

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



952

FROM: Executive Office


SUBMITTAL DATE:
November 12, 2009

SUBJECT: FY 2009-10 Teeter Notes

RECOMMENDED MOTION: That the Board approve Resolution 2009-310 supplementing its Master Teeter Resolution, and providing for the terms and conditions of additional series B Teeter Plan obligations and Series C Teeter Plan obligations

BACKGROUND: Approval of Resolution No. 2009-310 provides for the financing of the FY 2009-10 Teeter Obligations, estimated at \$257.7 million, utilizing the existing Commercial Paper (CP) Offering Program. This amount includes \$163 million in FY 08-09 delinquencies and the refunding of approximately \$94.7 million of prior years' property taxes that are still delinquent.


The current Bank of Nova Scotia Letter of Credit (LOC) for the Teeter Program CP has a total capacity to fund approximately \$186 million of delinquencies. The FY 09-10 Teeter Program exceeds the LOC amount by approximately \$85.5 million. It is being recommended that the \$85.5 million be sold as Series C Notes on the open market with no enhancements, assuming the notes receive favorable ratings, otherwise it is anticipated that the Treasurers Pooled Investment Fund would purchase the notes as it did last year.


Jerry Norris
Principal Management Analyst

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 6,692,500	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	No
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	09-10

SOURCE OF FUNDS: Teeter Tax Loss Reserve Fund	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: 
Dean Deines

County Executive Office Signature

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD
 DATE: 11/17/09
 BY: DALE A. GARDNER
 FORM APPROVED COUNTY COUNSEL
 DEPT RECOMM.: Policy Policy
 PER EXEC. OFC.: Consent Consent

3.36

RESOLUTION NO. 2009-310

OF

THE COUNTY OF RIVERSIDE

**SUPPLEMENTING ITS
MASTER TEETER RESOLUTION, AND
PROVIDING FOR THE TERMS AND CONDITIONS OF
ADDITIONAL SERIES B TEETER PLAN OBLIGATIONS
AND SERIES C TEETER PLAN OBLIGATIONS**

ADOPTED ON NOVEMBER 24, 2009

FORM APPROVED COUNTY COUNSEL
BY *Dale A. Gardner* *11/17/09*
DALE A. GARDNER DATE

TABLE OF CONTENTS

	Page
ARTICLE I AUTHORITY FOR SUPPLEMENTAL RESOLUTIONS; DEFINITIONS	3
1.01 Authority For This Resolution.....	3
1.02 Definitions	3
ARTICLE II AUTHORIZATION OF DEMAND OBLIGATION	6
2.01 Authorization of Demand Obligation.....	6
ARTICLE III EXTENSION OF SERIES B TEETER OBLIGATION PLEDGE.....	7
3.01 Pledge of Series B Taxes	7
ARTICLE IV AUTHORIZATION AND ISSUANCE OF ADDITIONAL SERIES B NOTES	7
4.01 Authorization of Additional Series B Notes.....	7
4.02 Dealers	7
ARTICLE V AUTHORIZATION AND ISSUANCE OF ADDITIONAL SERIES C NOTES	8
5.01 Authorization and Issuance of Teeter Obligation Notes, Series C; Application of Proceeds.....	8
5.02 Description of Series C Notes	8
5.03 Sale of Series C Notes	10
5.04 Payment of Principal of and Interest on the Series C Notes from General Fund.....	10
5.05 Form of Series C Note	11
5.06 Execution and Authentication of Series C Notes	11
5.07 Registration, Exchange and Transfer.....	11
5.08 Defeasance of Series C Notes.....	14
5.09 Fiscal Agent.....	15
5.10 Official Statement for Series C Notes	15
5.11 Continuing Disclosure	15
ARTICLE VI MISCELLANEOUS	16
6.01 Accounting.....	16
6.02 Additional Actions.....	16
6.03 Effectiveness; Master Teeter Resolution to Remain in Effect	16
6.04 Partial Invalidity	16

TABLE OF CONTENTS
(continued)

	Page
6.05 Law Governing.....	17
EXHIBIT A FORM OF SERIES C FIXED RATE NOTE.....	A-1
EXHIBIT B FORM OF SERIES C INDEX NOTE.....	B-1
EXHIBIT C FORM OF SERIES C POOL RATE NOTE	C-1

RESOLUTION NO. 2009-310

**RESOLUTION OF THE COUNTY OF RIVERSIDE
SUPPLEMENTING ITS MASTER TEETER RESOLUTION,
AND PROVIDING FOR THE TERMS AND CONDITIONS OF
ADDITIONAL SERIES B TEETER PLAN OBLIGATIONS
AND SERIES C TEETER PLAN OBLIGATIONS**

WHEREAS, the Board of Supervisors (the "Board") of the County of Riverside (the "County") has adopted a resolution pursuant to Section 4702 of the California Revenue and Taxation Code, and has thereby elected to follow the procedure for distributing Property Tax levies set forth in Chapter 3 of Part 8 of Division 1 of the California Revenue and Taxation Code, consisting of Sections 4701 through 4717 (the "Law"); and

WHEREAS, the Board elected, pursuant to Section 4702.5 of the Law, to include certain assessments in the procedures authorized under the Law; and

WHEREAS, pursuant to Section 4705 of the Law, for each year in which allocations of taxes and assessments are to be made in accordance with the Law, the amount of taxes and assessments for each fund for which the tax levy has been included is to be apportioned to the credit of each such fund, and the Board shall provide moneys in the County Treasury which shall be available to be drawn on to the extent of the amount of uncollected taxes and assessments credited to each such fund for which a tax levy or an assessment has been included; and

WHEREAS, on July 29, 1997, pursuant to Resolution No. 97-203, as ratified, confirmed and modified by Resolution No. 97-298 adopted on November 4, 1997 (together, the "Master Teeter Resolution") the Board authorized an issuance of Series A Obligations and Series B Obligations in the form of Series A Notes and Series B Notes, respectively; and

WHEREAS, the Master Teeter Resolution contemplated that Series A Obligations and Series B Obligations could be increased to include an amount sufficient to refund any Demand Obligation relating to any fiscal year ending after June 30, 1997, as specified in a Supplemental Resolution; and

WHEREAS, pursuant to Resolution No. 98-283, adopted on August 18, 1998, the Board authorized Series A Obligations and Series B Obligations to refund a Demand Obligation relating to the fiscal year ended June 30, 1998; and

