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RESOLUTION NO. 2015-153

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, CALIFORNIA, AUTHORIZING THE SALE AND ISSUANCE OF DESERT SANDS UNIFIED SCHOOL DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, GENERAL OBLIGATION BONDS, ELECTION OF 2014, SERIES 2015 IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$77,000,000

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1 Bonds; and

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

5       **WHEREAS**, the District Board has appointed RBC Capital Markets LLC as  
6 Underwriter in connection with the issuance of the Bonds; and

7       **WHEREAS**, the District Board has appointed Fieldman Rolapp & Associates as  
8 Financial Advisor 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  
11 performed in strict conformity with the laws authorizing the issuance of general obligation  
12 bonds of the District, and the indebtedness of the District, including this proposed issue of  
13 Bonds, is within all limits prescribed by law;

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

17       **Section 1.     Purpose of the Bonds.** The Bonds of the District shall be issued in  
18 the name and on behalf of the District in an aggregate Principal Amount not to exceed  
19 \$77,000,000 to raise money for the purposes authorized by voters of the District at the  
20 Election, and to pay all necessary legal, financial, engineering and contingent costs in  
21 connection therewith.

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

26       **Section 3.     Approval of Purchase Contract.** The form of Purchase Contract  
27 (defined herein), by and among the County, the District and RBC Capital Markets LLC (the  
28 “Underwriter”), for the purchase and sale of the Bonds, is hereby approved substantially in  
the form attached hereto as Exhibit B. The Treasurer-Tax Collector of the County (the  
“Treasurer”), or designated deputy thereof, is hereby authorized to execute and deliver the  
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  
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  
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  
discount, excluding original issue discount, shall not exceed 0.5% of the aggregate Principal  
Amount of Bonds issued. The Treasurer, in conjunction with an Authorized Representative  
of the District, shall be authorized to determine the final Principal Amount of the Bonds, not-  
to-exceed \$77,000,000, and enter into and execute the Purchase Contract with the District  
and the Underwriter, if the conditions set forth in this Resolution are satisfied.

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

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

5           **“Authorized Representative of the District”** means each of the  
6 Superintendent of the District, the Assistant Superintendent, Business Services of the  
7 District, and such other officers or employees of the District as may be designated for  
8 such purpose and their designees.

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

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

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

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

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

24           **“Bonds”** means the Desert Sands Unified School District General Obligation  
25 Bonds, Election of 2014, Series 2015, issued and delivered pursuant to this  
26 Resolution.

27           **“Building Fund”** means the Desert Sands Unified School District, General  
28 Obligation Bonds, Election of 2014, Series 2015 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.

**“Continuing Disclosure Certificate”** means that certain contractual  
undertaking of the District pursuant to paragraph (b)(5) of Rule 15c2-12 adopted by  
the Securities and Exchange Commission under the Securities Exchange Act of 1934,

1 and relating to the Bonds, dated as of the date of issuance thereof, as amended from  
2 time to time in accordance with the provisions thereof.

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

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

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

9 **“Debt Service Fund”** means the Desert Sands Unified School District,  
10 General Obligation Bonds, Election of 2014, Series 2015 Debt Service Fund  
11 established pursuant to Section 14 of this Resolution.

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

15 **“District”** means the Desert Sands Unified School District.

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

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

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

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

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

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

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

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

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

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

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

25           **“Owner”** means the registered owner of a Bond as set forth on the  
26 registration books maintained by the Paying Agent pursuant to Section 10 hereof.

27           **“Participants”** means those broker-dealers, banks and other financial  
28 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  
law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government  
Code which invests exclusively in investments permitted by Section 53635 of the  
Government Code, but without regard to any limitations in such Section concerning  
the percentage of moneys available for investment being invested in a particular type

1 of security, (iii) a guaranteed investment contract with a provider having a rating  
2 meeting the minimum rating requirements of the County investment pool maintained  
3 by the Treasurer, (iv) the Local Agency Investments Fund of the California State  
4 Treasurer, (v) the County investment pool described above, and (vi) State and Local  
5 Government Series Securities.

6 **“Principal” or “Principal Amount”** means, with respect to any Bond, the  
7 initial Principal Amount thereof.

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

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

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

22 **“Rebate Fund”** means the Desert Sands Unified School District, General  
23 Obligation Bonds, Election of 2014, Series 2015 Rebate Fund established pursuant to  
24 Section 14 of this Resolution.

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

27 **“Redemption Date”** means any date on which any Bond is subject to  
28 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 June 30, 2015.

