the Paying Agent an opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required in order for the Bonds to be Qualified School Construction Bonds under Section 54A of the Code, the Paying Agent may conclusively rely on such opinion in complying with the requirements of this Section, and the covenants hereunder shall be deemed to be modified to that extent.

Section 7.06 Continuing Disclosure Covenant. Upon the issuance of any Series of Bonds requiring an undertaking regarding continuing disclosure under Securities and Exchange Commission Rule 15c2-12, the District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement executed and delivered in connection with such Series of Bonds. Notwithstanding any other provision of this Agreement, failure of the District to comply with the Continuing Disclosure Agreement shall not be considered

an event of default hereunder; provided that any Owner or Beneficial Owner (as defined below) may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this section. For purposes of this section, "Beneficial Owner" means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

ARTICLE VIII

THE PAYING AGENT

Section 8.01 Appointment; Acceptance. U.S. Bank National Association, is hereby appointed Paying Agent and hereby accepts and agrees to perform the duties and obligations of the Paying Agent, registrar and transfer agent specifically imposed upon it by this Agreement, and no implied duties shall be read into this Agreement against the Paying Agent.

Section 8.02 Resignation, Removal, Replacement of Paying Agent. The Paying Agent may at any time resign by giving written notice to the District of such resignation, whereupon the District shall promptly appoint a successor Paying Agent by the resignation date. Resignation of the Paying Agent will be effective forty-five (45) days after notice of the resignation is given as stated above or upon appointment of a successor Paying Agent, whichever first occurs. The District may at any time remove the Paying Agent and any successor Paying Agent by an instrument given in writing. After removal or receiving a notice of resignation of the Paying Agent, the District may appoint a temporary Paying Agent or temporarily assume the duties of the Paying Agent to replace the former Paying Agent until the District appoints a successor Paying Agent. Any such temporary Paying Agent so appointed by the District shall immediately and without further act be superseded by the successor Paying Agent upon the appointment of and acceptance thereof by such successor.

The Paying Agent is hereby authorized to pay or redeem the Bonds when duly presented for payment at maturity, or on prior redemption, and to cancel all Bonds upon payment thereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Bonds paid and discharged.

Any Paying Agent appointed under the provisions of this Section in succession to the Paying Agent shall be a trust company, bank or corporation having the powers of a trust company having (or, if such trust company, bank or corporation is a member of a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least seventy-five million dollars (\$75,000,000), in good standing and subject to supervision or examination by federal or state authority. If such bank or trust company, corporation or bank holding company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this paragraph the combined capital and surplus of such bank, trust company or corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Paying Agent shall cease to be eligible in accordance with the provisions of this paragraph, the Paying Agent shall resign immediately in the manner and with the effect specified in this Section.

Section 8.03 Accounting Records. The Paying Agent shall keep proper books of record and accounts containing complete and correct entries of all transactions relating to the receipt, investment, disbursement, allocation and application of the moneys related to the Bonds, including

moneys derived from or to be used to make payments on the Bonds. Such records shall specify the account or fund to which each investment (or portion thereof) held by the Paying Agent is to be allocated and shall set forth, in the case of each investment security, (a) its purchase price, (b) identifying information, including par amount, coupon rate, and payment dates, (c) the amount received at maturity or its sale price, as the case may be, including accrued interest, (d) the amounts and dates of any payments made with respect thereto, and (e) the dates of acquisition and disposition or maturity. Such books of record and account shall be available for inspection by the District during the Paying Agent's normal business hours and under reasonable circumstances.

Section 8.04 Merger or Consolidation. Any company or bank into which the Paying Agent may be merged or converted or with which it may be consolidated or any company or bank resulting from any merger, conversion or consolidation to which it shall be a party or any company or bank to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such company or bank shall be eligible under Section 7.01, shall be the successor to such Paying Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 8.05 Protection of Paying Agent. The Paying Agent hereby agrees, provided sufficient immediately available funds have been provided to it for such purpose by or on behalf of the District, to use the funds deposited with it hereunder in the Bond Payment Fund solely for payment of the principal of and interest on the Bonds as the same shall become due or become subject to earlier redemption. The Paying Agent shall not be responsible for: (i) the application or handling by the District of any moneys transferred to or pursuant to any Request or Requisition of the District in accordance with the terms and conditions hereof; (ii) any error or omission by the District in making any computation or giving any instruction pursuant to Section 5.03 hereof, or (iii) the construction, operation or maintenance of the Project by the District. The Paying Agent shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

Section 8.06 Reliance on Documents, Etc.