WHEREAS, pursuant to Resolution No. 99-385, adopted on September 7, 1999, the Board authorized Series A Obligations and Series B Obligations to refund a Demand Obligation relating to the fiscal year ended June 30, 1999; and

WHEREAS, pursuant to Resolution No. 2000-277, adopted September 26, 2000, the Board authorized Series B Obligations to refund a Demand Obligation relating to the fiscal year ended June 30, 2000; and

FORM APPROVED COUNTY COUNSEL
BY [Signature] DATE 11/17/09
DALE A. GARDNER

WHEREAS, pursuant to Resolution No. 2001-290, adopted September 11, 2001, the Board authorized Series B Obligations to refund a Demand Obligation relating to the fiscal year ended June 30, 2001; and

WHEREAS, pursuant to Resolution No. 2002-363, adopted October 8, 2002, the Board authorized Series B Obligations to refund a Demand Obligation relating to the fiscal year ended June 30, 2002; and

WHEREAS, pursuant to Resolution No. 2003-495, adopted October 21, 2003, the Board authorized Series B Obligations to refund a Demand Obligation relating to the fiscal year ended June 30, 2003; and

WHEREAS, pursuant to Resolution No. 2004-496, adopted October 26, 2004, the Board authorized Series B Obligations to refund a Demand Obligation relating to the fiscal year ended June 30, 2004; and

WHEREAS, pursuant to Resolution No. 2005-493, adopted November 29, 2005, the Board authorized Series B Obligations to refund a Demand Obligation relating to the fiscal year ending June 30, 2005 and to refund Outstanding Series B Notes; and

WHEREAS, pursuant to Resolution No. 2006-405 adopted October 17, 2006, the Board authorized Series B Obligations to refund a Demand Obligation relating to the fiscal year ending June 30, 2006 and to refund Outstanding Series B Notes; and

WHEREAS, pursuant to Resolution No. 2007-479, adopted October 30, 2007, the Board authorized Series B Obligations to refund a Demand Obligation relating to the fiscal year ending June 30, 2007 and to refund Outstanding Series B Notes; and

WHEREAS, pursuant to Resolution No. 2008-486, adopted November 18, 2008, the Board authorized Series B Obligations and Series C Obligations to refund a Demand Obligation relating to the fiscal year ending June 30, 2008 and to refund Outstanding Series B Notes; and

WHEREAS, the County wishes to include within the definition of Series B Taxes all uncollected property taxes and assessments attributable to the fiscal year ending June 30, 2009; and

WHEREAS, the County wishes to issue a Demand Obligation relating to delinquencies in property taxes and assessments attributable to the fiscal year ending June 30, 2009 and to issue Series B Notes (the "Additional Series B Notes"), the proceeds of which are to be used to refund the Demand Obligation and to refund Outstanding Series B Notes and Prior Series C Notes; and

WHEREAS, the County wishes to confirm that the security interest and pledge granted in favor of Holders of Series B Notes and the Bank pursuant to Section 302 of the Master Teeter Resolution extends to such Series B Taxes and secures the Additional Series B Notes;

WHEREAS, the County wishes to issue additional Series C Notes (the "Series C Notes"), payable solely from the General Fund, the proceeds of which are to be used to refund Outstanding Series C Notes; and

WHEREAS, Citigroup Global Markets Inc. and Barclays Capital Inc. (the "Underwriters") have agreed to submit an offer to purchase the Series C Notes pursuant to the terms and provisions of a purchase contract, which shall be substantially in the form of the contract of purchase presented to this meeting (the "Purchase Contract"); and

WHEREAS, a preliminary official statement (the "Preliminary Official Statement") describing the Series C Notes will be distributed to potential purchasers of the Notes; and

WHEREAS, this Board has been presented with the form of the Purchase Contract, Preliminary Official Statement and Continuing Disclosure Certificate, hereinafter referred to, relating to the Series C Notes, and the Board has examined and desires to approve, authorize and direct the execution of such documents and the issuance of the Series C Notes; and

NOW, THEREFORE, IT IS RESOLVED and ordered by the Board as follows:

ARTICLE I

AUTHORITY FOR SUPPLEMENTAL RESOLUTIONS; DEFINITIONS

1.01 Authority For This Resolution. This resolution supplements and amends the Master Teeter Resolution and is entered into pursuant to Article VII of the Master Teeter Resolution.

1.02 Definitions.

(a) Except as otherwise provided herein all terms defined in the Master Teeter Resolution shall have the same meanings when used in this Supplemental Resolution as are given in Section 101 of the Master Teeter Resolution, except for the following terms which shall read as follows:

"Authorized Denomination" means (i) for any Index Note, \$25,000, or any multiple thereof, (ii) for any Fixed Rate Note, \$5,000 or any multiple thereof, and (iii) for any Pool Rate Note, \$100,000 and integral multiples of \$1,000 in excess thereof.

"Authorized Representatives" means, for purposes of this Supplemental Resolution, the Treasurer and the County Executive Officer and their designees.

"Business Day" means any day other than a Saturday, a Sunday, a State of California holiday or any other day on which banks located in California or New York are authorized or required by executive order or law to remain closed, or on which the New York Stock Exchange is closed.

“Date of Delivery” means the first date from which a Series C Note bears interest, which shall be the date of its initial issuance and delivery.

“Fixed Rate Note” means a Series C Note bearing a fixed rate of interest from and after its Date of Delivery until its Maturity Date.

“Index Note” means a Series C Note bearing interest at the SIFMA Index Note Rate or the LIBOR Index Note Rate until its Maturity Date or, if earlier, its Redemption Date, if any.

“Index Note Calculation Period” for any Index Note means the period from and including each Interest Payment Date for the Index Note to but excluding the next succeeding Interest Payment Date for the Index Note; provided that the first Index Note Calculation Period shall mean the period from and including the first Thursday after the Date of Delivery for the Index Note (or from the Date of Delivery, if it is a Thursday) to but excluding the first Interest Payment Date.

“Index Note Reset Date” means each Thursday (whether or not such day is a Business Day), commencing on the Date of Delivery, if it is a Thursday, or the first Thursday after the Date of Delivery.

