

FORM APPROVED COUNTY COUNSEL 3/11/15  
 BY: GREGORY P. PRIAMOS DATE

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

377  
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**FROM:** Don Kent, Treasurer/Tax Collector

**SUBMITTAL DATE:**  
 March 12, 2015

**SUBJECT:** Resolution No. 2015-071 Moreno Valley Unified School District Election of 2014 General Obligation Bonds, Series A; 5th Dist.; [\$0] (Vote on Separately)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and adopt Resolution No. 2015-071 authorizing and approving the issuance and sale of Moreno Valley Unified School District Election of 2014 General Obligation Bonds, Series A in a principal amount not to exceed \$103,000,000 and approving other related matters.

**BACKGROUND:**

**Summary**

Education Code Section 15140 requires that General Obligation Bonds of a school district be offered for sale by the Board of Supervisors of the County when the County's Superintendent of Schools has jurisdiction over the 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.)

Don Kent  
 Treasurer/Tax Collector

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

<b>SOURCE OF FUNDS:</b>	Budget Adjustment: n/a
	For Fiscal Year: 2014-15

**C.E.O. RECOMMENDATION:** APPROVE  
 BY: Samuel Wong 3/12/15  
 Samuel Wong  
 County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.:

District: 5

Agenda Number:

3-44

Departmental Concurrence

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**  
**FORM 11: Resolution No. 2015-071 Moreno Valley Unified School District Election of 2014 General Obligation Bonds, Series A; 5th Dist.; [\$0] (Vote on Separately)**

**DATE:** March 12, 2015

**PAGE:** Page 2 of 2

**BACKGROUND:**

**Summary (continued).**

Moreno Valley Unified School District (the "District"), under the jurisdiction of the Riverside County Superintendent of Schools, wishes to offer bonds via a negotiated sale. Accordingly, the District Board of Education adopted a resolution requesting this Board to sell the District's general obligation bonds which have been duly authorized by the voters of the District.

An election was held on November 4, 2014 pursuant to Section 1 of Article XIII A of the California Constitution, Section 18 of Article XVI of the California Constitution, and Chapter 1 of Part 10 of Division 1 of Title 1 (Section 15266) of the Education Code, codifying, in part, Proposition 39. The measure, which was approved by more than fifty-five percent of the votes cast by eligible voters of the District, authorized the incurrence of general obligation bonded indebtedness in an aggregate principal amount not to exceed \$398,000,000.

Resolution 2015-071 authorizes the issuance and sale of Moreno Valley Unified School District Election of 2014 General Obligation Bonds, Series A (the "Series A Bonds") in a principal amount not to exceed \$103,000,000. The proceeds of the Series A Bonds will be used to finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities.

The Series A Bonds represent a general obligation 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 Series A Bonds.

County Counsel has reviewed Resolution No. 2015-071 and has approved it as to form.

**Impact on Citizens and Businesses**

The voters of the District approved the levy of ad valorem property taxes to pay for increased bonded indebtedness. In exchange for the increased taxes, the citizens in the District will receive new and improved District facilities.

**ATTACHMENTS (if needed, in this order):**

Resolution No. 2015-071

District Resolution

Bond Purchase Contract

Preliminary Official Statement

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RESOLUTION NO. 2015-071

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, CALIFORNIA, AUTHORIZING THE SALE AND ISSUANCE OF MORENO VALLEY UNIFIED SCHOOL DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, ELECTION OF 2014 GENERAL OBLIGATION BONDS, SERIES A IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$103,000,000

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**RESOLUTION NO. 2015-071**

**RESOLUTION OF THE BOARD OF SUPERVISORS  
OF THE COUNTY OF RIVERSIDE, CALIFORNIA,  
AUTHORIZING THE SALE AND ISSUANCE OF  
MORENO VALLEY UNIFIED SCHOOL DISTRICT,  
RIVERSIDE COUNTY, CALIFORNIA, ELECTION OF  
2014 GENERAL OBLIGATION BONDS, SERIES A IN  
THE PRINCIPAL AMOUNT NOT TO EXCEED  
\$103,000,000**

**WHEREAS**, a duly called election was held in the Moreno Valley Unified School District (the "District"), County of Riverside (the "County"), State of California, on November 4, 2014 (the "Election"), and thereafter canvassed pursuant to law; and

**WHEREAS**, at the Election there was submitted to and approved by the requisite fifty-five percent or more 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 \$398,000,000 payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Authorization"); and

**WHEREAS**, at this time this Board has received a signed and certified original copy of the resolution of the Board of Education of the District (the "District Board"), approved thereby and adopted on March 10, 2015, requesting the issuance of the first series of bonds under the Authorization in an aggregate principal amount not-to-exceed \$103,000,000 and styled as "Moreno Valley Unified School District (Riverside County, California) Election of 2014 General Obligation Bonds, Series A (the "Bonds"), which resolution is attached hereto as Exhibit A; and

**WHEREAS**, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53506 et seq.) (the "Act"), the Bonds are authorized to be issued by the District for the purposes set forth in the ballot submitted to voters at the Election; and

**WHEREAS**, the District Board has authorized the issuance of the Bonds in one or more Series of Tax-Exempt or Taxable Current Interest Bonds (as such terms are defined herein); and

**WHEREAS**, the District Board has authorized the sale of the Bonds at a negotiated sale, which the District Board has determined will provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Bonds to fit the needs of particular purchasers, and a greater opportunity for the Underwriter (defined herein) to pre-market the Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds; and

**WHEREAS**, the District Board has estimated that the costs associated with the

FORM APPROVED COUNTY COUNSEL  
BY Dale A. Gardner 3/11/15  
DALE A. GARDNER DATE

1 delivery of the Bonds, including any such costs which the Underwriter agrees to pay pursuant  
2 to the Purchase Contract (defined herein), will equal approximately 1.60% of the aggregate  
principal amount of the Bonds; and

3           **WHEREAS**, the District Board has appointed Stradling Yocca Carlson & Rauth, a  
4 Professional Corporation, San Francisco, California as Bond Counsel and Disclosure Counsel  
in connection with the issuance of the Bonds; and

5           **WHEREAS**, the District Board has appointed Fieldman, Rolapp & Associates, Inc.,  
6 Irvine, California as Financial Advisor in connection with the issuance of the Bonds; and

7           **WHEREAS**, the District Board has appointed Piper Jaffray & Co., El Segundo,  
8 California, as Underwriter in connection with the issuance of the Bonds; and

9           **WHEREAS**, in its resolution, the District found and informed this Board that all  
10 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  
11 bonds of the District, and the indebtedness of the District, including this proposed issue of  
Bonds, is within all limits prescribed by law;

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

14           **Section 1.     Purpose of the Bonds.** The Bonds of the District shall be issued in  
15 the name and on behalf of the District in an aggregate Principal Amount not to exceed  
\$103,000,000 to raise money for the purposes authorized by voters of the District at the  
16 Election, and to pay all necessary legal, financial, engineering and contingent costs in  
connection therewith.

17           **Section 2.     Terms and Conditions of Sale.** The Bonds shall be sold at a  
18 negotiated sale pursuant to the Authorizing Law in accordance with the terms of this  
Resolution. The Bonds shall be sold pursuant to the terms and conditions set forth in the  
19 Purchase Contract, as described in Section 3 below.

20           **Section 3.     Approval of Purchase Contract.** The form of Purchase Contract  
21 (defined herein), by and among the County, the District and Piper Jaffray & Co. (the  
"Underwriter"), for the purchase and sale of the Bonds, is hereby approved substantially in  
22 the form attached hereto as Exhibit B. The Treasurer-Tax Collector of the County (the  
"Treasurer"), or designated deputy thereof, is hereby authorized to execute and deliver the  
23 Purchase Contract, and the Authorized Representatives of the District, each alone, are hereby  
authorized and requested to acknowledge the execution of such Purchase Contract, if  
24 necessary, but with such changes therein, deletions therefrom and modifications thereto as  
the Treasurer, or a designated deputy thereof, may approve, such approval to be conclusively  
25 evidenced by his or her execution and delivery thereof; provided, however, that the Bonds  
shall mature no later than forty (40) years from the date of issue and the Underwriter's  
26 discount, excluding original issue discount, shall not exceed 0.875% of the aggregate  
principal amount of Bonds issued. The Treasurer, in conjunction with an Authorized  
27 Representative of the District, shall be authorized to determine the final principal amount of

1 the Bonds, not-to-exceed \$103,000,000, and enter into and execute the Purchase Contract  
2 with the Underwriter, if the conditions set forth in this Resolution are satisfied.

3 **Section 4. Certain Definitions.** As used in this Resolution, the terms set forth  
4 below shall have the meanings ascribed to them:

5 **“Authorizing Law”** means, collectively, (i) the Act, and (ii) Article XIII A of  
6 the California Constitution.

7 **“Authorized Representative of the District”** means each of the  
8 Superintendent of the District, the Chief Business Official of the District, and such  
9 other officers or employees of the District as may be designated for such purpose and  
10 their designees.

11 **“Beneficial Owner”** means, when used with reference to book-entry Bonds  
12 registered pursuant to Section 12 hereof, the person who is considered the beneficial  
13 owner of such Bonds pursuant to the arrangements for book entry determination of  
14 ownership applicable to the Depository.

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

16 **“Bond Insurer”** means any insurance company and any successor thereto,  
17 which issues a municipal bond insurance policy insuring the payment of the Principal  
18 Amount of and interest on the Bonds.

19 **“Bond Payment Date”** means (unless otherwise provided by the Purchase  
20 Contract or the Official Statement) February 1 and August 1 of each year,  
21 commencing August 1, 2015, with respect to the interest on the Bonds, and the stated  
22 maturity dates thereof, with respect to the Principal payments on the Bonds.

23 **“Bond Register”** means the listing of names and addresses of the current  
24 registered owners of the debt, as maintained by the Paying Agent in accordance with  
25 Section 10 hereof.

26 **“Bonds”** means the Moreno Valley Unified School District Election of 2014  
27 General Obligation Bonds, Series A, issued and delivered pursuant to this Resolution.

28 **“Building Fund”** means the Moreno Valley Unified School District, Election  
of 2014 General Obligation Bonds, Series A Building Fund established pursuant to  
Section 14 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.

**“Code”** means the Internal Revenue Code of 1986, as the same may be  
amended from time to time. Reference to a particular section of the Code shall be  
deemed to be a reference to any successor to any such section.

1           **“Continuing Disclosure Certificate”** means that certain contractual  
2           undertaking of the District pursuant to paragraph (b)(5) of Rule 15c2-12 adopted by  
3           the Securities and Exchange Commission under the Securities Exchange Act of 1934,  
4           and relating to the Bonds, dated as of the date of issuance thereof, as amended from  
5           time to time in accordance with the provisions thereof.