(a) The Paying Agent may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Paying Agent by the District.

(b) The Paying Agent shall not be liable for any error of judgment made in good faith. The Paying Agent shall not be liable for other than its gross negligence or willful misconduct in connection with any act or omission hereunder.

(c) No provision of this Agreement shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(d) The Paying Agent may rely, or be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, facsimile transmission, electronic mail, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent need not examine the ownership of any Bond, but is protected in acting upon receipt of

Bonds containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Owner or agent of the Owner.

(e) The Paying Agent may consult with counsel, and the advice of such counsel or any Opinion of Counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by it hereunder in good faith and reliance thereon.

(f) The Paying Agent may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys and shall not be responsible for the acts or omissions of such agents or attorneys appointed by it with due care.

(g) The Paying Agent shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Paying Agent.

(h) The Paying Agent shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, entitlement order, approval or other paper or document. Anything in this Agreement to the contrary notwithstanding, in no event shall the Paying Agent be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Paying Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

(i) The Paying Agent agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Paying Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the District or the County elects to give the Paying Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Paying Agent in its discretion elects to act upon such instructions, the Paying Agent's understanding of such instructions shall be deemed controlling. The Paying Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Paying Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District and the County agree to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Paying Agent, including without limitation the risk of the Paying Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 8.07 Recitals of District. The recitals contained herein and in the Bonds shall be taken as the statements of the District, and the Paying Agent assumes no responsibility for their correctness.

Section 8.08 Paying Agent May Own Bonds. The Paying Agent, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent for the Bonds.

Section 8.09 Investment of Funds and Accounts; Money Held by Paying Agent; Unclaimed Monies. All moneys in any of the funds and accounts held by the Paying Agent and established pursuant to this Agreement shall be invested solely in Investment Securities pursuant to a Written Request of the District. All Investment Securities shall, as directed by the District in writing, be acquired subject to the limitations set forth in Section 6.04, the limitations as to maturities hereinafter in this Section set forth and such additional limitations or requirements consistent with the foregoing as may be established by Written Request and not inconsistent with the duties of the Paying Agent hereunder. If and to the extent the Paying Agent does not receive investment instructions from the District with respect to the moneys in the funds and accounts held by the Paying Agent pursuant to this Agreement, such moneys shall be held invested and the Paying Agent shall thereupon immediately request written investment instructions from the District for such moneys.

Moneys in the funds and accounts created hereunder shall be invested in Investment Securities maturing or available on demand not later than the date on which it is estimated that such moneys will be required by the Paying Agent.

All interest, profits and other income received from the investment of moneys in any fund or account shall remain in that fund or account, unless the District shall direct that such earnings be transferred to the Rebate Fund. All interest, profits and other income received from the investment of moneys in the Rebate Fund shall be retained in the Rebate Fund, except as provided in Section 6.04.

The Paying Agent may not commingle any of the funds or accounts established pursuant to this Agreement, and all funds or accounts held by the Paying Agent hereunder shall be accounted for separately as required by this Agreement. The Paying Agent or any of its affiliates may act as principal or agent in the making or disposing of any investment and, with the prior written consent of the District, may impose its customary charge therefor. The Paying Agent may, upon consultation with the District, sell or present for redemption, any Investment Securities so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Investment Security is credited, and the Paying Agent shall not be liable or responsible for any loss resulting from such investment or redemption.