“Interest Payment Date” means (i) for any Index Notes, the first Business Day of each calendar month and the applicable Maturity Date; (ii) for any Fixed Rate Notes, the applicable Maturity Date, (iii) for any Pool Rate Notes, each April 1, July 1, October 1 and January 1, commencing April 1, 2010 and (iv) the Redemption Date for any Series C Notes.

“LIBOR Factor” means a percentage determined by any Authorized Representative at the time of the sale of any Index Notes bearing interest at a LIBOR Index Note Rate.

“LIBOR Index” means the annualized interest rate for deposits denominated in U.S. Dollars for each LIBOR Index Maturity as posted by the British Bankers' Association which appears on Bloomberg as of 11:00 A.M., London time, on each Index Note Reset Date. “Bloomberg” means the display entitled “British Bankers Association LIBOR Rates” that currently appears after entering “BBAM1” into a Bloomberg terminal (or such other page as may replace the page “British Bankers Association LIBOR Rates” for the purpose of displaying London interbank offered rates of major banks on that service or such other service or services as may be nominated by the British Bankers' Association for the purpose of displaying London interbank offered rates for U.S. Dollar deposits). If the LIBOR Index as described above is not available, the LIBOR Index means the rate for deposits in U.S. Dollars for each LIBOR Index Maturity which appears on Bloomberg as of 11:00 a.m., London time, on the Business Day next preceding the Index Note Reset Date. The LIBOR Index as so determined shall be effective for each one-week period from the Index Note Reset Date until the next Wednesday.

“LIBOR Index Maturity” means a period of one week, two weeks, one month or any multiple of one month as designated by any Authorized Representative at the time of the sale of Index Notes bearing a LIBOR Index Note Rate.

“LIBOR Index Note Rate” means a per annum rate equal to the LIBOR Index Rate multiplied by the LIBOR Factor applied on the basis of the actual number of days in the Index Note Calculation Period divided by 365, all as calculated by any Authorized Representative from time to time.

“LIBOR Index Rate” means, in respect of the Index Note Calculation Period, a per annum rate equal to the weighted arithmetic average of the LIBOR Index in effect for each day in the Index Note Calculation Period, calculated by multiplying each such LIBOR Index by the number of days such LIBOR Index is in effect, determining the sum of such products and dividing such sum by the number of days in the Index Note Calculation Period.

“London Banking Day” means any day on which dealings in deposits in U.S. Dollars are transacted in the London interbank market.

“Maturity Date” means the final maturity date for the Series C Notes as determined by any Authorized Representative, but in no case later than December 15, 2010.

“Pool Rate Note” means a Series C Note held by the County Treasury Pool.

“Pool Rate Note Purchaser” means the Treasurer on behalf of the County Treasury Pool.

“Prior Series C Notes” means the notes issued pursuant to Article V of Resolution No. 2008-486, adopted on November 18, 2008.

“Record Date” means (i) with respect to Fixed Rate Notes, the close of business on the 15th day prior to the Interest Payment Date, and (ii) with respect to Index Notes, the close of business on the Business Day prior to the Interest Payment Date.

“Redemption Date” means the date fixed for redemption of any Series C Note as determined by any Authorized Representative pursuant to Section 5.02(e) hereof.

“Series B Letter of Credit” means the letter of credit issued by The Bank of Nova Scotia, acting through its New York Agency, pursuant to the Reimbursement Agreement with the County, dated as of November 1, 2007.

“Series B Taxes” means (i) the right to collect any uncollected property taxes due to the County and the other Revenue Districts for the fiscal years ended June 30, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008 and 2009 and such other fiscal years, if any, as may be specified in a Supplemental Resolution, (ii) all amounts received by the County upon the sale of property to recover such property taxes or assessments, and (iii) all amounts received by the County upon the redemption of properties for sale or previously sold to recover such property taxes or assessments, in each case to which the County is entitled, including as a consequence of electing to being governed by the Law, and in each case following the allocation by the County of the receipts of property taxes and assessments between the Revenue Districts and those public districts within the County which have not agreed that the Law shall apply to them; provided, however, that Series B Taxes shall not include (i) the right to collect delinquencies in property taxes due to an Independent District for all fiscal

years prior to the fiscal year in which the respective Independent District agreed (pursuant to Section 4715 of the Law) that the Law shall apply to it, (ii) Default Penalties, (iii) interest or Redemption Penalties, (iv) costs and fees paid pursuant to Section 4102(d) and 4112 of the Taxation Code and (v) installment payments made pursuant to Section 4217 et. seq. of the Taxation Code with respect to properties otherwise subject to Series A/B Taxes. Series B Taxes shall not include Series A Taxes or Other Taxes.

“Series C Notes” means the notes issued pursuant to Article V of this Supplemental Resolution.

“SIFMA Index” means (i) the Securities Industry and Financial Markets Association Municipal Swap Index, produced by Municipal Market Data, as available on each Wednesday prior to each Index Note Reset Date; (ii) if the Securities Industry and Financial Markets Municipal Swap Index is not available on the Wednesday prior to any Index Note Reset Date, the Standard & Poor’s J.J. Kenny Weekly High Grade Index (Index #1) as available on the Wednesday prior to that Index Note Reset Date, provided, that with respect to clauses (i) and (ii), if any Wednesday is not a Business Day, the SIFMA Index shall be determined on the next succeeding Business Day; and (iii) if neither of the indexes described in clauses (i) and (ii) is available for any week, the SIFMA Index will be the SIFMA Index determined pursuant to clause (i) or (ii) above for the next preceding Index Note Reset Date. The SIFMA Index as so determined shall be effective for each one-week period from the Index Note Reset Date until the next Wednesday.

“SIFMA Index Note Rate” means a per annum rate equal to the SIFMA Index Rate plus or minus the SIFMA Margin applied on the basis of the actual number of days in the Index Note Calculation Period divided by 365, all as calculated by any Authorized Representative from time to time.

“SIFMA Index Rate” means, in respect of the Index Note Calculation Period, a per annum rate equal to the weighted arithmetic average of the SIFMA Index in effect for each day in the Index Note Calculation Period, calculated by multiplying each such SIFMA Index by the number of days such SIFMA Index is in effect, determining the sum of such products and dividing such sum by the number of days in the Index Note Calculation Period.

“SIFMA Margin” means the number of basis points (which may be zero) determined by any Authorized Representative at the time of sale of Index Notes bearing interest at a SIFMA Index Note Rate, which will be added to or subtracted from the SIFMA Index in calculating the SIFMA Index Note Rate.