6           **“County”** means the County of Riverside, California.

7           **“Current Interest Bonds”** means bonds, the interest on which is payable  
8           semiannually on each Bond Payment Date specified for each such Bond as designated  
9           and maturing in the years and in the amounts set forth in the Purchase Contract.

10          **“Dated Date”** means the date of initial issuance and delivery of the Bonds, or  
11          such other date as shall appear in the Purchase Contract or Official Statement.

12          **“Debt Service Fund”** means the Moreno Valley Unified School District,  
13          Election of 2014 General Obligation Bonds, Series A Debt Service Fund established  
14          pursuant to Section 14 of this Resolution.

15          **“Depository”** means The Depository Trust Company, 55 Water Street, New  
16          York, New York 10041, a limited purpose trust company organized under the laws of  
17          the State of New York, in its capacity as the initial Depository for the Bonds.

18          **“District”** means the Moreno Valley Unified School District.

19          **“DTC”** means The Depository Trust Company, 55 Water Street, New York,  
20          New York 10041, a limited purpose trust company organized under the laws of the  
21          State of New York, in its capacity as the initial Depository for the Bonds.

22          **“Fair Market Value”** means the price at which a willing buyer would  
23          purchase the investment from a willing seller in a bona fide, arm's length transaction  
24          (determined as of the date the contract to purchase or sell the investment becomes  
25          binding) if the investment is traded on an established securities market (within the  
26          meaning of section 1273 of the Code) and, otherwise, the term “Fair Market Value”  
27          means the acquisition price in a bona fide arm's length transaction (as referenced  
28          above) if (i) the investment is a certificate of deposit that is acquired in accordance  
29          with applicable regulations under the Code, (ii) the investment is an agreement with  
30          specifically negotiated withdrawal or reinvestment provisions and a specifically  
31          negotiated interest rate (for example, a guaranteed investment contract, a forward  
32          supply contract or other investment agreement) that is acquired in accordance with  
33          applicable regulations under the Code, (iii) the investment is a United States Treasury  
34          Security—State and Local Government Series that is acquired in accordance with  
35          applicable regulations of the United States Bureau of Public Debt, or (iv) any  
36          commingled investment fund in which the District and related parties do not own  
37          more than a ten percent (10%) beneficial interest therein if the return paid by the fund  
38          is without regard to the source of the investment.



1           **“Informational Services”** means Financial Information, Inc.’s Financial  
2 Daily Called Bond Service; Mergent, Inc.’s Called Bond Department; or Standard &  
3 Poor’s J.J. Kenny Information Services’ Called Bond Service.

4           **“Moody’s”** means Moody’s Investors Service, a corporation organized and  
5 existing under the laws of the State of Delaware, its successors and assigns, or, if  
6 such corporation shall be dissolved or liquidated or shall no longer perform the  
7 functions of a securities rating agency, such other nationally recognized securities  
8 rating agency designated by the District.

9           **“Nominee”** means the nominee of the Depository, which may be the  
10 Depository, as determined from time to time pursuant to Section 12 hereof.

11           **“Non-AMT Bonds”** means obligations the interest on which is excludable  
12 from gross income for federal income tax purposes under Section 103(a) of the Code  
13 and not treated as an item of tax preference under Section 57(a)(5)(C) of the Code,  
14 that are legal investments pursuant to Section 53601 of the Government Code.

15           **“Official Statement”** means the document by that name prepared by the  
16 District pursuant to which the Bonds are offered by the Underwriter to investors as  
17 described in Section 22 herein.

18           **“Outstanding,”** when used with reference to any Bond (or a portion thereof),  
19 means, as of any date, Bonds theretofore issued or thereupon being issued under this  
20 resolution except:

21           (a)     Bonds canceled at or prior to such date;

22           (b)     Bonds in lieu of or in substitution for which other Bonds shall have  
23 been delivered pursuant to Section 10 hereof; or

24           (c)     Bonds for the payment or redemption of which funds or Government  
25 Obligations in the necessary amount shall have been set aside (whether on or prior to  
26 the maturity or redemption date of such Bonds), in accordance with Section 16 or 17  
27 of this Resolution.

28           **“Owner”** means the registered owner of a Bond as set forth on the  
registration books maintained by the Paying Agent pursuant to Section 10 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 U.S. Bank National Association or any successor  
thereto designated in accordance with Section 8 hereof to act as the authenticating  
agent, bond registrar, transfer agent and paying agent for the Bonds.

**“Permitted Investments”** means (i) any lawful investments permitted by  
Section 16429.1 and Section 53601 of the Government Code, including Non-AMT  
Bonds and Qualified Non-AMT Mutual Funds, (ii) shares in a California common

1 law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government  
2 Code which invests exclusively in investments permitted by Section 53635 of the  
3 Government Code, but without regard to any limitations in such Section concerning  
4 the percentage of moneys available for investment being invested in a particular type  
5 of security, (iii) a guaranteed investment contract with a provider having a rating  
6 meeting the minimum rating requirements of the County investment pool maintained  
7 by the Treasurer, (iv) the Local Agency Investments Fund of the California State  
8 Treasurer, (v) the County investment pool described above, and (vi) State and Local  
9 Government Series Securities.

10  
11 **“Principal”** or **“Principal Amount”** means, with respect to any Bond, the  
12 initial principal amount thereof.

13 **“Purchase Contract”** means the Contract of Purchase, by and among the  
14 County, the District and the Underwriter, relating to the Bonds.

15 **“Qualified Non-AMT Mutual Fund”** means stock in a regulated investment  
16 company to the extent that at least 95% of the income of such regulated investment  
17 company is interest that is excludable from gross income under Section 103 of the  
18 Code and not an item of tax preference under Section 57(a)(5)(C) of the Code.

19 **“Qualified Permitted Investments”** means (i) Non-AMT Bonds, (ii)  
20 Qualified Non-AMT Mutual Funds, (iii) other Permitted Investments authorized by  
21 an opinion of Bond Counsel to the effect that such investment would not adversely  
22 affect the tax-exempt status of the Bonds, and (iv) Permitted Investments of proceeds  
23 of the Bonds, and interest earned on such proceeds, held not more than thirty days  
24 pending reinvestment or Bond redemption. A guaranteed investment contract or  
25 similar investment agreement (e.g. a forward supply contract, GIC, repo, etc.) does  
26 not constitute a Qualified Permitted Investment.

27 **“Rebate Fund”** means the Moreno Valley Unified School District, Election  
28 of 2014 General Obligation Bonds, Series A Rebate Fund established pursuant to  
Section 14 of this Resolution.

**“Record Date”** means, the close of business on the fifteenth day of the  
month preceding each Bond Payment Date.

**“Redemption Date”** means any date on which any Bond is subject to  
optional redemption or mandatory sinking fund redemption in accordance with  
Section 11 hereof.

**“Resolution”** means this Resolution adopted by the Board of Supervisors of  
the County on March 24, 2014.

**“Series”** means any Bonds executed, authenticated and delivered pursuant to  
the provisions hereof identified as a separate series of Bonds.

**“S&P”** means Standard & Poor’s Ratings Services, a Standard & Poor’s  
Financial Services LLC business, its successors and assigns, or, if such corporation  
shall be dissolved or liquidated or shall no longer perform the functions of a

1 securities rating agency, such other nationally recognized securities rating agency  
2 designated by the District.

3 **“Securities Depository”** means The Depository Trust Company, 55 Water  
4 Street, New York, New York 10041, Attn: Redemption Area, Facsimile  
5 transmission: (212) 855-7232, (212) 855-7233, or such other securities depositories  
6 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.

7 **“Supplemental Resolution”** means any resolution supplemental to or  
8 amendatory of this Resolution, adopted by the County in accordance with Section 24  
hereof.

9 **“Tax Certificate”** means the certificate by that name executed by the District  
10 on the Dated Date of the Bonds.

11 **“Taxable Bonds”** means any Bonds not issued as Tax-Exempt Bonds.

12 **“Tax-Exempt Bonds”** means any Bonds the interest in which is excludable  
13 from gross income for federal income tax purposes and is not treated as an item of tax  
14 preference for purposes of calculating the federal alternative minimum tax, as further  
described in an opinion of Bond Counsel supplied to the original purchasers of such  
Bonds.

15 **“Term Bonds”** means those Bonds for which mandatory redemption dates  
16 have been established in the Purchase Contract.

17 **“Transfer Amount”** means, with respect to any Outstanding Bond, the  
Principal Amount.

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

20 **“Underwriter”** means Piper Jaffray & Co..

21 **Section 5. Terms of the Bonds.**

22 (a) Denomination, Interest, Dated Dates and Terms. The Bonds shall be  
23 issued as fully registered Current Interest Bonds registered as to both Principal and  
24 interest, in denominations of \$5,000 Principal Amount or any integral multiple  
25 thereof. The Bonds shall bear interest at a rate or rates not in excess of that  
authorized at the Election. The Bonds will initially be registered in the name of  
“Cede & Co.,” the Nominee of the Depository Trust Company, New York, New  
York.

26 (b) Each Bond shall be dated as of the Dated Date, and shall bear interest  
27 at the rates set forth in the Purchase Contract or Official Statement, from the Bond  
Payment Date next preceding the date of authentication thereof unless it is

1 authenticated during the period from the 16th day of the month next preceding any  
2 Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall  
3 bear interest from such Bond Payment Date, or unless it is authenticated on or before  
4 the first Record Date, in which event it shall bear interest from its Dated Date.  
Interest shall be payable on the respective Bond Payment Dates and shall be  
calculated on the basis of a 360-day year of 12, 30-day months.

5 **Section 6. Execution.** The Bonds shall be signed by the Chairman of the Board  
6 and the Treasurer, or a deputy of the Treasurer, by their manual or facsimile signatures and  
7 countersigned by the manual or facsimile signature of the Clerk of the Board, or by an  
8 authorized deputy thereof, all in their official capacities. In case any one or more of the  
9 officers who shall have signed any of the Bonds shall cease to be such officer before the  
10 Bonds so signed shall have been issued by the County on behalf of the District, such Bonds  
11 may, nevertheless, be issued, as herein provided, as if the persons who signed such Bonds  
12 had not ceased to hold such offices. No Bond shall be valid or obligatory for any purpose or  
13 shall be entitled to any security or benefit under this Resolution unless and until the  
14 certificate of authentication printed on the Bond is signed by the Paying Agent as  
15 authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that  
16 the Bond so authenticated has been duly issued, signed and delivered under this Resolution  
17 and is entitled to the security and benefit of this Resolution.