The Paying Agent shall also provide to the District, in accordance with a Written Request of the District, with respect to each Investment Security such documentation as is reasonably available to the Paying Agent and is required by the Code or other applicable law to be obtained by the District as evidence to establish that each investment has been acquired and disposed of on an established market in arm's-length transactions at a price equal to its fair market value and with no amounts having been paid to reduce the yield on the investments, or shall be United States Treasury Obligations-State and Local Government Series as set forth in the Tax Certificate. The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grants the District the right to receive brokerage confirmations of security

transactions as they occur at no additional cost, the District specifically waives receipt of such confirmations to the extent permitted by law. The Paying Agent will furnish the District monthly cash transaction statements which include detail for all investment transactions made by the Paying Agent hereunder and all account balances held by the Paying Agent.

Any money held in any fund created pursuant to this Agreement, or held by the Paying Agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Bonds and remaining unclaimed for two years (subject to applicable escheat law) after the principal of all of the Bonds has become due and payable (whether by maturity or upon prior redemption), during which period the Paying Agent shall hold such funds without liability for interest, shall be transferred and applied to the payment of any outstanding general obligation bonds of the District; or, if no such general obligation bonds of the District are at such time outstanding, said monies shall be transferred to the general fund of the District as provided and permitted by law.

Section 8.10 Other Transactions. The Paying Agent may engage in or be interested in any financial or other transaction with the District.

Section 8.11 Interpleader. The Paying Agent may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in a court of competent jurisdiction. The Paying Agent has the right to file an action in interpleader in any court of competent jurisdiction to determine the rights of any person claiming any interest herein.

Section 8.12 Payment; Indemnification. The District shall pay the reasonable fees and expenses of the Paying Agent (including reasonable fees and disbursements of its counsel and other agents) incurred in and about the performance of its powers and duties under this Agreement. The District, to the extent permitted by law, shall indemnify the Paying Agent, its officers, directors, employees, and agents ("Indemnified Parties") for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the Paying Agent's acceptance or administration of the Paying Agent's duties hereunder or under the Bonds (except any loss, liability or expense to be attributable to the Paying Agent's gross negligence or willful misconduct), including without limitation the cost and expense (including its counsel fees and disbursements, including the allocated costs and disbursements of internal counsel) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement. The provisions of this Section 7.10 shall survive termination of this Agreement and shall continue for the benefit of any Paying Agent after its resignation or removal as Paying Agent hereunder.

ARTICLE IX

MISCELLANEOUS

Section 9.01 Amendment, Modification, Waiver. This Agreement may be supplemented by a Supplemental Agreement to provide for issuance of an additional Series of Bonds pursuant to the provisions set forth in Section 3.04. This Agreement may also be amended by a Supplemental Agreement executed by the parties hereto, provided, that no amendment, modification or waiver of any provision of this Agreement nor consent to any departure by the parties hereto shall in any event be effective unless the same shall be in writing and signed by such parties, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 9.02 Notices. Unless otherwise specified herein, all notices, statements, orders, requests or other communications hereunder by any party to another shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, or if given by fax, electronically, or other means of written communication and confirmed by mail:

If to the District: Beaumont Unified School District
 500 Grace Avenue
 Beaumont, CA 92223
 Attn: Superintendent

If to the County: Treasurer-Tax Collector
 Riverside County
 Executive Office
 4080 Lemon Street, 4th Floor
 Riverside, CA 92502

If to the Paying Agent: U.S. Bank National Association

 Attn: Corporate Trust Services

If to the Depository: The Depository Trust Company
 Electronic only: redemptionnotification@dtcc.com

Section 9.03 Governing Law; Procedure in Case of Default. This Agreement shall be construed and governed in accordance with the laws of the State of California. The procedure to be used in case of default shall be in accordance with the laws of the State of California.

Section 9.04 Counterparts. This Agreement may be signed in several counterparts, each of which will constitute an original, but all of which shall constitute one and the same instrument.