**“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  
securities rating agency, such other nationally recognized securities rating agency  
designated by the District.



1           **“Securities Depository”** means The Depository Trust Company, 55 Water  
2 Street, New York, New York 10041, Attn: Redemption Area, Facsimile  
3 transmission: (212) 855-7232, (212) 855-7233, or such other securities depositories  
4 as are designated by the District or the Paying Agent and whose business is to  
5 perform the functions of a clearing agency with respect to exempted securities, as  
6 defined in Section 3(a)(12) of the Securities Exchange Act of 1934, and who is  
7 registered as a clearing agency under Section 17A of the Act.

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

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

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

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

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

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

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

25           **“Underwriter”** means RBC Capital Markets LLC.

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

27           (a)     Denomination, Interest, Dated Dates and Terms. The Bonds shall be  
28 issued as fully registered Current Interest Bonds registered as to both Principal and  
interest, in denominations of \$5,000 Principal Amount or any integral multiple  
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.

          (b)     Each Bond shall be dated as of the Dated Date, and shall bear interest  
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  
authenticated during the period from the 16th day of the month next preceding any  
Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall  
bear interest from such Bond Payment Date, or unless it is authenticated on or before

1 the first Record Date, in which event it shall bear interest from its Dated Date.  
2 Interest shall be payable on the respective Bond Payment Dates and shall be  
3 calculated on the basis of a 360-day year of 12, 30-day months.

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

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

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

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

25 (c) The Paying Agent, upon receipt of any notice, resolution, request,  
26 consent, order, certificate, report, opinion, bond or other paper or document furnished  
27 to it pursuant to any provision of this Resolution, shall examine such instrument to  
28 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  
may be paid in each year from taxes levied and collected for payment of the Bonds,  
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.



1 principal office all books and records necessary for the registration, exchange and transfer of  
2 the Bonds as provided in this Section.

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

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

23 If manual signatures on behalf of the County are required, the Paying Agent shall  
24 undertake the exchange or transfer of Bonds only after the new Bonds are signed by the  
25 authorized officers of the County. In all cases of exchanged or transferred Bonds, the County  
26 shall sign and the Paying Agent shall authenticate and deliver Bonds in accordance with the  
27 provisions of this Resolution. All fees and costs of transfer shall be paid by the transferor.  
28 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 three 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  
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

1 the applicable notice of redemption is given or (b) to transfer any Bonds which have been  
2 selected or called for redemption in whole or in part.

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

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

18 **Section 11. Redemption.**

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

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

23 (c) Selection of Bonds for Redemption. Whenever provision is made in  
24 this Resolution for the redemption of Bonds and less than all Outstanding Bonds are  
25 to be redeemed, the Paying Agent, upon written instruction from the District, shall  
26 select Bonds for redemption as so directed and if not directed, in inverse order of  
27 maturity. Within a maturity, the Paying Agent, in a manner determined by the  
28 District, shall select Bonds for redemption by lot; provided, however, the Purchase  
Contract may provide that (i) 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, or (ii) 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  
redeemed, (b) the date of redemption, (c) the place or places where the redemption  
will be made, including the name and address of the Paying Agent, (d) the  
redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be

1 redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and,  
2 in the case of any Bond to be redeemed in part only, the Principal Amount of such  
3 Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity  
4 date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall  
5 further state that on the specified date there shall become due and payable upon each  
6 Bond or portion thereof being redeemed at the redemption price thereof, together  
7 with the interest accrued to the redemption date, and that from and after such date,  
8 interest with respect thereto shall cease to accrue.

9 The Paying Agent shall take the following actions with respect to such  
10 Redemption Notice:

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

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

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

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

25 Neither failure to receive or failure to send any Redemption Notice nor any  
26 defect in any such Redemption Notice so given shall affect the sufficiency of the  
27 proceedings for the redemption of the affected Bonds. Each check issued or other  
28 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  
such date. In the event that such notice of redemption contains such a condition and  
such moneys are not so received, the redemption shall not be made and the Paying  
Agent shall within a reasonable time thereafter give notice, to the persons to whom

1 and in the manner in which the notice of redemption was given, that such moneys  
2 were not so received.

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

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

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

20 (g) Effect of Notice of Redemption. If on such redemption date, money  
21 for the redemption of all the Bonds to be redeemed as provided in Section 11 hereof,  
22 together with interest accrued to such redemption date, shall be held by an  
23 independent escrow agent selected by the District, so as to be available therefor on  
24 such redemption date, and if notice of redemption thereof shall have been given as  
25 aforesaid, then from and after such redemption date, interest with respect to the  
26 Bonds to be redeemed shall cease to accrue and become payable. All money held by  
27 such escrow agent for the redemption of Bonds shall be held in trust for the account  
28 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  
provided in this Resolution, then such Bonds shall no longer be deemed Outstanding  
and shall be surrendered to the Paying Agent for cancellation.