18 **Section 7. Appointment of Paying Agent.**

19 (a) This Board does hereby consent to and confirm the appointment of  
20 U.S. Bank National Association as the Paying Agent for the Bonds. All fees and  
21 expenses incurred for services of the Paying Agent shall be the sole responsibility of  
22 the District.

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

26 (c) The Paying Agent, upon receipt of any notice, resolution, request,  
27 consent, order, certificate, report, opinion, bond or other paper or document furnished  
28 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. Notwithstanding the foregoing, the fees and  
expenses of the Paying Agent not paid from the proceeds of the sale of the Bonds

1 may be paid in each year from taxes levied and collected for payment of the Bonds,  
2 insofar as permitted by law, including specifically by Section 15232 of the Education  
Code. In no event shall the County be required to expend its own funds hereunder.

3 **Section 8. Resignation or Removal of Paying Agent and Appointment of**  
4 **Successor.**

5 (a) The Paying Agent may at any time resign and be discharged of the  
6 duties and obligations created by this Resolution by giving at least 60 days' written  
7 notice to the District and the County. The Paying Agent may be removed at any time  
8 by an instrument filed with such Paying Agent and the County and signed by the  
9 District. A successor Paying Agent shall be appointed by the District with the written  
10 consent of the Treasurer, which consent shall not be unreasonably withheld, and, if  
11 such successor Paying Agent is not the Treasurer, then it shall be a bank or trust  
12 company organized under the laws of any state of the United States, a national  
13 banking association or any other financial institution, having capital stock and surplus  
aggregating at least \$75,000,000 and doing business in the State 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.

14 (b) In the event of the resignation or removal of the Paying Agent, such  
15 Paying Agent shall pay over, assign and deliver any moneys held by it as Paying  
16 Agent to its successor, or, if there is no successor, to the Treasurer. In the event that  
17 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.

18 **Section 9. Payment of Principal and Interest.** Payment of interest on any  
19 Bond on any Bond Payment Date shall be made to the person appearing on the registration  
20 books of the Paying Agent as the Owner thereof as of the Record Date immediately  
21 preceding such Bond Payment Date, such interest to be paid by check mailed to such Owner  
22 on the Bond Payment Date at his address as it appears on such registration books or at such  
23 other address as he may have filed with the Paying Agent for that purpose on or before the  
Record Date. The Owner in an aggregate Principal Amount of \$1,000,000 or more may  
request in writing to the Paying Agent that such Owner be paid interest by wire transfer to  
24 the bank and account number on file with the Paying Agent as of the Record Date. The  
principal, and redemption price, if any, payable on the Bonds shall be payable upon maturity  
25 or redemption upon surrender at the designated office of the Paying Agent. The interest,  
Principal and redemption premiums, if any, on the Bonds shall be payable in lawful money of  
26 the United States of America. The Paying Agent is hereby authorized to pay the Bonds when  
duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The  
27 Bonds are general obligations of the District payable solely from the proceeds of *ad valorem*  
taxes levied on property subject to taxation by the District. No part of any fund of the  
County is pledged or obligated to the payment of the Bonds.

1           **Section 10.    Bond Registration and Transfer.** So long as any of the Bonds  
2 remain outstanding, the District will cause the Paying Agent to maintain and keep at its  
3 principal office all books and records necessary for the registration, exchange and transfer of  
4 the Bonds as provided in this Section.

5           Subject to the provisions of Section 12 below, the person in whose name a Bond is  
6 registered on the Bond Register shall be regarded as the absolute owner of that Bond for all  
7 purposes of this Resolution. Payment of or on account of the Principal of and interest on any  
8 Bond shall be made only to or upon the order of that person; neither the District, the County  
9 nor the Paying Agent shall be affected by any notice to the contrary, but the registration may  
10 be changed as provided in this Section. All such payments shall be valid and effectual to  
11 satisfy and discharge the District's liability upon the Bonds, including interest, to the extent  
12 of the amount or amounts so paid.

13           Any Bond may be exchanged for Bonds of like tenor, maturity and Transfer Amount  
14 upon presentation and surrender at the office of the Paying Agent designated for such  
15 purpose, together with a request for exchange signed by the registered Owner or by a person  
16 legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be  
17 transferred only on the Bond Register by the person in whose name it is registered, in person  
18 or by his duly authorized attorney, upon surrender of such Bond for cancellation at the office  
19 of the Paying Agent designated for such purpose, accompanied by delivery of a written  
20 instrument of transfer in a form approved by the Paying Agent, duly executed. Upon  
21 exchange or transfer, the Paying Agent shall register, authenticate and deliver a new Bond or  
22 Bonds of like tenor and of any authorized denomination or denominations requested by the  
23 Owner equal to the Transfer Amount of the Bond surrendered and bearing interest at the  
24 same rate and maturing on the same date.

25           If manual signatures on behalf of the County are required, the Paying Agent shall  
26 undertake the exchange or transfer of Bonds only after the new Bonds are signed by the  
27 authorized officers of the County. In all cases of exchanged or transferred Bonds, the County  
28 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 by the Paying Agent to the  
District and the County upon the request thereof. The cancelled Bonds shall be retained for a  
period of two years 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 16th day

1 next preceding either any Bond Payment Date or any date of selection of Bonds to be  
2 redeemed and ending with the close of business on the Bond Payment Date or day on which  
3 the applicable notice of redemption is given or (b) to transfer any Bonds which have been  
4 selected or called for redemption in whole or in part.

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

14 Any new Bonds issued pursuant to this Section 10 in substitution for Bonds alleged  
15 to be destroyed, stolen or lost shall constitute original additional contractual obligations on  
16 the part of the District, whether or not the Bonds so alleged to be destroyed, stolen or lost are  
17 at any time enforceable by anyone, and shall be equally secured by and entitled to equal and  
18 proportionate benefits with all other Bonds issued under this Resolution in any moneys or  
19 securities held by the Paying Agent for the benefit of the Owners of the Bonds.

20 **Section 11. Redemption.**

21 (a) Optional Redemption. The Bonds shall be subject to optional  
22 redemption prior to maturity as provided in the Purchase Contract.

23 (b) Mandatory Redemption. The Term Bonds, if any, shall be subject to  
24 mandatory redemption prior to maturity as provided in the Purchase Contract.

25 (c) Selection of Bonds for Redemption. Whenever provision is made in  
26 this Resolution for the redemption of Bonds and less than all Outstanding Bonds are  
27 to be redeemed, the Paying Agent, upon written instruction from the District, shall  
28 select Bonds for redemption as so directed and if not directed, in inverse order of  
maturity. Within a maturity, the Paying Agent, in a manner determined by the  
District, shall select Bonds for redemption by lot; provided, however, the Purchase  
Contract may provide that, within a maturity, Bonds shall be selected for redemption  
on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with  
DTC procedures, provided further that, such redemption is made in accordance with  
the operational arrangements of DTC then in effect.

With respect to redemption by lot, that the portion of any Bond to be  
redeemed in part shall be in the Principal Amount of \$5,000.

(d) Notice of Redemption. When redemption is authorized or required  
pursuant to Section 11 hereof, the Paying Agent, upon written instruction from the  
District, shall give notice (a "Redemption Notice") of the redemption of the Bonds.  
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

1 redeemed, (b) the date of redemption, (c) the place or places where the redemption  
2 will be made, including the name and address of the Paying Agent, (d) the  
3 redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be  
4 redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and,  
5 in the case of any Bond to be redeemed in part only, the Principal Amount of such  
6 Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity  
7 date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall  
8 further state that on the specified date there shall become due and payable upon each  
9 Bond or portion thereof being redeemed at the redemption price thereof, together  
10 with the interest accrued to the redemption date, and that from and after such date,  
11 interest with respect thereto shall cease to accrue.

12 The Paying Agent shall take the following actions with respect to such  
13 Redemption Notice:

14 (i) At least 20 but not more than 45 days prior to the redemption  
15 date, such Redemption Notice shall be given to the respective Owners of  
16 Bonds designated for redemption by registered or certified mail, postage  
17 prepaid, at their addresses appearing on the Bond Register.

18 (ii) At least 20 but not more than 45 days prior to the redemption  
19 date, such Redemption Notice shall be given by (i) registered or certified  
20 mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or  
21 (iii) overnight delivery service, to the Securities Depository.

22 (iii) At least 20 but not more than 45 days prior to the redemption  
23 date, such Redemption Notice shall be given by (i) registered or certified  
24 mail, postage prepaid, or (ii) overnight delivery service, to one of the  
25 Information Services.

26 (iv) The Redemption Notice shall be given to such other persons  
27 as shall be required by the Continuing Disclosure Certificate.

28 Neither failure to receive or failure to send any Redemption Notice nor any  
defect in any such Redemption Notice so given shall affect the sufficiency of the  
proceedings for the redemption of the affected Bonds. Each check issued or other  
transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall  
bear or include the CUSIP number identifying, by issue and maturity, the Bonds  
being redeemed with the proceeds of such check or other transfer.

With respect to any notice of the optional redemption of Bonds pursuant to  
Section 11(a) hereof, unless upon the giving of such notice such Bonds shall be  
deemed to have been defeased pursuant to Sections 16 or 17 hereof, such notice shall  
state that such redemption shall be conditional upon the receipt by an escrow agent  
selected by the District on or prior to the date fixed for such redemption of the  
moneys necessary and sufficient to pay the principal of, and premium, if any, and  
interest on, such Bonds to be redeemed, and that if such moneys shall not have been  
so received said notice shall be of no force and effect, the Bonds shall not be subject  
to redemption on such date and the Bonds shall not be required to be redeemed on



1 such date. In the event that such notice of redemption contains such a condition and  
2 such moneys are not so received, the redemption shall not be made and the Paying  
3 Agent shall within a reasonable time thereafter give notice, to the persons to whom  
4 and in the manner in which the notice of redemption was given, that such moneys  
5 were not so received.

6 (e) Payment of Redeemed Bonds. When notice of redemption has been  
7 given substantially as provided for herein, and, when the amount necessary for the  
8 redemption of the Bonds called for redemption (Principal and premium, if any) is set  
9 aside in trust for that purpose, as provided herein, the Bonds designated for  
10 redemption shall become due and payable on the date fixed for redemption thereof  
11 and upon presentation and surrender of said Bonds at the place specified in the notice  
12 of redemption, said Bonds shall be redeemed and paid at the redemption price  
13 thereof.

14 All unpaid interest payable at or prior to the redemption date shall  
15 continue to be payable to the respective Owners, but without interest thereon.