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

BEAUMONT UNIFIED SCHOOL DISTRICT

By _____
Authorized Officer

TREASURER-TAX COLLECTOR OF THE
COUNTY OF RIVERSIDE, CALIFORNIA

By _____
Authorized Officer

U.S. BANK NATIONAL ASSOCIATION, as Paying
Agent

By _____
Authorized Officer

APPENDIX A

[FORM OF TAX CREDIT BOND]

Number UNITED STATES OF AMERICA Maturity Value
R- _____ STATE OF CALIFORNIA \$ _____
COUNTY OF RIVERSIDE

BEAUMONT UNIFIED SCHOOL DISTRICT
ELECTION OF 2008 GENERAL OBLIGATION BONDS,
QUALIFIED SCHOOL CONSTRUCTION BOND
SERIES _____
(TAX CREDIT BOND)

THE BEAUMONT UNIFIED SCHOOL DISTRICT AND THE COUNTY OF RIVERSIDE HAVE DESIGNATED THIS BOND AS A QUALIFIED SCHOOL CONSTRUCTION BOND WITHIN THE MEANING OF SECTION 54F OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

Maturity Date Tax Credit Rate Date as of CUSIP No.
_____, _____ _____% _____, 2009 _____

Registered Owner: Cede & Co.
Principal Sum: _____ DOLLARS

The Beaumont Unified School District, County of Riverside, State of California (herein called the "District"), for value received hereby acknowledges itself obligated to and promises to pay, but only from taxes collected by the County of Riverside (the "County") for such purpose pursuant to Section 15250 of the Education Code of the State of California, to the registered owner identified above or registered assigns, on the maturity date set forth above, the principal sum specified above (the "Principal Component" or "Maturity Value") in lawful money of the United States of America. This Bond shall not bear interest. This Bond is a Tax Credit Bond issued as a "Qualified School Construction Bond" as defined in Section 54F of the Internal Revenue Code of 1986, as amended (the "Code") and is composed of the Principal Component and Tax Credit components evidenced by the tax credit certificate (the "Tax Credit Certificate") attached hereto as Exhibit A, the ownership of which may be separated from the Principal Component. So long as the ownership of the Tax Credit component of this Bond has not been separated from the ownership of the Principal Component of this Bond, the owner of this Bond may be eligible to receive tax credits determined based on the Tax Credit Rate set forth above in accordance with Section 54A of the Code as described in the Tax Credit Certificate.

The principal hereof is payable to the registered owner hereof upon the surrender hereof at the designated corporate trust office of U.S. Bank National Association as the initial paying agent, registrar and transfer agent of the District (herein called the "Paying Agent"), appointed pursuant to a Paying Agent and Transfer Agent Agreement, dated as of _____, 2009 (the "Paying Agent Agreement") by and among the District, the County and the Paying Agent. So long as Cede & Co. or its registered assigns shall be the registered owner of this Bond, payment shall be made by

wire transfer through The Depository Trust Company ("DTC") as provided in the Paying Agent Agreement.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), amounting in the aggregate to \$ _____ and designated as "Beaumont Unified School District Election of 2008 General Obligation Bonds, Qualified School Construction Bonds Series _____, (Tax Credit Bonds)" (the "Bonds"). The Authorization that authorized the issuance of \$125,000,000 of bonds of the District, including the Bonds, was approved by a vote of at least fifty-five percent (55%) of the voters voting at an election duly and legally called, held and conducted in the District on November 4, 2008. The Bonds are issued and sold by the Board of Supervisors of the County of Riverside, State of California, pursuant to and in strict conformity with the provisions of the Constitution and laws of said State, a resolution (herein called the "Resolution") adopted by said Board of Supervisors on _____, 2009, the Paying Agent Agreement and a Bond Purchase Contract executed by the District, the County and the underwriters of the Bonds on _____, 2009.

The Bonds are issuable as fully registered bonds without coupons in the denomination of \$ _____ principal amount or any integral multiple thereof, provided that no Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Paying Agent Agreement, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same series, tenor, and maturity of other Authorized Denominations.

This Bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at the designated corporate trust office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Paying Agent Agreement, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of Authorized Denominations of the same series, tenor, maturity and same aggregate principal amount will be issued to the transferee in exchange herefor.

The County, the District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, and the County, the District and the Paying Agent shall not be affected by any notice to the contrary.

The Bonds are not subject to optional or mandatory sinking fund redemption prior to maturity.

The Bonds shall be subject to extraordinary mandatory redemption, in whole or in part, on _____, _____, or, in the event of an extension negotiated with the Internal Revenue Service, on a Tax Credit Allowance Date that occurs on or before _____, _____, in authorized denominations, at a redemption price equal to the principal amount of the Bonds called for redemption, in an amount equal to unexpended proceeds of the sale of the Bonds held by the District, but only to the extent that the District fails to expend all of the proceeds of the Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the Internal Revenue Service.