ARTICLE II

AUTHORIZATION OF DEMAND OBLIGATION

2.01 Authorization of Demand Obligation. The County shall evidence its obligation to make distributions to Revenue Districts pursuant to the Law in respect of property taxes and assessments attributable to the fiscal year ending June 30, 2009, through the issuance of a Demand Obligation in the principal amount of such distributions. In all respects, the terms

and conditions of issuance of such Demand Obligation shall be governed by Article II of the Master Teeter Resolution to the extent the same relates to the Series B Obligations.

ARTICLE III

EXTENSION OF SERIES B TEETER OBLIGATION PLEDGE

3.01 Pledge of Series B Taxes. All Series B Taxes as defined in this Supplemental Resolution shall be governed by the provisions of Section 302 of the Master Teeter Resolution, the security interest and pledge created pursuant to said Section 302 shall hereby extend to Series B Taxes as defined in this Supplemental Resolution, and such security interest and pledge shall hereby extend in favor of Holders of (a) the Demand Obligation referred to in Section 2.01 hereof and issued hereunder, (b) Series B Notes authorized and issued hereunder, and (c) any Credit Provider Obligations relating to Obligations referred to in clauses (a) and (b) above, in all cases on a parity with each other and with the security interest and pledge in favor of Holders of other Series B Obligations. The foregoing pledge shall not apply to the Holders of Series C Notes.

ARTICLE IV

AUTHORIZATION AND ISSUANCE OF ADDITIONAL SERIES B NOTES

4.01 Authorization of Additional Series B Notes. The Board hereby determines that the County shall issue, as Series B Obligations, Additional Series B Notes, provided that the aggregate principal amount (as described in Section 203(1)(a) of the Master Teeter Resolution) of Series B Notes to be issued hereunder and outstanding shall not exceed an aggregate principal amount of \$186,000,000, and the proceeds shall be applied to the refunding, in whole or in part, of the Demand Obligation and Outstanding Series B Notes and Prior Series C Notes. The Additional Series B Notes shall be issued in accordance with, and subject to the conditions and limitations for Additional Series B Notes set forth in, the Master Teeter Resolution. The Series B Notes, including the Additional Series B Notes, shall be secured by the Series B Letter of Credit. The Additional Series B Notes shall be Tax-Exempt Notes, and any additional terms and provisions of the Series B Notes shall be set forth in a written certificate of any Authorized Representative.

4.02 Dealers. The Authorized Representatives are, and each of them acting alone is, authorized to negotiate with Citigroup Global Markets Inc. and Barclays Capital Inc. (the "Dealers") with respect to the Additional Series B Notes and to amend the existing Dealer Agreement with each Dealer to cover the Additional Series B Notes.

ARTICLE V

AUTHORIZATION AND ISSUANCE OF ADDITIONAL SERIES C NOTES

5.01 Authorization and Issuance of Teeter Obligation Notes, Series C; Application of Proceeds. (a) The Board of Supervisors hereby determines that the County shall issue additional Series C Notes in an aggregate principal amount of not to exceed \$86,000,000.

(b) Pursuant to the Master Teeter Resolution, the proceeds of the sale of the Series C Notes shall be applied to pay Initial Costs of Issuance of the Series C Notes and to refund Outstanding Prior Series C Notes.

5.02 Description of Series C Notes.

(a) **General Terms of the Series C Notes.** Each Series C Note shall be dated its Date of Delivery, which shall be determined by any Authorized Representative at the time of sale of the Series C Notes. Series C Notes shall mature on the Maturity Date as shall be determined by any Authorized Representative at the time of sale of the Series C Notes. Series C Notes shall be issued in Authorized Denominations. The Series C Notes shall be issued in fully registered form, without coupons, numbered from one upwards in consecutive numerical order.

Interest on Series C Notes (other than Pool Rate Notes) shall be paid in arrears on each Interest Payment Date for such Series C Note to the Owner thereof on the Record Date for such Series C Note, such interest to be paid by the Fiscal Agent by wire transfer on such Interest Payment Date. Principal of the Series C Notes (other than Pool Rate Notes) shall be payable in lawful money of the United States of America, upon presentation and surrender of the Series C Notes, at the principal office of the Fiscal Agent. All payments of principal or interest shall be made by the Fiscal Agent in immediately available funds.

The principal of the Pool Rate Notes shall be payable in lawful money of the United States of America, on the Maturity Date or date of prior redemption, upon surrender of the Pool Rate Notes at the office of the Treasurer. The interest on the Pool Rate Notes shall be payable to the Pool Rate Note Purchaser on each Interest Payment Date and on the Maturity Date or date of prior redemption.

The Series C Notes shall not include the right of holder thereof to "put" any Series C Note to the County.

(b) **Interest on Fixed Rate Notes.** The Fixed Rate Notes shall bear interest at the rate determined by any Authorized Representative at the time of sale of the Fixed Rate Notes. Interest on the Fixed Rate Notes shall be computed on the basis of a 365-day year and actual days elapsed.

(c) **Interest on Index Notes.** (i) The Index Notes shall bear interest (A) if applicable, from the Date of Delivery through the day before the first Index Note Reset Date, at a fixed rate of interest determined by any Authorized Representative at the time of the sale of the Index Notes, and (B) from and after the first Index Note Reset Date, at the SIFMA Index Note Rate or the LIBOR Index Note Rate as specified by any Authorized Representative at the time of

sale of the Series C Notes. The LIBOR Index Note Rate for any Series C Notes shall be calculated using a LIBOR Factor and a LIBOR Index Maturity, as determined by any Authorized Representative at the time of sale of the Series C Notes. The SIFMA Index Note Rate shall be calculated using a SIFMA Margin, as determined by any Authorized Representative at the time of the sale of the Series C Notes.

(ii) The SIFMA Index Note Rate for each Index Note Calculation Period shall be determined by applying the SIFMA Index, as determined for each day during the Index Note Calculation Period, to determine the SIFMA Index Rate, and then applying the applicable SIFMA Margin to obtain the SIFMA Index Note Rate for such Index Note Calculation Period. Such rate will be multiplied against the face amount of Series C Notes to determine the interest payable on the Interest Payment Date following such Index Note Calculation Period.