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

23 (g) Effect of Notice of Redemption. If on such redemption date, money  
24 for the redemption of all the Bonds to be redeemed as provided in Section 11 hereof,  
25 together with interest accrued to such redemption date, shall be held by an  
26 independent escrow agent selected by the District, so as to be available therefor on  
27 such redemption date, and if notice of redemption thereof shall have been given as  
28 aforesaid, then from and after such redemption date, interest with respect to the  
Bonds to be redeemed shall cease to accrue and become payable. All money held by  
such escrow agent for the redemption of Bonds shall be held in trust for the account  
of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the  
provisions of this Section 11 shall be cancelled upon surrender thereof and be  
delivered to or upon the order of the District. All or any portion of a Bond purchased  
by the District shall be cancelled by the Paying Agent.

(h) 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  
irrevocably in trust for the payment of the redemption price of such Bonds or portions  
thereof, accrued interest with respect thereto to the date fixed for redemption, all as

1 provided in this Resolution, then such Bonds shall no longer be deemed Outstanding  
2 and shall be surrendered to the Paying Agent for cancellation.

3 **Section 12. Book-Entry System.**

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

24 With respect to the Bonds registered in the Bond Register in the name of the  
25 Nominee, neither the District, the County nor the Paying Agent shall have any  
26 responsibility or obligation to any broker-dealers, banks and other financial  
27 institutions from time to time for which the Depository holds Bonds as securities  
28 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 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 a 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 a Bond as shown in the Bond Register, of any amount with respect to  
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  
Principal of 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 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

1 Register, or his respective attorney duly authorized in writing, and all such payments  
2 shall be valid and effective to fully satisfy and discharge the District's obligations  
3 with respect to payment of Principal of and interest on the Bonds to the extent of the  
4 sum or sums so paid. No person other than an Owner of a Bond, as shown in the  
5 Bond Register, shall receive a Bond evidencing the obligation of the District to make  
6 payments of 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.

7 (b) In order to qualify the Bonds for the Depository's book-entry system,  
8 the District has executed and delivered to the Depository a Representation Letter.  
9 The execution and delivery of the Representation Letter shall not in any way limit the  
10 provisions of this Section or in any other way impose upon the District any obligation  
11 whatsoever with respect to persons having interests in the Bonds other than the  
12 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.

13 (c) If at any time the Depository notifies the County and the District that  
14 it is unwilling or unable to continue as Depository with respect to the Bonds or if at  
15 any time the Depository shall no longer be registered or in good standing under the  
16 Securities Exchange Act or other applicable statute or regulation and a successor  
17 Depository is not appointed by the Treasurer within 90 days after the County and the  
18 District receive notice or become aware of such condition, as the case may be,  
19 subsection (a) hereof shall no longer be applicable and the Treasurer shall issue bonds  
20 representing the Bonds as provided below. In addition, the County and the District  
21 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.

22 If the County and the District determine to replace the Depository with  
23 another qualified securities depository, the County and the District shall prepare or  
24 cause to be prepared new fully-registered book-entry securities for each of the  
25 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.

26 Notwithstanding any other provisions of this Resolution to the contrary, so  
27 long as any Bond is registered in the name of the Nominee, all payments with respect  
28 to Principal of, and interest on such Bond and all notices with respect to such Bond

1 shall be made and given, respectively, as provided in the Representation Letter or as  
2 otherwise instructed by the Depository and acceptable to the District.

3 (d) The initial Depository under this Section shall be DTC. The initial  
4 Nominee shall be Cede &Co., as Nominee of DTC.

5 **Section 13. Forms of Bonds.** The Bonds shall be in substantially the forms as  
6 shown in Exhibit C hereto; provided, however, that those officials executing the Bonds are  
7 hereby authorized to make the insertions and deletions necessary to conform the Bonds to  
8 this Resolution and the Purchase Contract, and the Official Statement and to correct any  
9 defect or inconsistent provision therein or to cure any ambiguity or omission therein.

10 **Section 14. Deposit of Proceeds of Bonds; Creation of Funds.**

11 (a) The proper officials of the District shall cause the Bonds to be  
12 prepared and, following their sale, shall have the Bonds signed and delivered,  
13 together with a true transcript of proceedings with reference to the issuance of the  
14 Bonds, to the original purchaser upon payment of the purchase price therefor.

15 (b) The proceeds from the sale of the Bonds, to the extent of the Principal  
16 Amount thereof, shall be paid to the County to the Building Fund, shall be kept  
17 separate and distinct from all other District and County funds, and those proceeds  
18 shall be used solely for the purposes for which the Bonds are being issued. At the  
19 discretion of the District, the Building Fund may be split into more than one fund or  
20 contain subaccounts if the Bonds are issued in more than one Series. The accrued  
21 interest and any premium received by the County from the sale of the Bonds shall be  
22 kept separate and apart in the Debt Service Fund for the Bonds and used only for  
23 payment of Principal of, and interest on the Bonds. At the discretion of the District,  
24 the Debt Service Fund may be split into more than one fund or contain subaccounts if  
25 the Bonds are issued in more than one Series. Any excess proceeds of the Bonds not  
26 needed for the authorized purposes set forth herein for which the Bonds are being  
27 issued shall be transferred to the Debt Service Fund and applied to the payment of  
28 Principal of, and interest on the Bonds. If, after payment in full of the Bonds, there  
remain excess proceeds, any such excess amounts shall be transferred to the General  
Fund of the District.

The costs of issuance of the Bonds (as such term is defined in Education  
Code Section 15145) are hereby authorized to be paid from proceeds of the Bonds.  
The County, at the direction of the District, may cause a portion of the proceeds of  
the Bonds, in lieu of being deposited into the Building Fund, to be deposited in a  
costs of issuance account to be held by a fiscal agent of the District appointed for  
such purpose.

(c) Moneys in the Debt Service Fund and the Building Fund shall be  
invested at the written direction of the District, and after consultation with the  
County, in Permitted Investments. If at the time of issuance the District determines  
to issue the Bonds as Tax-Exempt Bonds without regard to the Internal Revenue  
Code "temporary period" restrictions, all investment of Bond proceeds shall be  
subject to paragraph (i) below; and the District, in consultation with the County, may

1 provide for an agent to assist the District in investing funds pursuant to paragraph (i)  
2 below. If the District fails to direct such agent, the agent shall invest or cause the  
3 funds in the Building Fund to be invested in Qualified Permitted Investments, subject  
4 to the provisions of paragraph (i) below, until such time as the District provides  
5 written direction to invest such funds otherwise. Neither the County nor its officers  
6 and agents, as the case may be, shall have any responsibility or obligation to  
determine the tax consequences of any investment, nor shall the County or its officers  
and agents be liable for any loss on investments. The interest earned on the moneys  
deposited to the Building Fund shall be applied as set forth in subparagraph (ii)  
below.

7 (i) Covenant Regarding Investment of Proceeds.

8 A. Permitted Investments. Beginning on the delivery  
9 date, and at all times until expenditure for authorized purposes, not less than 95% of the  
10 proceeds of the Bonds deposited in the Building Fund, including investment earnings  
11 thereon, will be invested in Qualified Permitted Investments. Notwithstanding the preceding  
12 provisions of this Section, for purposes of this paragraph, amounts derived from the  
disposition or redemption of Qualified Permitted Investments and held pending reinvestment  
or redemption for a period of not more than 30 days may be invested in Permitted  
Investments.

13 B. Recordkeeping and Monitoring Relating to Building  
14 Fund. The investment of Bond proceeds pursuant to this paragraph (i) shall be subject to  
15 such recordkeeping and monitoring requirements as shall be covenanted to by the District in  
the Tax Certificate executed thereby in connection with such Bonds, and as shall be  
acceptable to the County.

16 (ii) Interest Earned on Permitted Investments. The interest earned  
17 on the moneys deposited in the Building Fund shall be deposited in the  
Building Fund and used for the purposes of that fund.

18 Except as required below to satisfy the requirements of Section 148(f)  
19 of the Code, interest earned on the investment of monies held in the Debt  
20 Service Fund shall be retained in the Debt Service Fund and used by the  
County to pay the Principal of and interest on the Bonds when due.

21 (d) The Rebate Fund is hereby created and established. The County shall  
22 from time to time receive funds from the District for deposit into the Rebate Fund as  
23 required to enable the District to comply with the requirements of Section 148(f) of  
24 the Code. The District shall instruct the County, in writing, as to the method of  
25 investing and disbursing funds held in the Rebate Fund to the United States Treasury.  
26 The County agrees to comply with such instructions of the District. Any money  
27 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 the 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

1 disbursements from the Rebate Fund, which shall remain the sole responsibility of the  
2 District.

3 (e) Interest earned on the investment of monies held in the Debt Service  
4 Fund shall be retained in the Debt Service Fund, interest earned on the investment of  
5 monies held in the Building Fund shall be retained in the Building Fund, and interest  
6 earned in the investments in the Rebate Fund shall be retained in the Rebate Fund.

7 (f) If at any time it is deemed necessary or desirable by the District, upon  
8 the written direction of the District, the County may establish additional funds under  
9 this Resolution and/or accounts within any of the funds or accounts established  
10 hereunder.

11 **Section 15. Security for the Bonds; Tax Levy.** There shall be levied on all the  
12 taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem*  
13 tax annually during the period the Bonds are Outstanding in an amount sufficient, together  
14 with moneys on deposit in the Debt Service Fund available for such purpose, to pay the  
15 Principal of, premium, if any, and interest on the Bonds when due. The taxes collected for  
16 the Bonds will be placed in the Debt Service Fund of the District, and which moneys,  
17 pursuant to Government Code sections 5450 and 5451, are hereby pledged to the payment of  
18 the principal of and interest on the Bonds when and as the same fall due, and for no other  
19 purpose. The Bonds are the general obligations of the District and do not constitute an  
20 obligation of the County except as expressly provided in this Resolution. Pursuant to the  
21 District Resolution, the District has pledged funds on deposit in the Debt Service Fund to  
22 payment of the Bonds. No part of any fund or account of the County is pledged or obligated  
23 to the payment of the Bonds or the interest thereon.

24 **Section 16. Defeasance.** The Bonds may be defeased, in whole, prior to maturity  
25 in the following ways:

26 (a) by irrevocably depositing with a bank or trust company in escrow an  
27 amount of cash which together with amounts transferred from the Debt Service Fund,  
28 is sufficient to pay all Bonds Outstanding, including all Principal, premium, if any,  
and interest; or

(b) by irrevocably depositing with a bank or trust company in escrow  
noncallable Government 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 transferred from 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, 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) or (b) of  
this Section, to the owners of the Bonds not so surrendered and paid all sums due with

1 respect thereto and the obligations of the County with respect to the Rebate Fund in  
2 accordance with Section 14 hereof.