Upon a Determination of Loss of Qualified School Construction Bond Status, the Series _____ Bonds shall be subject to extraordinary mandatory redemption prior to their fixed maturity date, in

whole on the date designated by the District, which date shall be a date on or prior to the January 15 following the next succeeding _____ after such Determination of Loss of Qualified School Construction Bond Status, at a redemption price equal to (i) the principal amount of the Bonds called for redemption, plus (ii) the Redemption Premium, plus (iii) accrued interest on the principal amount of the Bonds called for redemption (calculated at the Tax Credit Rate) from the Tax Credit Allowance Date immediately preceding the Redemption Date to the date of redemption.

In addition, in the event that any Tax Credits recognized prior to the date of redemption are determined to be ineligible as Tax Credits as a result of the Determination of Loss of Qualified School Construction Bond Status, the redemption price shall include an additional amount payable to the owners, as of the applicable Tax Credit Allowance Dates, of the Tax Credit Certificates for such Tax Credits equal to the amount of such Tax Credits, plus interest thereon from the applicable Tax Credit Allowance Date to the date of redemption, at a rate equal to the large corporate underpayment rate determined from time to time by the Internal Revenue Service.

In the event that the ownership of the Tax Credit Certificates has been separated from the ownership of the Bonds and registered separately pursuant to the Paying Agent Agreement, the Tax Credit Certificates related to the redeemed Bonds shall be called for redemption in the same manner as the Bonds, and the redemption price shall be allocated to the Principal Components of the Bonds and the Tax Credit Certificates in the proportions set forth in the Table of Redemption Values for Tax Credits and Principal Strips attached hereto as Schedule I.

In reliance upon the representations, certifications and declarations of the District, the Board of Supervisors hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond; and that this Bond is in substantially the form prescribed by order of the Board of Supervisors duly made and entered on its minutes. The Bonds represent an obligation of the District payable out of the Debt Service Fund of the District, and the money for the payment of principal of, premium, if any, and redemption price hereof, shall be raised by taxation upon the taxable property of the District.

This bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF the Board of Supervisors of the County of Riverside has caused this BEAUMONT UNIFIED SCHOOL DISTRICT ELECTION OF 2008 GENERAL OBLIGATION BONDS, QUALIFIED SCHOOL CONSTRUCTION BOND SERIES ____, (TAX CREDIT BOND), to be signed by its Chair and by the Treasurer-Tax Collector of the County, and to be countersigned by the Clerk of said Board, as of the date set forth above.

[specimen-not for signature]

Chairman of the Board of Supervisors
County of Riverside

[specimen-not for signature]

Treasurer-Tax Collector
County of Riverside

[specimen-not for signature]

Executive Officer-Clerk
of the Board of Supervisors

PAYING AGENT'S CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This is one of the BEAUMONT UNIFIED SCHOOL DISTRICT ELECTION OF 2008 GENERAL OBLIGATION BONDS, QUALIFIED SCHOOL CONSTRUCTION BOND SERIES _____, (TAX CREDIT BOND), described in the within-mentioned Resolution and Paying Agent Agreement and authenticated and registered on _____, 2009.

U.S. BANK NATIONAL ASSOCIATION, as Paying
Agent/Registrar and Transfer Agent

[specimen-not for signature]

Authorized Officer

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

PRINCIPAL STRIP LEGEND

If the ownership of the Principal Component of this Bond is separated from the ownership of the related Tax Credit Certificates the following legend shall be applied to this Bond to evidence that it is a Principal Strip and a new identification number shall be applied to the resulting Principal Strip that is distinct from the identifying number for the original Bond.

[This is a PRINCIPAL COMPONENT ONLY of one of the BEAUMONT UNIFIED SCHOOL DISTRICT Election of 2008 General Obligation Bonds, QUALIFIED SCHOOL CONSTRUCTION BOND SERIES _____, (TAX CREDIT BOND), described in the within-mentioned Resolution and Paying Agent Agreement and the registered owner of this Principal Strip is not entitled to the related Tax Credits associated with the Bond or the payment of any redemption price allocable to the Tax Credit Certificates related to the Bond of which this is the Principal Component only. The undersigned has duly authenticated and registered this Principal Strip on _____.]