(iii) The LIBOR Index Note Rate for each Index Note Calculation Period shall be determined by applying the LIBOR Index, as determined for each day during the Index Note Calculation Period, to determine the LIBOR Index Rate, and then applying the LIBOR Factor for such Series C Notes to obtain the LIBOR Index Note Rate for such Series C Notes for such Index Note Calculation Period. Such rate will be multiplied against the face amount of such Series C Notes to determine the interest payable on the Interest Payment Date following such Index Note Calculation Period.

(iv) Notwithstanding clauses (ii) and (iii) above, the interest payable on the first Interest Payment Date for Index Notes shall be calculated as follows: The interest rate for each Index Notes applicable for the period from the Date of Delivery through the day before the first Index Note Reset Date shall be multiplied by the number of days such rate is in effect, and divided by 365, and multiplied against the face amount of such Series C Notes, and this sum shall be added to the interest calculated pursuant to clause (ii) or (iii), respectively, for the balance of the period through the day before the first Interest Payment Date.

(v) All percentages resulting from any step in the calculation of interest on Index Notes will be rounded, if necessary, to the nearest ten-thousandth of a percentage point (i.e., to five decimal places) with five hundred thousandths of a percentage point rounded upward, and all dollar amounts used in or resulting from such calculation of interest on Index Notes will be rounded to the nearest cent (with one-half cent being rounded upward). (For example, a rate of 3.476285% will be rounded to 3.47629%.)

(vi) The interest rate on the Index Notes shall not exceed the Maximum Rate.

(d) **Interest on Notes sold to County Treasury Pool.** Interest payable on Pool Rate Notes shall be calculated on the basis of a 365/366-day year and actual days elapsed. The Pool Rate Notes shall bear interest at a rate per annum on the Outstanding principal amount determined by the Treasurer on the first Business Day of each month and shall equal the average rate of return on amounts in the County Treasury Pool for the preceding month plus 25 basis points. The determination of the interest rate by the Treasurer shall be conclusive and binding on the Holder of the Pool Rate Notes. The interest rate on the Pool Rate Note shall not exceed the Maximum Rate.

(e) **Redemption of Series C Notes.** To the extent specified by any Authorized Representative at the time of sale, Series C Notes shall be subject to redemption at the option of the County, in whole or in part, prior to their Maturity Date. The redemption price will be equal to the principal amount of the Series C Notes to be redeemed, without premium, plus accrued interest through (but not including) the date fixed for redemption.

Notice of redemption of any Series C Notes (other than Pool Rate Notes) shall be given by the County or the Fiscal Agent by mail, at least 15 days but not more than 60 days prior to the Redemption Date, to DTC and at least one national information service. The notice shall identify the Series C Notes to be redeemed, specify the Redemption Date, and state that on the Redemption Date, the principal amount thereof and accrued interest will become due and payable at the principal office of the Fiscal Agent. The notice shall also state that on and after the Redemption Date, no further interest will accrue on the principal of any Series C Note called for redemption.

The Treasurer, as fiscal agent, shall provide notice of any redemption of the Pool Rate Notes to the Pool Rate Note Purchaser at least 10 but not more than 30 days prior to the date fixed for redemption; provided that neither failure to receive any such notice so mailed nor any defect therein shall affect the validity of the proceedings for the redemption of such Pool Rate Notes or the cessation of the accrual of interest thereon.

5.03 Sale of Series C Notes. (a) Any Authorized Representative is hereby authorized and directed, on behalf of the County, to sell the Series C Notes at one time or from time to time. The sale of the Series C Notes may be pursuant to a public offering of the Series C Notes or a private placement of the Series C Notes, including but not limited to a private placement of Pool Rate Notes with the County Treasury Pool.

(b) Any Authorized Representative shall determine the following at the time of any sale of the Series C Notes: (i) whether the Series C Notes are Fixed Rate Notes, Index Notes or Pool Rate Notes; (ii) the principal amount of Series C Notes; (iii) the Date of Delivery; (iv) the Maturity Date of the Series C Notes; (v) the interest rate on Fixed Rate Notes, which shall not exceed a true interest cost of 2%; (vi) the interest rate, if applicable, on Index Notes from the Date of Delivery through the day before the first Index Note Reset Date; and (vii) the Redemption Dates, if any, of Series C Notes.

(c) In the event of a public offering of Series C Notes, the Purchase Contract, in substantially the form presented to this meeting, is hereby approved. The Authorized Representatives are, and each of them acting alone is, authorized to execute and deliver such Purchase Contract, with such changes, additions, completions and corrections therein as such officers shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the underwriters' discount on the Series C Notes shall not exceed 0.3% of the principal amount of the Series C Notes.

5.04 Payment of Principal of and Interest on the Series C Notes from General Fund. The principal of and interest on the Series C Notes shall be payable from amounts in the General Fund. Notwithstanding any other provision of the Master Teeter Resolution (including but not limited to Article XIII thereof) and this Supplemental Resolution,

the Series C Notes shall not be payable from, and shall not be secured by, Series B Taxes, the Series B Letter of Credit or Other Taxes, but shall be payable solely from other amounts in the General Fund.

5.05 Form of Series C Note. The Series C Notes and the assignment to appear thereon each shall be in substantially the forms set forth in Exhibits A, B or C attached hereto and incorporated herein, with appropriate or necessary insertions, omissions and variations as permitted or required hereby.

5.06 Execution and Authentication of Series C Notes. The County Executive Officer is hereby authorized to sign the Series C Notes by use of his manual or facsimile signature, and the Clerk of the Board of Supervisors is hereby authorized to countersign the Series C Notes by use of his/her manual signature and to affix the seal of the Board of Supervisors thereto by facsimile impression thereon. Said officers are hereby authorized to cause the blank spaces in the Notes to be filled in as may be appropriate and, if the Series C Notes are publicly offered, to deliver the Series C Notes to the Underwriters in accordance with the terms and provisions of the Purchase Contract. In the case of Series C Notes executed by facsimile signature of both the County Executive Officer and the Clerk of the Board of Supervisors, the Series C Notes shall not be valid unless and until the Fiscal Agent or his or her designee shall have manually authenticated such Notes.

In case any officer whose signature appears on the Series C Notes shall cease to be such officer before the delivery of the Series C Notes to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Notes.