3 For purposes of this Section and Section 17, Government Obligations shall mean:

4 Direct and general obligations of the United States of America, or obligations that are  
5 unconditionally guaranteed as to principal and interest by the United States of America  
6 (which may consist of obligations of the Resolution Funding Corporation that constitute  
7 interest strips), or "pre-refunded" municipal obligations rated in the highest rating category  
8 by Moody's or S&P. In the case of direct and general obligations of the United States of  
9 America, Government Obligations shall include evidences of direct ownership of  
10 proportionate interests in future interest or principal payments of such obligations.  
11 Investments in such proportionate interests must be limited to circumstances where (i) a bank  
12 or trust company acts as custodian and holds the underlying United States obligations; (ii) the  
13 owner of the investment is the real party in interest and has the right to proceed directly and  
14 individually against the obligor of the underlying United States obligations; and (iii) the  
15 underlying United States obligations are held in a special account, segregated from the  
16 custodian's general assets, and are not available to satisfy any claim of the custodian, any  
17 person claiming through the custodian, or any person to whom the custodian may be  
18 obligated; provided that such obligations are rated or assessed at least as high as direct and  
19 general obligations of the United States of America by either Moody's or S&P.

20 **Section 17. Partial Defeasance.** A portion of the then-outstanding maturities of  
21 the Bonds may be defeased prior to maturity in the following ways:

22 (a) by irrevocably depositing with the County, or a bank or trust company  
23 in escrow, an amount of cash which, together with amounts transferred from the Debt  
24 Service Fund, is sufficient to pay the designated Outstanding maturities of Bonds,  
25 including all Principal, interest and premium, if any; or

26 (b) by irrevocably depositing with the County, or a bank or trust company  
27 in escrow, noncallable Government Obligations, together with cash, if required, in  
28 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, 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  
designated for redemption not so surrendered and paid all sums due with respect thereto.

**Section 18. Continuing Disclosure.** The District has covenanted and agreed that  
it will comply with and carry out all of the provisions of the Continuing Disclosure  
Certificate. Any Bond 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 the Continuing Disclosure Certificate.

1           **Section 19.     Tax Covenants of the District.** The District has covenanted for and  
2 on behalf of the Owners that it shall not take any action, or fail to take any action if such  
3 action or failure to take such action would adversely affect the exclusion from gross income  
of the interest payable on the Bonds under Section 103 of the Code.

4           **Section 20.     Arbitrage Covenant.** The District has covenanted for and on behalf  
5 of the Owners that it will restrict the use of the proceeds of the Bonds in such manner and to  
6 such extent, if any, as may be necessary, so that the Bonds will not constitute arbitrage bonds  
7 under Section 148 of the Code and the applicable regulations prescribed under that section or  
8 any predecessor section. Calculations for determining arbitrage requirements are the sole  
9 responsibility of the District. The County hereby covenants that it will follow such written  
directions as are given to it by 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 the Bonds will not  
constitute arbitrage bonds under Section 148 of the Code and the applicable regulations  
prescribed under that section or any predecessor section.

10          **Section 21.     Conditions Precedent.** This Board determines that all acts and  
11 conditions necessary to be performed by the Board or to have been met precedent to and in  
12 the issuing of the Bonds in order to make them legal, valid and binding general obligations of  
13 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.

14          **Section 22.     Official Statement.** The District has agreed to cause a Preliminary  
15 Official Statement and a final Official Statement meeting the requirements of Securities and  
16 Exchange Commission Rule 15c2-12 to be prepared. Such Preliminary Official Statement  
17 and Official Statement shall be referred to as the "Official Statement," and will be  
substantially in the form of the Preliminary Official Statement on file with the Clerk of the  
Board of Supervisors, together with such changes as the District deems necessary to make  
such Official Statement accurate as of its date.

18          **Section 23.     Other Actions.**

19               (a) Officers of the Board and County officials and staff are hereby  
20 authorized and directed, jointly and severally, to do any and all things and to execute  
21 and deliver any and all documents which they may deem necessary or advisable in  
22 order to proceed with the issuance of the Bonds and otherwise carry out, give effect  
23 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.

24               (b) Notwithstanding any other provision hereof, the provisions of this  
25 Resolution as they relate to the terms of the Bonds may be amended by the Purchase  
26 Contract.



1           **Section 24.    Supplemental Resolutions.**

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

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

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

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

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

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

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

38          (c)       Any act done pursuant to a modification or amendment so consented  
39          to shall be binding upon the Owners of all the Bonds and shall not be deemed an  
40          infringement of any of the provisions of this Resolution, whatever the character of  
41          such act may be, and may be done and performed as fully and freely as if expressly

1 permitted by the terms of this Resolution, and after consent relating to such specified  
2 matters has been given, no Owner shall have any right or interest to object to such  
3 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.

4 **Section 25. Insurance.** In the event the District purchases bond insurance for the  
5 Bonds, and to the extent that the Bond Insurer makes payment of the Principal of or interest  
6 on the Bonds, such Bond Insurer shall become the owner of such Bonds with the right to  
7 payment of Principal or interest on the Bonds, and shall be fully subrogated to all of the  
8 Owners' rights, including the Owners' rights to payment thereof. To evidence such  
9 subrogation (i) in the case of subrogation as to claims that were past due interest, the Paying  
10 Agent shall note the Bond Insurer's rights as subrogee on the registration books for the  
11 Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued  
12 by the Bond Insurer or other evidence satisfactory to the Paying Agent for the payment of  
such interest to the Owners of the Bonds, and (ii) in the case of subrogation as to claims for  
past due Principal or interest, the Paying Agent shall note the Bond Insurer as subrogee on  
the registration books for the Bonds maintained by the Paying Agent upon surrender of the  
Bonds by the Owners 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 the Bonds when  
due if amounts on deposit in the Debt Service Fund are not adequate for that purpose.

13 **Section 26. Resolution to Constitute Contract.** In consideration of the purchase  
14 and acceptance of any and all of the Bonds authorized to be issued hereunder by those who  
15 shall own the same from time to time, this Resolution shall be deemed to be and shall  
16 constitute a contract among the County, the District and the Owners from time to time of the  
17 Bonds; and the pledge made in this Resolution shall be for the equal benefit, protection and  
18 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.

19 **Section 27. Notices.** All notices or communications herein required or permitted  
20 to be given to any party shall be given to each of the following parties and shall be given in  
21 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:

22 If to the County: County of Riverside  
23 4080 Lemon Street, 4th Floor  
24 Riverside, California 92502  
Attention: Treasurer-Tax Collector

25 If to the Paying Agent: U.S. Bank National Association  
26 633 West Fifth Street, 24<sup>th</sup> Floor  
27 Los Angeles, California 90071  
Attention: Corporate Trust Department

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If to the District: Moreno Valley Unified School District  
25634 Alessandro Boulevard  
Moreno Valley, California 92553  
Attention: Superintendent

**Section 28. Unclaimed Moneys.** Anything in this Resolution to the contrary notwithstanding, any moneys held by the Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for two (2) years 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 Paying Agent at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Paying Agent after said date when such Bonds become due and payable, shall be repaid by the Paying Agent to the District, as its absolute property and free from trust, 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 29. 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 March 24, 2015.

COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
Chairman

ATTEST:  
  
\_\_\_\_\_  
Clerk of the Board of Supervisors

**EXHIBIT A**  
**[FORM OF DISTRICT RESOLUTION]**

**MORENO VALLEY UNIFIED SCHOOL DISTRICT  
RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF EDUCATION OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE OF MORENO VALLEY UNIFIED SCHOOL DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, ELECTION OF 2014 GENERAL OBLIGATION BONDS, SERIES A**

**WHEREAS**, a duly called election was held in the Moreno Valley Unified School District (the "District"), Riverside County (the "County"), State of California, on November 4, 2014 (the "Election") and thereafter canvassed pursuant to law;

**WHEREAS**, at the Election there was submitted to and approved by the requisite fifty-five percent or more vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for the various purposes set forth in the ballot submitted to the voters, in the maximum amount not-to-exceed \$398,000,000, payable from the levy of an *ad valorem* property tax against the taxable property in the District (the "Authorization");

**WHEREAS**, at this time this Board has determined that it is necessary and desirable to request the Board of Supervisors of the County (the "County Board") to issue a first series of such bonds under the Authorization in an aggregate principal amount not to exceed \$100,000,000 103,000,000 to be styled as "Moreno Valley Unified School District (Riverside County, California) Election of 2014 General Obligation Bonds, Series A" (the "Bonds") on behalf of the District;

**WHEREAS**, the District has not received a qualified or negative certification in the most recent interim report;

**WHEREAS**, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"), the Bonds are authorized to be issued by the Board of Supervisors of the County on behalf of the District for the purposes set forth in the ballot submitted to voters at the Election;

**WHEREAS**, this Board desires to authorize the issuance of the Bonds in one or more series of taxable or tax-exempt bonds, and as current interest bonds;

**WHEREAS**, this Board desires to appoint certain professionals to provide services related to the issuance of the Bonds; 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 this proposed issue of Bonds, is within all limits prescribed by law;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT AS FOLLOWS:**

**SECTION 1. Purpose; Authorization.** To raise money for the purposes authorized by voters of the District at the Election and to pay all necessary legal, financial and contingent costs in connection with the issuance of the Bonds, this Board hereby petitions the County Board to authorize

the issuance of the Bonds pursuant to the Act and Section 15140 of the California Education Code, and to order such Bonds sold at a negotiated sale such that the Bonds shall be dated as of a date to be determined by said County Board, shall bear interest at a rate not-to-exceed that authorized at the Election, shall be payable upon such terms and provisions as shall be set forth in the Bonds and shall be in an aggregate principal amount not-to-exceed \$100,000,000-103,000,000. The Board hereby approves the sale of the Bonds at a negotiated sale, which is determined to provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Bonds to fit the needs of particular purchasers, and a greater opportunity for Piper Jaffray & Co. (the "Underwriter") to pre-market the Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds. The Board estimates that the costs associated with the issuance of the Bonds, including compensation to the Underwriter and any such costs which the Underwriter agrees to pay pursuant to the Purchase Contract, will equal approximately ~~1.40~~1.60% of the principal amount of the Bonds.

This Board hereby authorizes the issuance of the Bonds as one or more series of taxable or tax-exempt current interest bonds, as set forth in the fully-executed Purchase Contract (defined herein), subject to the provisions of a resolution of the County Board relating to the Bonds (the "County Resolution").

**SECTION 2. Paying Agent.** This Board does hereby authorize the appointment of U.S. Bank National Association as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds. This Board hereby approves the payment of the reasonable fees and expenses of the Paying Agent as they shall become due and payable. The fees and expenses of the Paying Agent which are not paid as a cost of issuance of the Bonds may be paid in each year from ad valorem property taxes levied and collected for the payment thereof, insofar as permitted by law, including specifically by Section 15232 of the Education Code.