U.S. BANK NATIONAL ASSOCIATION, as Paying
Agent/Registrar and Transfer Agent

[specimen-not for signature]

Authorized Officer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name, address and social security or other identifying number of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the within Bond in every particular, without alteration or enlargement or any change whatsoever.

EXHIBIT A

Certificate Number
TC- _____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

Notional Amount
\$ _____

BEAUMONT UNIFIED SCHOOL DISTRICT
ELECTION OF 2008 GENERAL OBLIGATION BONDS,
QUALIFIED SCHOOL CONSTRUCTION BOND
SERIES _____,
(TAX CREDIT BOND)

Sale Date of Related Bonds Issuance Date of Related Bonds Maturity Date of Related Bonds Applicable Tax Credit Rate CUSIP No. of Related Bonds
_____, _____, _____, _____ % _____

<u>Tax Credit Allowance Date</u>	<u>CUSIP No. (if stripped from Related Bonds Base:</u>	<u>Tax Credit Allowance Date</u>	<u>CUSIP No. (if stripped from Related Bonds Base:</u>	<u>Tax Credit Allowance Date</u>	<u>CUSIP No. (if stripped from Related Bonds Base:</u>	<u>Tax Credit Allowance Date</u>	<u>CUSIP No. (if stripped from Related Bonds Base:</u>

Dated: _____, 2009

Registered Owner: Cede & Co.

Notional Amount of
this Certificate: _____ DOLLARS

This certificate evidences the entitlement of the registered owner identified above or registered assigns to the credit (the "Tax Credit"), under Section 54A of the Internal Revenue Code of 1986, as amended (the "Code"), against the tax imposed by Chapter 1 of the Code ("Chapter 1"), with respect to the Beaumont Unified School District Election of 2008 General Obligation Bonds, Qualified School Construction Bonds Series _____, (Tax Credit Bonds) (the "Related Bonds"), designated as qualified school construction bonds pursuant to Section 54F of the Code by the Beaumont Unified School District, County of Riverside, State of California (the "District") and the County of Riverside, California (the "County", and together with the District, the "Issuer"). This certificate evidences the Tax Credit component of the Related Bonds and the obligation of the District to maintain the status of the Related Bonds as qualified school construction bonds under the Code.

"Tax Credit Allowance Date" means each _____ 15, _____ 15, _____ 15, and _____ 15, beginning on the date of issuance of the Related Bonds and

ending on the maturity date thereof or such of those dates as are specified in the table on the cover page of this Tax Credit Certificate.

The holder hereof on the Tax Credit Allowance Dates specified above shall be allowed a credit against the tax imposed by Chapter 1 in an amount equal to twenty five percent (25%) of the annual credit determined with respect to the Related Bonds, being the product of: (1) the applicable tax credit rate set forth above (the "Applicable Rate"), and (2) the outstanding face amount of the Related Bonds (the "Notional Amount").

This certificate is executed and delivered in conjunction with and as a component part of the Related Bonds and, together with other similar certificates relating to the Bonds, designated as "Certificates Evidencing Tax Credit Entitlement related to the Beaumont Unified School District Election of 2008 General Obligation Bonds, Qualified School Construction Bonds Series ____, (Tax Credit Bonds)" (the "Tax Credit Certificates"). The Authorization that authorized the issuance of \$125,000,000 of bonds of the District, including the Related Bonds, was authorized by a vote of at least fifty-five percent (55%) of the voters voting at an election duly and legally called, held and conducted in the District on November 4, 2008. The Certificates are executed and delivered by the Board of Supervisors of the County and the Board of Trustees, pursuant to and in strict conformity with the provisions of the Constitution and laws of said State, a resolution of the Board of Trustees, adopted on _____, _____, and a resolution (herein called the "Resolution") adopted by the Board of Supervisors of the County on _____, _____, and subject to the more particular terms specified in a Bond Purchase Contract, executed by the District, the County and the underwriters of the Related Bonds on _____, 2009, and the Paying Agent and Transfer Agent Agreement, dated as of _____, 2009 (the "Paying Agent Agreement"), by and among the District, the County and U.S. Bank National Association, as the initial paying agent, registrar and transfer agent of the District (herein called the "Paying Agent").