5.07 Registration, Exchange and Transfer. In the event any Authorized Representative determines to deposit the Series C Notes with DTC, the following provisions shall apply:

(a) The Depository Trust Company, New York, New York, is hereby appointed depository for the Series C Notes. The Series C Notes shall be initially issued and registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, New York, New York and shall be evidenced by a single Note. Registered ownership of each Series C Note, or any portion thereof, may not thereafter be transferred except as set forth in Section 5.08(b).

(b) The Series C Notes shall be initially issued and registered as provided in Section 5.07(a) hereof. Registered ownership of the Series C Notes, or any portions 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 of any substitute depository designated pursuant to clause (ii) of this subsection (b) ("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 service proposed to be provided by it;

(ii) to any Substitute Depository not objected to by the County Executive Officer, 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 County Executive Officer to substitute another depository for The Depository Trust Company (or its successor) because The Depository Trust Company (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 any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the County Executive Officer to discontinue using a depository.

(c) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (b) of this Section 5.07, upon receipt of all outstanding Series C Notes by the Fiscal Agent (together, in the case of a successor fiscal agent appointed by the County pursuant to Section 5.08 hereof, with a written request of the County Executive Officer to such successor fiscal agent designating the Substitute Depository), a single new Series C Note, which the County shall prepare or cause to be prepared, shall be executed and delivered, registered in the name of any such successor to Cede & Co. or such Substitute Depository, or their respective nominees, as the case may be, all as specified by the County Executive Officer or, in the case of a successor fiscal agent appointed by the County pursuant to Section 5.08 hereof, as specified in the written request of the County Executive Officer. In the case of any transfer pursuant to clause (iii) of subsection (b) of this Section 5.07 upon receipt of all outstanding Series C Notes by the Fiscal Agent (together, in the case of a successor fiscal agent appointed by the County pursuant to Section 5.08 hereof, with a written request of the County Executive Officer to such successor fiscal agent), new Series C Notes, which the County shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as specified by the County Executive Officer or, in the case of a successor fiscal agent appointed by the County pursuant to Section 5.08 hereof, as are requested in such written request of the County Executive Officer, subject to the limitations of Section 5.07 hereof, provided that the Fiscal Agent shall deliver such new Series C Notes as soon as practicable.

(d) The County and the Fiscal Agent shall be entitled to treat the person in whose name any Series C Note is registered as the owner thereof for all purposes of the Resolution and for purposes of payment of principal of and interest on such Series C Note, notwithstanding any notice to the contrary received by the Fiscal Agent or the County; and the County and the Fiscal Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Series C Notes. Neither the County nor the Fiscal Agent shall have any responsibility or obligation, legal or otherwise, to any such beneficial owners or to any other party, including The Depository Trust Company or its successor (or Substitute Depository or its successor), except to the owner of any Series C Notes, and the Fiscal Agent may rely conclusively on its records as to the identity of the owners of the Series C Notes.

(e) Notwithstanding any other provision of this Resolution and so long as all outstanding Series C Notes are registered in the name of Cede & Co. or its registered assigns, the County and the Fiscal Agent shall cooperate with Cede & Co. or its registered assigns, as sole registered owner, in effecting payment of the principal of and interest on the Series C Notes by arranging for payment in such manner that funds for such payments are properly identified and are made available on the date they are due all in accordance with the Letter of Representations, the provisions of which the Fiscal Agent may rely upon to implement the foregoing procedures notwithstanding any inconsistent provisions herein.

(f) In the case of any transfer pursuant to clause (iii) of subsection (b) of this Section 5.07, any Series C Note may, in accordance with its terms, be transferred or exchanged for a Series C Note of like aggregate principal amount and series in authorized denominations, upon the books required to be kept by the Fiscal Agent pursuant to the provisions hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Series C Note for cancellation, and, in the case of a transfer, accompanied by delivery of a written instrument of transfer, duly executed and in form approved by the Fiscal Agent.

Whenever any Series C Note shall be surrendered for transfer or exchange, the County shall execute and the Fiscal Agent shall authenticate, if required, and deliver a new Series C Note or Series C Notes of the same series of authorized denominations, for a like aggregate principal amount. The Fiscal Agent shall require the owner requesting such transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange.

(g) The Fiscal Agent will keep or cause to be kept sufficient books for the registration and transfer of the Series C Notes, which shall at all times be open to inspection by the County. Upon presentation for such purpose, the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such books, Series C Notes as hereinbefore provided.

(h) If any Series C Note shall become mutilated, the County, at the expense of the owner of such Series C Note, shall execute, and the Fiscal Agent shall thereupon authenticate, if required, and deliver a new Series C Note of like Series, tenor and number in exchange and substitution for the Series C Note so mutilated, but only upon surrender to the Fiscal Agent of the Series C Note so mutilated. Every mutilated Series C Note so surrendered to the Fiscal Agent shall be cancelled by it and delivered to, or upon the order of, the County. If any Series C Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the County and the Fiscal Agent and, if such evidence be satisfactory to both and indemnity satisfactory to them shall be given, the County, at the expense of the owner, shall execute, and the Fiscal Agent shall thereupon authenticate, if required, and deliver a new Series C Note of like Series, tenor and number in lieu of and in substitution for the Series C Note so lost, destroyed or stolen (or if any such Series C Note shall have matured or shall be about to mature, instead of issuing a substitute Series C Note, the Fiscal Agent may pay the same without surrender thereof). The Fiscal Agent may require payment by the registered owner of a Series C Note of a sum not exceeding the actual cost of preparing each new Series C Note issued pursuant to this paragraph and of the expenses which may be incurred by the County and the Fiscal Agent.

Any Series C Note issued under these provisions in lieu of any Series C Note alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the County whether or not the Series C Note so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Supplemental Resolution with all other Series C Notes issued under this Supplemental Resolution.

All Series C Notes surrendered for payment or registration of transfer, if surrendered to any person other than the Fiscal Agent, shall be delivered to the Fiscal Agent and shall be promptly cancelled by it. The County may at any time deliver to the Fiscal Agent for cancellation any Series C Notes previously authenticated and delivered hereunder which the County may have acquired in any manner whatsoever, and all Series C Notes so delivered shall promptly be cancelled by the Fiscal Agent. No Series C Note shall be authenticated in lieu of or in exchange for any Series C Notes cancelled as provided herein, except as expressly permitted hereunder. All cancelled Series C Notes held by the Fiscal Agent shall be disposed of as directed by the County.