**SECTION 3. Tax Covenants.**

The District hereby covenants with the holders of such Bonds that, notwithstanding any other provisions of this Resolution or the County Resolution, it will (1) comply with all of the provisions of the County Resolution relating to the Rebate Fund (as defined therein) and perform all acts necessary to be performed by the District in connection therewith, and (2) make no use of the proceeds of the Bonds or of any other amounts, regardless of the source, or of any property or take any action, or refrain from taking any action, that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

The District will not make any use of the proceeds of the Bonds or any other funds of the District, or take or omit to take any other action, that would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code or "federally guaranteed" within the meaning of Section 149(b) of the Code. To that end, so long as any Bonds are unpaid, the District, with respect to such proceeds and such other funds, will comply with all requirements of such Sections and all regulations of the United States Department of the Treasury issued thereunder and under Section 103 of the Internal Revenue Code of 1986, as amended, to the extent such requirements are, at the time, applicable and in effect.

The District will not use or permit the use of its facilities or any portion thereof by any person other than a governmental unit, as such term is used in Section 141 of the Code, in such manner or to such extent as would result in the loss of exclusion from gross income for federal income tax purposes of the interest paid on the Bonds. In furtherance of the foregoing tax covenants of this Section, the

District covenants that it will comply with the instructions and requirements of that certain Tax Certificate to be executed and delivered by the District on the date of issuance of such tax-exempt Bonds (the "Tax Certificate"), which is incorporated herein as if fully set forth herein. These covenants shall survive the payment in full or defeasance of the Bonds.

**SECTION 4. Legislative Determinations.** ~~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 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.~~**Rebate Fund. The following provisions shall apply to any Bonds issued as tax-exempt Bonds.**

**(a) The District shall create and establish a special fund designated the "Moreno Valley Unified School District Election of 2014 General Obligation Bonds, Series A Rebate Fund" (the "Rebate Fund"). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the "Rebate Requirement") pursuant to Section 148 of the Code, and the Treasury Regulations promulgated thereunder (the "Treasury Regulations"). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and by the Tax Certificate.**

**(b) Within 45 days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), (1) the District shall calculate or cause to be calculated with respect to the Bonds the amount that would be considered the "rebate amount" within the meaning of Section 1.148-3 of the Treasury Regulations, using as the "computation date" for this purpose the end of such Bond Year, and (2) the District shall deposit to the Rebate Fund from amounts on deposit in the other funds established hereunder or from other District funds, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the "rebate amount" so calculated. The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence, if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the "rebate amount" calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section. The District shall not be required to calculate the "rebate amount" and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Bonds (including amounts treated as proceeds of the Bonds) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a "bona fide debt service fund." In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).**

**(c) Any funds remaining in the Rebate Fund after redemption of all the Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the District, including accrued interest, shall be remitted to the District.**

(d) Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the “rebate amount” and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the “rebate amount” calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than 60 days after the payment of all Bonds, an amount equal to 100% of the “rebate amount” calculated as of the date of such payment (and any income attributable to the “rebate amount” determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate (or have calculated) the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(f) Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by the District.

(g) In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the “rebate amount” calculated in accordance with said subsection, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) The District shall retain records of all determinations made hereunder until three years after the complete retirement of the Bonds.

(i) Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Bonds.

SECTION 5. Legislative Determinations. This Board determines that all acts and conditions necessary to be performed by the District 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 be exceeded in the issuance of the Bonds.

SECTION 5-6. Security for the Bonds. 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 (as such term is defined in the County Resolution) in an amount sufficient to pay the principal of and interest on the Bonds when due, which moneys when collected will be placed in the Debt Service Fund of the District (as such term is defined in



**the County Resolution), which fund is hereby designated for the payment of the principal of and interest on the Bonds when and as the same fall due, and for no other purpose. Pursuant to California Government Code Sections 5450 and 5451, moneys on deposit in the Debt Service Fund are hereby pledged to the payment of the principal of and interest on the Bonds, and for no other purpose.**

**SECTION 7. Official Statement.** The Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Secretary to the Board is hereby approved and the Superintendent of the District, the Chief Business Official of the District, and such other officers or employees of the District as may be designated for such purpose (collectively, the “Authorized Officers”), each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to Underwriter to be used in connection with the offering and sale of the Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement “final” pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriter a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve. The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds and is directed to deliver copies of any final Official Statement to the purchasers of the Bonds. Execution of the Official Statement shall conclusively evidence the District’s approval of the Official Statement.

**SECTION 6.8. Purchase Contract.** The form of a purchase contract by and among the County, the District and the Underwriter for the Bonds (the “Purchase Contract”) on file with the Secretary to the Board is hereby approved. In connection with the sale of the Bonds, the Board authorizes the Authorized Officers, each alone, on behalf of the District, to execute and deliver to the Underwriter a Purchase Contract for the Bonds, with such terms and conditions as may be acceptable to such official; provided, however, that the interest rate on the Bonds shall not exceed that authorized at the Election, the underwriting discount (excluding original discount) shall not exceed 0.875% of the aggregate principal amount of the Bonds issued, and the aggregate principal amount of the Bonds shall not exceed \$100,000,000-103,000,000.

The Authorized Officers, each alone, are hereby authorized to select a municipal bond insurer to insure payments of interest and principal on the Bonds, so long as such Authorized Officer determines that obtaining the municipal bond insurance policy provided thereby will result in a lower interest rate or yield to maturity on the Bonds.

**SECTION 7.9. Continuing Disclosure.** The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate to be executed by the District and dated the date of issuance and delivery of the Bonds (**the “Continuing Disclosure Certificate”**), as originally executed and as it may be amended from time to time in accordance with the terms thereof. **The Board hereby approves the form of the Continuing Disclosure Certificate appended to the form of Preliminary Official Statement on file with the Secretary to the Board as of the date hereof, and the Authorized Officers, each alone, are hereby authorized to execute and deliver such Continuing Disclosure Certificate with such changes therein and modifications thereto as shall be approved by the Underwriter and the Authorized Officer executing the same, such approval to be conclusively evidenced by such execution and delivery.** Any Bondholder 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. Noncompliance with this Section shall not result in acceleration of the Bonds.

**SECTION ~~8.10~~. Authorized Actions.** Officers of the Board and District officials and staff 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. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

**SECTION ~~9.11~~. Professional Services.** The Board hereby appoints Fieldman, Rolapp & Associates, as Financial Advisor, Piper Jaffray & Co. as Underwriter, and Stradling Yocca Carlson & Rauth, a Professional Corporation, as Bond Counsel and Disclosure Counsel, each with respect to the issuance of the Bonds

**SECTION ~~10.12~~. Recitals.** All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

[REMAINDER OF PAGE LEFT BLANK]

**SECTION 44-13. Effective Date.** This Resolution shall take effect immediately upon its passage.

PASSED, ADOPTED AND APPROVED this 10<sup>th</sup> day of March, 2015, by the following vote:

AYES: MEMBERS \_\_\_\_\_

NOES: MEMBERS \_\_\_\_\_

ABSTAIN: MEMBERS \_\_\_\_\_

ABSENT: MEMBERS \_\_\_\_\_

\_\_\_\_\_  
President of the Board of Education

ATTEST:

\_\_\_\_\_  
Secretary of the Board of Education

SECRETARY'S CERTIFICATE

I, Dr. Judy White, Secretary to the Board of Education of the Moreno Valley Unified School District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly and legally held at the regular meeting place thereof on March 10, 2015, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

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: March 10, 2015

By: \_\_\_\_\_  
Secretary to the Board of Education

Document comparison by Workshare Compare on Thursday, March 05, 2015  
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Description	DOCSSF-#108167-v2-District_Authorizing_Resolution_(Short_Form)_-_Moreno_Valley_USD_(Election_of_2014_General_Obligation_Bonds_Series_A)
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Padding cell	

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Moved to	3
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<b>Total changes</b>	<b>52</b>



**EXHIBIT B**  
**FORM OF CONTRACT OF PURCHASE**

§ \_\_\_\_\_  
**MORENO VALLEY UNIFIED SCHOOL DISTRICT**  
**(Riverside County, California)**  
**Election of 2014 General Obligation Bonds, Series A**

**PURCHASE CONTRACT**

\_\_\_\_\_, 2015

Riverside County  
Treasurer-Tax Collector  
4080 Lemon St. 47<sup>th</sup> Floor  
Riverside, CA 92502

Moreno Valley Unified School District  
Board of Education  
25634 Alessandro Blvd.  
Moreno Valley, CA 92553

Ladies and Gentlemen:

The undersigned (the "Underwriter") offers to enter into this Purchase Contract (the "Purchase Contract") with the County of Riverside, California (the "County"), and the Moreno Valley Unified School District (the "District"), which, upon your acceptance hereof, will be binding upon the County, the District 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 us at or 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 principal amount of the District's Election of 2014 General Obligation Bonds, Series A (the "Bonds"). The Bonds shall bear interest at the rates, shall mature in the years and shall be subject to redemption as shown on Appendix A hereto, which is incorporated herein by this reference. The Bonds (as defined in the County Resolution described below) shall be dated the date of delivery thereof and shall bear interest from such date payable as to interest on each February 1 and August 1, commencing August 1, 2015. The final maturity dates, interest rates, yields and redemption provisions of the Bonds are shown in Exhibit A hereto, which exhibit is incorporated by reference herein.



The Underwriter shall purchase the Bonds at a price of \$\_\_\_\_\_ (consisting of the principal amount of the Bonds of \$\_\_\_\_\_, plus net original issue premium of \$\_\_\_\_\_, and less underwriter's discount of \$\_\_\_\_\_.

The District and the County acknowledge and agree that (i) the purchase and sale of the Bonds (defined herein) pursuant to this Purchase Contract is an arm's-length commercial transaction between the District and the County, and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as principal and not as agent or a fiduciary of either the District or the County, (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the District or the County with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the District or the County on other matters) or (y) any other obligation to the District or the County except the obligations expressly set forth in this Purchase Contract and (iv) the District and the County have consulted with their own legal and other professional advisors to the extent they deemed appropriate in connection with the offering of the Bonds. The District further acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required disclosure under rule G-17 of the Municipal Securities Rulemaking Board (the "MSRB").

2. **The Bonds.** The Bonds shall be dated their date of delivery. The Bonds shall mature on the dates shown on Appendix A hereto, and shall otherwise be as described in the Official Statement (as defined herein), and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on March 10, 2015 (the "District Resolution") and the Resolution of the Board of Supervisors of the County adopted March 24, 2015 (the "County Resolution" and, collectively with the District Resolution, the "Resolutions") and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Act"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Official Statement (defined below) or, if not in the Official Statement, 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 bear CUSIP numbers, be in fully registered book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"); and shall initially be in authorized denominations of \$5,000 principal amount each or any integral multiple thereof.