The Tax Credit Certificates are subject to registration, transfer and exchange as provided in and subject to the terms and provisions of the Paying Agent Agreement.

The Related Bonds shall be subject to extraordinary mandatory redemption, in whole or in part, on [_____, _____], or, in the event of an extension negotiated with the Internal Revenue Service, on a Tax Credit Allowance Date that occurs on or before [_____, _____], in authorized denominations, at a redemption price equal to the principal amount of the Bonds called for redemption, in an amount equal to unexpended proceeds of the sale of the Related Bonds held by the District, but only to the extent that the District fails to expend all of the proceeds of the Related Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the Internal Revenue Service.

Upon a Determination of Loss of Qualified School Construction Bond Status, the Related Bonds shall be subject to extraordinary mandatory redemption prior to their fixed maturity date, in whole on the date designated by the District, which date shall be a date on or prior to the [_____] following the next succeeding [_____] after such Determination of Loss of Qualified School Construction Bond Status, at a redemption price equal to (i) the principal amount of the Related Bonds called for redemption, plus (ii) the Redemption Premium, plus (iii) accrued interest on the principal amount of the Related Bonds called for redemption (calculated at the Tax Credit Rate) from the Tax Credit Allowance Date immediately preceding the Redemption Date to the date of redemption.

In addition, in the event that any Tax Credits recognized prior to the date of redemption are determined to be ineligible as Tax Credits as a result of the Determination of Loss of Qualified School Construction Bond Status, the redemption price shall include an additional amount payable to the owners, as of the applicable Tax Credit Allowance Dates, of the Tax Credit Certificates for such Tax Credits equal to the amount of such Tax Credits, plus interest thereon from the applicable Tax Credit Allowance Date to the date of redemption, at a rate equal to the large corporate underpayment rate determined from time to time by the Internal Revenue Service.

In the event that the ownership of the Tax Credit Certificates has been separated from the ownership of the Related Bonds and registered separately pursuant to the Paying Agent Agreement, the Tax Credit Certificates related to the redeemed Related Bonds shall be called for redemption in the same manner as the Related Bonds, and the redemption price shall be allocated to the Principal Components of the Related Bonds and the Tax Credit Certificates in the proportions set forth in the Table of Redemption Values for Tax Credits and Principal Strips attached hereto as Schedule I.

The District and the County hereby certify and declare that all acts, conditions and things required by law to be done or performed precedent to and in the execution and delivery of this Tax Credit Certificate have been done and performed in strict conformity with the laws authorizing the execution and delivery of this Tax Credit Certificate; and that this Tax Credit Certificate is in substantially the form prescribed by order of the Board of Supervisors duly made and entered on its minutes.

The District shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue, if such action or inaction would cause the Related Bonds to not be qualified school construction bonds under Section 54F of the Code. Without limiting the generality of the forgoing, the Issuer shall comply with the instructions and requirements of the Tax Certificate of the District (the "Tax Certificate"). Notwithstanding any provisions of this paragraph, if the District shall provide to the County an opinion of Bond Counsel that any specified action required under the Tax Certificate is no longer required or that some further or different action is required in order for the Related Bonds to be qualified school construction bonds under Section 54F of the Code, the County may conclusively rely on such opinion in complying with the requirements of this paragraph and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

This Certificate shall not be entitled to any benefit or be valid for any purpose unless signed by manual or facsimile signature of an authorized signatory of the County and an authorized signatory of the District and authenticated by the manual signature of a duly authorized officer of the Paying Agent.

IN WITNESS WHEREOF the Board of Supervisors of the County of Riverside has caused this CERTIFICATE EVIDENCING TAX CREDIT ENTITLEMENT RELATED TO THE BEAUMONT UNIFIED SCHOOL DISTRICT ELECTION OF 2008 GENERAL OBLIGATION BONDS, QUALIFIED SCHOOL CONSTRUCTION BOND SERIES ____, (TAX CREDIT BOND), to be signed by the Treasurer-Tax Collector of the County and the Superintendent as of the date set forth above.