5.08 Defeasance of Series C Notes. (a) If the County shall pay or cause to be paid or there shall otherwise be paid to the Holders of all Outstanding Series C Notes the interest and principal thereof at the times and in the manner stipulated herein and therein, then all agreements and covenants of the County to such Holders hereunder shall thereupon cease, terminate and become void and shall be discharged and satisfied.

(b) Any Outstanding Series C Notes shall, prior to the maturity date thereof, be deemed to have been paid within the meaning and with the effect expressed in this Section 5.08 if there shall have been deposited with the Fiscal Agent in trust either moneys in an amount which shall be sufficient, or Defeasance Securities which are not callable or subject to prepayment prior to their respective maturity dates, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Fiscal Agent at the same time, shall be sufficient (as verified by a report of an independent certified public accountant or other independent financial consultant), to pay when due the principal of and the interest to become due on said Series C Notes on the redemption date or maturity date thereof. In the event the Series C Notes are to be redeemed, the County shall have given the Fiscal Agent irrevocable instructions to mail a notice of redemption as provided herein. Neither the securities nor moneys deposited with the Fiscal Agent pursuant to this Section 5.08(b) nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Series C Notes. The Fiscal Agent shall have no right, title or interest in, or lien on, any moneys or securities deposited pursuant to this Section.

(c) In the event the Series C Notes are Index Notes or Pool Rate Notes, the interest rate on the Notes shall be assumed to be the Maximum Rate.

(d) After the payment or deemed payment of all the interest and principal of all Outstanding Series C Notes as provided in this Section and payment of any amounts then owed to the Fiscal Agent, the Fiscal Agent shall pay over or deliver to the County all moneys or securities held by it pursuant hereto which are not required for the payment of the interest and

principal represented by such Series C Notes. Owners of Series C Notes shall thereafter be entitled to payments due under the Series C Notes only from amounts deposited pursuant to this Section and from no other source.

5.09 Fiscal Agent. The Bank of New York Mellon Trust Company, N.A. is hereby appointed as Fiscal Agent for the Series C Notes (other than the Pool Rate Notes). The County hereby directs and authorizes the payment by the Fiscal Agent of the interest on and principal of the Series C Notes (other than the Pool Rate Notes) when such become due and payable. The County hereby covenants to transfer from the General Fund to the Fiscal Agent sufficient moneys to pay the principal of and interest on the Series C Notes (other than the Pool Rate Notes) when due. The Fiscal Agent is also appointed as registrar and upon the request of any registered owner, is authorized to record the transfer or exchange of Series C Notes (other than the Pool Rate Notes) in accordance with the provisions hereof.

The Fiscal Agent for Pool Rate Bonds shall be the Treasurer.

5.10 Official Statement for Series C Notes. The proposed form of official statement relating to the Series C Notes, in substantially the form presented to this meeting, is hereby approved with such additions, changes and corrections as any Authorized Representative may from time to time approve. The Underwriters are hereby authorized to distribute such official statement in preliminary form (the "Preliminary Official Statement") to the potential purchasers of the Series C Notes and are hereby authorized and directed to deliver such official statement in final form to all purchasers of the Series C Notes. The Authorized Representatives are, and each of them acting alone is, authorized to certify on behalf of the County that the preliminary form of the official statement is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by said Rule). The Authorized Representatives are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the County, to sign a copy of such Official Statement in final form.

5.11 Continuing Disclosure. The County hereby agrees and covenants that in the event either Fixed Rate Notes or Index Notes are issued, it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") executed by the County and dated the date of issuance and delivery of the Series C Notes, as originally executed and as it may be amended from time to time in accordance with the terms thereof, and notwithstanding any other provision hereof, failure of the County to comply with the Continuing Disclosure Certificate shall not be considered an event of default hereunder; provided, that any registered owner of the Series C Notes may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Section.

ARTICLE VI

MISCELLANEOUS

6.01 Accounting. The Board hereby determines that earnings on amounts held in the Teeter Debt Service Fund and the Teeter Tax Loss Reserve Fund, respectively, shall be deposited in such fund or funds as shall be directed by the County Executive Officer.

6.02 Additional Actions. All actions heretofore taken by the officers and agents of the County or the Board of Supervisors with respect to the issuance and sale of the Additional Series B Notes and Series C Notes are hereby approved, confirmed and ratified, and the officers, employees and agents of the County and the Board of Supervisors are hereby authorized and directed, for and in the name and on behalf thereof, to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale from time to time of the Additional Series B Notes and Series C Notes thereof in accordance with the Master Teeter Resolution and this Supplemental Resolution, including, but not limited to, entering into a purchase agreement in connection with a private placement of Series C Notes; entering into amendments, if any, to the Dealer Agreements, Fiscal Agent Agreement (including amendments necessary for the Fiscal Agent to serve as Fiscal Agent for the Fixed Rate Notes or Index Notes), Certificate Agreement, DTC Representation Letter and Reimbursement Agreement and substituting, if needed, a new Master Note or Notes for the Additional Series B Notes thereof.

6.03 Effectiveness; Master Teeter Resolution to Remain in Effect.

(a) This Supplemental Resolution shall become effective immediately upon its adoption. Except as expressly provided in this Supplemental Resolution, every term and condition contained in the Master Teeter Resolution shall apply to this Supplemental Resolution and to the additional Demand Obligation, Series B Notes and Series C Notes authorized hereby, with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Supplemental Resolution.

(b) This Supplemental Resolution and all of the terms and provisions herein contained shall form part of the Master Teeter Resolution as fully and with the same effect as if all such terms and provisions had been set forth in the Master Teeter Resolution. The Master Teeter Resolution is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented and as amended and supplemented hereby.

6.04 Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the County shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or of any of the Demand Obligations or any of the Series B Notes or Series C Notes authorized hereby, and the

Holders shall retain all the benefit, protection and security afforded to them hereunder or any applicable provisions of law.

6.05 Law Governing. This Supplemental Resolution shall be governed exclusively by the provisions hereof and by the laws of the State of California as the same from time to time exist.

PASSED and ADOPTED by the Board of Supervisors on November 24, 2009.