[The scheduled payment of principal of and interest on the Bonds, when due will be guaranteed under an insurance policy (the "Insurance Policy"), to be issued concurrently with the delivery of the Bonds by \_\_\_\_\_ (the "Insurer").]

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 issuance and offering of the Bonds (except as such documents otherwise provide).

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 prices or yields 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 prices or yields as it deems necessary in connection with the marketing of the Bonds. On or prior to the Closing, the Underwriter shall certify to the District in writing, in form and substance satisfactory to the District and to Stradling Yocca Carlson & Rauth, a Professional Corporation, bond counsel with respect to the Bonds ("Bond Counsel"): (i) that as of the date of sale, all of the Bonds purchased were reasonably expected to be reoffered in a bona fide public offering; (ii) that as of the date of the certification, all of the Bonds purchased had actually been offered to the general public; (iii) the maximum initial bona fide offering prices at which a substantial amount (at least 10%) of each maturity of the Bonds purchased was sold or was reasonably expected to be sold to the general public.

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 \_\_\_\_\_, 2015 (the "Preliminary Official Statement"). The District represents that it has deemed the Preliminary Official Statement to be final as of its date, except for either revision or addition of 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 (the "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.

References herein to the Preliminary Official Statement and the Official Statement include the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto.

The Underwriter agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system within one business day after receipt thereof from the District, but in no event later than the Closing (as defined below).

6. **Closing.** At 9:00 A.M., California Time, on \_\_\_\_\_, 2015 or at such other time or on such other date as shall have been mutually agreed upon by the District and the Underwriter (the "Closing"), the District will deliver to the Underwriter, at the offices of The Depository Trust Company ("DTC") in New York, New York, or at such other place as the District and the Underwriter 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 San Francisco, California, the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds by check, draft or wire transfer to the account of the County.

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 issue the Bonds 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 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 and the District Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the District Resolution, the Continuing Disclosure Certificate, 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 and the Continuing Disclosure Certificate constitute valid and legally binding obligations of the District; and (v) the District 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, 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, or which have not been taken or obtained; 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) Internal Revenue Code. The District has complied with the requirements of the Internal Revenue Code of 1986 (the "Code"), as amended, with respect to the Bonds.

(e) 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.

(f) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending 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 thereof, or the levy or collection of *ad valorem* taxes contemplated by the Resolutions and available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract or the Resolutions or contesting the powers of the District or its authority with respect to the Bonds, 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 to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the exemption of such interest on the Bonds from California personal income taxation.

(g) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District, nor the County, nor any other person on behalf of the District, 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.

(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 a continuing disclosure certificate (the "Continuing Disclosure Certificate") on behalf of each obligated person for which financial and/or operating data is presented in the Official Statement. The Continuing Disclosure Certificate shall comply with the provisions of Rule 15c2-12(b)(5) (the "Rule") and be substantially in the form attached to the Official Statement in Appendix C.

(j) Official Statement Accurate and Complete. The Preliminary Official Statement, 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 Official Statement 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. The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the 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.

(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, 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 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 County Resolution; (iii) the execution and delivery or adoption of, and the performance by the County of its 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) assuming due authorization, execution and delivery by the other parties hereto, 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 of its 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, 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, or which have not been taken or obtained; 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 (1) pending, in which service of process has been completed on the County, or (2) 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; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, 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 Resolutions or contesting the

powers of the County or its authority with respect to the Bonds, the Resolutions or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the operations of the County or the consummation of the transactions contemplated by this Purchase Contract or the Resolutions, or (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part.

(f) Certificates. Any certificates signed by an authorized 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.

(g) Official Statement Accurate and Complete. The section of the Preliminary Official Statement entitled "Riverside County Treasury 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 Official Statement entitled "Riverside County Treasury 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 County and the District.** The County and the District respectively covenant and agree with the Underwriter that:

(a) Securities Laws. The County and the District will furnish such information, execute such instruments, and take such other action in cooperation with 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 or such states and jurisdictions, provided, however, that the County and the District shall not be required to consent to service of process in any jurisdiction in which they are 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 hereby agrees to 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 Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter, the County 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 herein called the "Official Statement") in such quantities as may be requested by the Underwriter 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. 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 County or the District, respectively, until the date which is ninety (90) days following the Closing;

(e) References. References herein to the Preliminary Official Statement and the Official Statement include the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto;

(f) Amendments to Official Statement. During the period ending on the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the District and the Underwriter), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriter, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

(1) For purposes of this Purchase Contract, the "End of the Underwriting Period" is used as defined in the Rule and shall occur on the later of (A) the date of Closing or (B) when the Underwriter no longer retains an unsold balance of the Bonds; unless otherwise advised in writing by the Underwriter on or prior to the Closing Date, or otherwise agreed to by the District and the Underwriter, the District may assume that the End of the Underwriting Period is the Closing Date.

10. **Representations, Warranties and Agreements of the Underwriter.** The Underwriter represents to and agrees with the County and the District that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to execute this Purchase Contract and to take any action under the Purchase Contract required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the County and the District, and is not prohibited thereby from acting as underwriter with respect to securities of the District.

(c) The Underwriter has, and has had, no financial advisory relationship, as that term is defined in California Government Code Section 53590(c) or MSRB Rule G-23, with

the District or the County with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

(d) The Underwriter has reasonably determined that the District's undertaking to provide continuing disclosure with respect to the Bonds pursuant to Section 11(e)(11) hereof is sufficient to effect compliance with the Rule.

11. **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 District of its 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 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 us; (ii) all actions under the Act which, in the opinion of 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 Contract or the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. To the best knowledge of the County or the District, 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 pending or threatened which has any of the effects described in Section 7(f) and 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, of the Bonds 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; 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, 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) legislation enacted by the legislature of the State of California (the "State"), or a decision rendered by a court of the State, or a ruling, order, or regulation (final or temporary) made by State authority, which would have the effect of changing, directly or indirectly, the State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof, or

(3) the formal declaration of war by Congress or a new major engagement in or escalation of military hostilities by order of the President of the United States, or the occurrence of any other declared national emergency that interrupts or causes disorder to the operation of the financial markets in the United States for a period of more than 30 days;

(4) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading by the New York Stock Exchange, any national securities exchange, or any governmental authority securities exchange;

(5) 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;

(6) 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 having jurisdiction over the subject matter thereof, 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;

(7) the withdrawal or downgrading of any underlying rating of the District's outstanding indebtedness by a national rating agency; or

(8) 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.

(9) the suspension by the SEC of trading in the outstanding securities of the District or the County.

(e) Delivery of Documents. At or prior to the date of the Closing, Bond Counsel shall deliver sufficient copies 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. Approving opinion of Bond Counsel, as to the validity and federal or state tax-exempt status of the Bonds, dated the date of the Closing, addressed to the County and the District;

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

(3) Supplemental Opinion of Bond Counsel. A supplemental opinion of Bond Counsel in form and substance satisfactory to the Underwriter, dated the Closing Date and addressed to the District, the Underwriter, [and the Insurer,] substantially to the effect that:

(i) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions "INTRODUCTION," "THE BONDS", [(excluding any and all information contained under the subheading "- Bond Insurance")], "LEGAL MATTERS – Continuing Disclosure" and "TAX MATTERS," to the extent they purport to summarize certain provisions of the Bonds, the Resolutions, the Continuing Disclosure Certificate and the form and content of Bond Counsel's approving opinion with respect to the treatment of interest on the Bonds under California or federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to any financial or statistical data or forecasts, number, charts, estimates, projections, assumptions or expressions of opinion, information concerning the Depository Trust Company or related to its book-entry only system, [or any information concerning the Insurer or the Insurance Policy (as defined herein) contained therein,] and with respect to Appendices \_\_, \_\_, and \_\_ to the Official Statement;

(ii) assuming due authorization, execution and delivery by all the parties thereto, the Continuing Disclosure Certificate and this Purchase Contract have each been duly authorized, executed and delivered by the District and constitute legal, valid and binding agreements of the District and are enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as their enforcement may be subject to the application of equitable principles, the exercise of judicial discretion in appropriate cases if equitable remedies are sought and the limitations on legal remedies against public agencies in the State of California; and

(iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

(4) Certificates. A certificate signed by appropriate officials of the County and the District to the effect that (i) such officials are authorized to execute this Purchase Contract, (ii) the representations, agreements and warranties of the County and the District herein are true and correct in all material respects as of the date of Closing, (iii) the County and the District have complied with all the terms of their respective Resolutions and this Purchase Contract to be complied with by the County and the District prior to or concurrently with the Closing and, as to the District, such documents are in full force and effect, (iv) such District officials have reviewed the Official Statement and on such basis certify that the Official Statement does not contain any untrue statement of 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, and (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 event concerning the District 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; provided that the certificate provided by the County may exclude statements to the effect of (iv), (v) and (vi) above;

(5) Arbitrage. A nonarbitrage certificate of the District with respect to the Bonds in form satisfactory to Bond Counsel;

(6) Rating. [Evidence satisfactory to the Underwriter that (A) the Bonds shall have been rated “\_\_\_” and “\_\_\_” by Standard & Poor’s Ratings Service, a Standard & Poor’s Financial Services LLC business (“S&P”) and Moody’s Investors Service (“Moody’s”), respectively, based upon the issuance of the Policy (as defined herein) by the Insurer (as defined herein),] and (B) the Bonds have received underlying ratings of “\_\_\_” by S&P and “\_\_\_” by Moody’s (or such other equivalent ratings as such rating agencies may give), (C) and that any such ratings have not been revoked or downgraded;

(7) District Resolution. A certificate, together with fully executed copies of the District Resolution, of the Secretary to the District Board of Education to the effect that:

(i) such copies are true and correct copies of the District Resolution; and

(ii) that 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.