[specimen-not for signature]

Treasurer-Tax Collector
County of Riverside

[specimen-not for signature]

Superintendent
Beaumont Unified School District

PAYING AGENT'S CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This is one of the CERTIFICATES EVIDENCING TAX CREDIT ENTITLEMENT RELATED TO THE BEAUMONT UNIFIED SCHOOL DISTRICT ELECTION OF 2008 GENERAL OBLIGATION BONDS, QUALIFIED SCHOOL CONSTRUCTION BOND SERIES _____, (TAX CREDIT BOND), described in the within-mentioned Resolution and Paying Agent Agreement and authenticated and registered on _____, 2009.

U.S. BANK NATIONAL ASSOCIATION, as Paying
Agent/Registrar and Transfer Agent

[specimen-not for signature]

Authorized Officer

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

SCHEDULE I

TABLE OF REDEMPTION VALUES FOR TAX CREDITS AND PRINCIPAL STRIPS

APPENDIX B

FORM OF TAX CREDIT STRIP REQUEST

To: [via email] _____@usbank.com

Re: Certificates Evidencing Tax Credit Entitlement related to the Beaumont Unified School District Election of 2008 General Obligation Bonds, Qualified School Construction Bonds Series _____, (Tax Credit Bonds)

The undersigned, _____, hereby certifies as follows:

1. I am the Registered Owner of (or, with respect to Book-Entry Bonds, the DTC Participant for) Beaumont Unified School District Election of 2008 General Obligation Bonds, Qualified School Construction Bonds Series _____, (Tax Credit Bonds) (the "Bonds"), in the principal amount set forth in the attached Schedule I hereto.

2. Pursuant to the provisions Article VI of that certain Paying Agent and Transfer Agent Agreement, dated as of _____, 2009 (the "Agreement"), among Beaumont Unified School District, the County of Riverside, California, and U.S. Bank National Association, as paying and transfer agent (the "Paying Agent"), I hereby request the separation of the Tax Credit Certificates from the Bonds identified in Paragraph 1 above and direct the Paying Agent to take such necessary action in connection therewith as set forth in Article VI of the Agreement.

Capitalized terms used but not defined herein shall have the meanings set forth in the Agreement. The form of this Tax Credit Strip Request may be modified or amended in the sole discretion of the Paying Agent.

Dated: _____.

By: _____

SCHEDULE I

IDENTIFICATION OF TAX CREDIT BONDS TO BE STRIPPED

Withdrawal:	Amount (dollars):	Participation Number:
Original CUSIP		
Deposits:		
Strip CUSIP		
TAX Credit Strips		

APPENDIX C

FORM OF TAX CREDIT CERTIFICATE EXPIRATION NOTICE TO DTC

To: The Depository Trust Company – via email only to: redemptionnotification@dtcc.com
Re: Certificates Evidencing Tax Credit Entitlement related to the Beaumont Unified School District Election of 2008 General Obligation Bonds, Qualified School Construction Bonds Series ____, (Tax Credit Bonds)

Expiration/Total Redemption:

NOTICE IS HEREBY GIVEN that the amounts of Tax Credit Certificates identified below by the CUSIP number shall expire on _____ 15, 20__, the applicable Tax Credit Allowance Date, in full with no value.

<u>Expiration Date</u>	<u>Price:</u>	<u>Rate:</u>	<u>Amount:</u>	<u>CUSIP</u>
_____ 15, 20__	ZERO	ZERO	ZERO	_____

For purposes of DTC records, the expiration of the Tax Credit Certificates is considered a redemption of the securities, and the Tax Credit Certificates identified herein are being called for redemption at no principal amount or accrued interest. On the expiration date the position in this CUSIP must be cancelled. No further Tax Credits will be offered.

Dated: [45 days prior to Expiration Date/Tax Credit Allowance Date]

U.S. BANK NATIONAL ASSOCIATION, as Paying Agent

Authorized Representative