By: _____
Chairman of the Board of Supervisors

ATTEST:
Nancy Romero,
Clerk of the Board

By: _____
Deputy Clerk

EXHIBIT A

FORM OF SERIES C FIXED RATE NOTE

No. _____

\$ _____

COUNTY OF RIVERSIDE TEETER PLAN OBLIGATION NOTE, SERIES C

NOTE DATE	MATURITY DATE	INTEREST RATE	CUSIP
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REGISTERED OWNER:

PRINCIPAL AMOUNT:

The County of Riverside (the "County") acknowledges itself indebted to, and for value received, hereby promises to pay from amounts on deposit in the General Fund, as defined in the Resolution No. 97-203 of the County, as amended and supplemented (the "Resolution"), to the registered owner specified above (the "Holder"), at the office of The Bank of New York Mellon Trust Company, NA, the principal amount specified above on the Maturity Date specified above, together with interest thereon at the Interest Rate per annum set forth above (computed on the basis of a 365-day year and actual days elapsed) in like lawful money from the Note Date specified above until payment in full of said principal sum. The principal of and interest payable at maturity on this Note shall be payable only to the registered owner hereof upon surrender of this Note at the office of the Fiscal Agent as the same shall fall due; provided, however, that no interest shall be payable for any period after maturity during which the registered owner hereof fails to properly present this Note for payment.

[Redemption provisions, if any]

This Note is one of a duly authorized issue of Teeter Plan Obligation Notes, Series C of the County issued under and pursuant to the Resolution. The Series C Notes are payable from the General Fund and are not payable from, and are not secured by, Series B Taxes, the Series B Letter of Credit or Other Taxes as defined in the Resolution. By acceptance of this Note, the Holder consents to all the terms and conditions hereof, and of the Resolution, a copy of which is on file with the County.

The County may deem and treat the Holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal and interest due hereon and for all other purposes and the County shall not be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the County of Riverside has caused this Note to be executed in its name by the manual or facsimile signature of its County Executive Officer and countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors, and caused its official seal or a facsimile thereof to be affixed hereto.

COUNTY OF RIVERSIDE

By _____

(SEAL)

COUNTERSIGNED:

Clerk of the Board of Supervisors

EXHIBIT B

FORM OF SERIES C INDEX NOTE

No. _____

\$ _____

COUNTY OF RIVERSIDE TEETER PLAN OBLIGATION NOTE, SERIES C

NOTE DATE	MATURITY DATE	INTEREST RATE	CUSIP
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REGISTERED OWNER:

PRINCIPAL AMOUNT:

The County of Riverside (the "County") acknowledges itself indebted to, and for value received, hereby promises to pay from amounts on deposit in the General Fund, as defined in the Resolution No. 97-203 of the County, as amended and supplemented (the "Resolution"), to the registered owner specified above (the "Holder"), at the office of The Bank of New York Mellon Trust Company, NA, the principal amount specified above on the Maturity Date specified above, together with interest thereon at [the rate of ____ percent (__%) per annum from the Date of Delivery until _____, and thereafter at the SIFMA Index Note Rate [plus][minus] a SIFMA Margin of _ basis points.] or [the rate of ____ percent (__%) per annum from the Date of Delivery until _____, and thereafter at the LIBOR Index Note Rate with a LIBOR Index Maturity of _____ and a LIBOR Factor of __ percent] in like lawful money from the Note Date specified above until payment in full of said principal sum. Interest shall be payable on the Interest Payment Dates specified in the Resolution. The principal of this Note shall be payable only to the registered owner hereof upon surrender of this Note at the office of the Fiscal Agent as the same shall fall due; provided, however, that no interest shall be payable for any period after maturity during which the registered owner hereof fails to properly present this Note for payment.

[Redemption provisions]

This Note is one of a duly authorized issue of Teeter Plan Obligation Notes, Series C of the County issued under and pursuant to the Resolution. The Series C Notes are payable from the General Fund and are not payable from, and are not secured by, Series B Taxes, the Series B Letter of Credit or Other Taxes as defined in the Resolution. By acceptance of this Note, the Holder consents to all the terms and conditions hereof, and of the Resolution, a copy of which is on file with the County.

The County may deem and treat the Holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal and interest due hereon and for all other purposes and the County shall not be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the County of Riverside has caused this Note to be executed in its name by the manual or facsimile signature of its County Executive Officer and countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors, and caused its official seal or a facsimile thereof to be affixed hereto.

COUNTY OF RIVERSIDE

By _____

(SEAL)

COUNTERSIGNED:

Clerk of the Board of Supervisors

EXHIBIT C

FORM OF SERIES C POOL RATE NOTE

No. _____

\$ _____

COUNTY OF RIVERSIDE TEETER PLAN OBLIGATION NOTE, SERIES C

**NOTE
DATE**

**MATURITY
DATE**

**INTEREST
RATE**

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The County of Riverside (the "County") acknowledges itself indebted to, and for value received, hereby promises to pay from amounts on deposit in the General Fund, as defined in the Resolution No. 97-203 of the County, as amended and supplemented (the "Resolution"), to the registered owner specified above (the "Holder"), at the office of Treasurer of the County, the principal amount specified above on the Maturity Date specified above or date of prior redemption, upon its presentation and surrender as provided in the Resolution and to pay to such Holder interest on such principal amount on each April 1, July 1, October 1 and January 1, commencing April 1, 2010, and on the Maturity Date or date of prior redemption. The interest rate shall be determined by the Treasurer on the first Business Day of each month and shall equal the average rate of return on amounts in the County Treasury Pool for the preceding month plus 25 basis points. The determination of the interest rate by the Treasurer shall be conclusive and binding on the Holder of the Series C Notes. Interest is calculated on the basis of a 365/366 day year and actual days elapsed, as specified in the Resolution.

[Redemption provisions, if any]

This Note is one of a duly authorized issue of Teeter Plan Obligation Notes, Series C of the County issued under and pursuant to the Resolution. The Series C Notes are payable from the General Fund and are not payable from, and are not secured by, Series B Taxes, the Series B Letter of Credit or Other Taxes as defined in the Resolution. By acceptance of this Note, the Holder consents to all the terms and conditions hereof, and of the Resolution, a copy of which is on file with the County.

The County may deem and treat the Holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal and interest due hereon and for all other purposes and the County shall not be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the County of Riverside has caused this Note to be executed in its name by the manual or facsimile signature of its County Executive Officer and countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors, and caused its official seal or a facsimile thereof to be affixed hereto.

COUNTY OF RIVERSIDE

By _____

(SEAL)

COUNTERSIGNED:

Clerk of the Board of Supervisors