(8) County Resolution. An originally executed copy of the adopted County Resolution or a certificate, together with fully executed copies of the County Resolution, of an authorized officer from Clerk of the County Board of Supervisors to the effect that:

(i) such copies are true and correct copies of the County Resolution; and

(ii) that the County Resolution was duly adopted;

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

(10) Official Statement. A certificate of the appropriate official of the District evidencing his or her determinations respecting the Preliminary Official Statement in accordance with the Rule;

(11) Continuing Disclosure Certificate. An executed copy of the Continuing Disclosure Certificate, substantially in the form presented in the Official Statement as Appendix C thereto;

(12) Disclosure Counsel Assurance. A letter of Stradling Yocca Carlson & Rauth, dated the Closing Date and addressed to the District, substantially to the effect that based on such counsel's participation in conferences with representatives of the Underwriter, the County, Fieldman, Rolapp & Associates, the District's financial advisor, the District and others, during which conferences the contents of the Official Statement and related matters were discussed, and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the District, as a matter of fact and not opinion, that during the course of its engagement as Disclosure Counsel for the Bonds that no information came to the attention of such counsel's attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement as of its date (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, [information relating to the Insurer or its Insurance Policy,] information relating to DTC or its book-entry only system included therein, or any information contained in Appendices \_\_, \_\_, and \_\_ to the Official Statement, as to which such counsel need express no opinion or view) contained any untrue statement of a material fact or omitted to state any

material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(13) Official Statement. A certificate of the appropriate official of the District evidencing his or her determinations with respect to the Preliminary Official Statement in accordance with the Rule;

[(14) Bond Insurance. A policy of municipal bond insurance (the "Insurance Policy") from the Insurer, insuring the payment of principal of and interest on the Bonds; and

(i) a certificate of the Insurer dated the date of Closing in form and substance acceptable to the Underwriter regarding, among other matters, the due authorization, execution and validity of the bond insurance policy; and

(ii) an opinion of counsel to the Insurer, dated the date of Closing and addressed to the District and the Underwriter, to the effect that (i) the bond insurance policy is the legal, valid and binding obligation of the Insurer enforceable in accordance with its terms, and (ii) the statements in the Official Statement under the caption "THE BONDS – Bond Insurance" and "APPENDIX E" accurately reflect and fairly present the information purported to be shown therein.]

(14) Other Documents. 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 and of the Official Statement, and (iii) 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 District.

(f) Termination. Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the District to the Underwriter as set forth in Section 6 hereof, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect except with respect to the obligations of the District and the Underwriter under Section 15 hereof.

If the County and/or the District is unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Contract or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be cancelled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the County and the District in writing, or by telephone or telegraph, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the County and the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing at its sole discretion.

12. **Conditions to Obligations of the County and the District.** The performance by the County and the District of their obligations 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.

13. **Expenses.** (a) To the extent that the transactions contemplated by this Purchase Contract are consummated, the District shall pay (or cause to be paid) costs of issuance of the Bonds, including but not limited to the following (i) the cost of the preparation and reproduction of the Resolutions; (ii) the fees and disbursements of Bond Counsel and Disclosure Counsel; (iii) the fees of Fieldman, Rolapp & Associates, the District's financial advisor, (iv) the cost of the preparation, printing and delivery of the Bonds; (v) the fees, if any, for bond ratings, including all necessary travel expenses; (vi) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement; (vii) the initial fees of the Paying Agent; (viii) the initial fees of the Fiscal Agent, if any [(ix) bond insurance premium]; and (x) all other fees and expenses incident to the issuance and sale of the Bonds. [The District hereby directs the Underwriter to wire, at the Closing, (i) a portion of the purchase price of the Bonds equal to \$\_\_\_\_\_ to the Insurer for payment of the Insurance Policy premium, and] (ii) a portion of the purchase price of the Bonds equal to \$\_\_\_\_\_ to U.S. Bank National Association, as fiscal agent to the District, for the payment of costs of issuance with respect to the Bonds. In the event that following payment of the expenses set forth above, there is any portion remaining, such remaining amount shall be deposited into the building fund for the Bonds.

(b) Notwithstanding any of the foregoing, the Underwriter shall pay all out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, the fees of Underwriter's counsel, travel and other expenses (except those expressly provided above) without limitation.

14. **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, Riverside County, 4080 Lemon St, Riverside, CA 92501, if to the District, to the Superintendent, Moreno Valley Unified School District, 25634 Alessandro Blvd. Moreno Valley, CA 92553, or if to the Underwriter, to Piper Jaffray & Co., 2321 Rosecrans Ave., Suite 3200, El Segundo, CA 90245, attention: Timothy Carty, Managing Director.

15. **Parties in Interest; Survival of Representations and Warranties.** This Purchase Contract when accepted by the District in writing as heretofore specified 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 your 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.

16. **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.

17. **Indemnification.** The District hereby agrees to indemnify, defend and hold harmless, to the extent permitted by law, the County and its officials and employees (“Indemnified Parties”), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of the Resolutions, or related to the proceedings for sale, award, issuance, and delivery of the Bonds in accordance therewith and herewith. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

[REMAINDER OF PAGE LEFT BLANK]

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

Very truly yours,

PIPER JAFFRAY & CO.

By: \_\_\_\_\_  
Managing Director

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

RIVERSIDE COUNTY  
Accepted:

By: \_\_\_\_\_  
Treasurer-Tax Collector  
Riverside County

Accepted at \_\_\_\_\_ p.m. California Time  
This \_\_\_\_<sup>th</sup> day of \_\_\_\_\_, 2015

MORENO VALLEY UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_  
Mays Kakish  
Chief Business Official

Accepted at \_\_\_\_\_ p.m. California Time  
This \_\_\_\_<sup>th</sup> day of \_\_\_\_\_, 2015



APPENDIX A

\$ \_\_\_\_\_  
MORENO VALLEY UNIFIED SCHOOL DISTRICT  
(Riverside County, California)  
Election of 2014 General Obligation Bonds, Series A

\$ \_\_\_\_\_ Serial Bonds

<u>Maturity</u> <u>August 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
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\$ \_\_\_\_\_ - \_\_\_\_\_% - Term Bond due August 1, 20\_\_ - Yield \_\_\_\_\_%

## Redemption

**Optional Redemption.** The Bonds maturing on or before August 1, 20\_\_ are not subject to redemption. The Bonds maturing on or after August 1, 20\_\_ are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date, on or after August 1, 20\_\_, at a redemption price equal to the principal amount of the Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.

**Mandatory Sinking Fund Redemption.** The Term Bonds maturing on August 1, 20\_\_ are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20\_\_, at a redemption price equal to the principal amount thereof, plus interest accrued to the date set forth for redemption, without premium. The principal amount of such Term Bonds to be so redeemed and the redemption dates therefor, and the final principal payment date is as indicated in the following table:

Redemption Date (August 1)	Principal Amount to be Redeemed
-------------------------------	------------------------------------

(1)

TOTAL:

---

(1) Maturity.

**APPENDIX B**

**OPINION OF COUNTY COUNSEL**

**§ \_\_\_\_\_  
MORENO VALLEY UNIFIED SCHOOL DISTRICT  
(Riverside County, California)  
Election of 2014 General Obligation Bonds, Series A**

Ladies and Gentlemen

This opinion is rendered as counsel to the County of Riverside (the "County") in connection with the issuance by the Moreno Valley Unified School District (the "District") of its Election of 2014 General Obligation Bonds, Series A in the aggregate principal amount of \$ \_\_\_\_\_ (the "Bonds"). The Bonds are being issued pursuant to a resolution of the Board of Supervisors of the County adopted on March 24, 2015 (the "County Resolution"), at the request of the District made pursuant to a resolution adopted by the Board of Education of the District on March 10, 2015 (the "District Resolution").

In rendering this opinion, we have examined the County Resolution and such other documents, records and instruments and made such investigations of law and fact as we have deemed necessary to render the opinions expressed herein.

Based upon the foregoing, and solely with respect to the laws of the State of California (the "State"), we are of the opinion, as of the date hereof, that:

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 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 throughout.

3. To my 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 or affecting 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 for the Bonds or in any way contesting or affecting the validity of the Resolution or 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 Resolution, the Purchase Contract or the Bonds or in which a final adverse decision could materially adversely affect the operations of the County.

4. To my knowledge, the obligations of the County under the Bonds and the execution and delivery of the Purchase Contract 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,

---

ASSISTANT COUNTY COUNSEL

**EXHIBIT C**  
**FORM OF BONDS**

R- \_\_\_\_\_

\$ \_\_\_\_\_

**UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE BOND 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**

**MORENO VALLEY UNIFIED SCHOOL DISTRICT  
ELECTION OF 2014 GENERAL OBLIGATION BONDS, SERIES A**

<u>INTEREST RATE:</u>	<u>MATURITY DATE:</u>	<u>DATED DATE:</u>	<u>CUSIP</u>
_____ %	August 1, _____	_____ 1, 2015	_____

REGISTERED OWNER:      CEDE & CO.

PRINCIPAL AMOUNT:

The Moreno Valley 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 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 February 1 and August 1 of each year (the "Bond Payment Dates"), commencing August 1, 2015. Interest on this Bond shall be computed on the basis of a 360-day year of twelve 30-day months. 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 July 15, 2015, in which event it shall bear interest from the date of delivery. 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 U.S. Bank National Association. Principal is payable upon presentation and surrender of this bond at the designated office of the Paying Agent. Interest is payable by check or draft mailed by the Paying Agent on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"). The Owner of Bonds in the aggregate principal amount of One Million Dollars (\$1,000,000) or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This bond is one of an authorization of \$\_\_\_\_\_ of bonds approved to raise money for the purposes authorized by voters of the District at the Election, defined below; and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, and the requisite fifty-five percent vote of the qualified electors of the District cast at an election held on November 4, 2014 (the "Election"), upon the question of issuing bonds in the amount of \$398,000,000 and resolutions of the Board of Education of the District adopted on March 10, 2015 and by the Board of Supervisors of the County on March 24, 2015 (collectively, the "Bond Resolution"). This bond is being issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code. This bond and the issue of which this bond is one are general obligations of the District 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 unlimited as to rate or amount in accordance with California Education Code Sections 15250 and 15252.

The bonds of this issue comprise \$\_\_\_\_\_ principal amount of Current Interest Bonds, of which this bond is a part.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated office of the Paying Agent, 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 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 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 16th 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 Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their fixed maturity dates. The Bonds maturing on or after August 1, 20\_\_ are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, in whole or in part, on any date on or after August 1, 20\_\_, at a redemption price equal to the principle amount of the Bonds called for redemption, together with interest accrued thereon to the date

fixed for redemption, without premium.

The Bonds maturing on August 1, 20\_\_, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20\_\_, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amounts represented by such Bonds to be so redeemed and the dates therefor and the final principal payment date is as indicated in the following table:

Redemption Date (August 1)	<u>Principal Amount</u>
Total	
<hr/>	
(1) 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 by the District in such manner as the District 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. If less than all of the bonds stated to mature on different dates shall be called for redemption, the particular bonds or portions thereof to be redeemed shall be called in any order of maturity selected by the District or, if not so selected, in the inverse order of maturity.

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 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.

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.

\_\_\_\_\_  
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 bonds described in the Bond Resolution referred to herein which has been authenticated and registered on \_\_\_\_\_, 2015.

U.S. BANK NATIONAL ASSOCIATION, as Paying Agent

By: \_\_\_\_\_  
Authorized Representative

**(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.