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

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

22                 With respect to the Bonds registered in the Bond Register in the name of the  
23                 Nominee, neither the District, the County nor the Paying Agent shall have any  
24                 responsibility or obligation to any broker-dealers, banks and other financial  
25                 institutions from time to time for which the Depository holds Bonds as securities  
26                 depository (the "Participant") or to any person on behalf of which such a Participant  
27                 holds an interest in the Bonds. Without limiting the immediately preceding sentence,  
28                 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  
                  Register, or his respective attorney duly authorized in writing, and all such payments  
                  shall be valid and effective to fully satisfy and discharge the District's obligations  
                  with respect to payment of Principal of and interest on the Bonds to the extent of the



1 sum or sums so paid. No person other than an Owner of a Bond, as shown in the  
2 Bond Register, shall receive a Bond evidencing the obligation of the District to make  
3 payments of Principal and interest. Upon delivery by the Depository to the Owners  
4 of the Bonds, and the District of written notice to the effect that the Depository has  
5 determined to substitute a new nominee in place of the Nominee, and subject to the  
6 provisions herein with respect to Record Dates, the word Nominee in this Resolution  
7 shall refer to such nominee of the Depository.

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

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

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

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

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

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

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

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

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

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

8 (i) Covenant Regarding Investment of Proceeds.

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

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

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

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

(d) The Rebate Fund is hereby created and established. The County shall  
from time to time receive funds from the District for deposit into the Rebate Fund as  
required to enable the District to comply with the requirements of Section 148(f) of  
the Code. The District shall instruct the County, in writing, as to the method of  
investing and disbursing funds held in the Rebate Fund to the United States Treasury.  
The County agrees to comply with such instructions of the District. Any money  
remaining in the Rebate Fund after the payment in full of the Bonds, either at  
maturity or earlier redemption, and the payment to the United States Treasury of any  
amounts required pursuant to Section 148(f) of the Code, and any regulations  
thereunder, shall be transferred to the Building Fund, or if the Building Fund is not  
then in 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  
disbursements from the Rebate Fund, which shall remain the sole responsibility of the  
District.

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

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

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

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

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

27 (b) by irrevocably depositing with a bank or trust company in escrow  
28 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 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 respect thereto and the  
obligations of the County with respect to the Rebate Fund in accordance with Section 14  
hereof.

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

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

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

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

23 (b) by irrevocably depositing with a bank or trust company in escrow,  
24 noncallable Government Obligations, together with cash and amounts transferred  
25 from the Debt Service Fund, if required, in such amount as will, in the opinion of an  
26 independent certified public accountant, together with interest to accrue thereon, be  
27 fully sufficient to pay and discharge the designated Outstanding maturities of Bonds  
28 (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.

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

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

11           **Section 21.    Conditions Precedent.** This Board determines that all acts and  
12 conditions necessary to be performed by the Board or to have been met precedent to and in  
13 the issuing of the Bonds in order to make them legal, valid and binding general obligations of  
14 the District have been performed and have been met, or will at the time of delivery of the  
15 Bonds have been performed and have been met, in regular and due form as required by law;  
16 and that no statutory or constitutional limitation of indebtedness or taxation will have been  
17 exceeded in the issuance of the Bonds.

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

25           **Section 23.    Other Actions.**

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

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

29           **Section 24.    Supplemental Resolutions.**

30           (a) This Resolution, and the rights and obligations of the County, the  
31 District and of the Owners of the Bonds issued hereunder, may be modified or  
32 amended at any time by a Supplemental Resolution adopted by the County with the  
33 written consent of Owners owning at least 60% in aggregate Principal Amount of the  
34 Outstanding Bonds, exclusive of Bonds, if any, owned by the County or the District;

1 provided, however, that no such modification or amendment shall, without the  
2 express consent of the Owner of each Bond affected, reduce the Principal Amount of  
3 any Bond, reduce the interest rate payable thereon, advance the earliest redemption  
4 date thereof, extend its maturity or the times for paying interest thereon or change the  
5 monetary medium in which Principal and interest is payable, nor shall any  
6 modification or amendment reduce the percentage of consents required for  
7 amendment or modification. No such Supplemental Resolution shall change or  
8 modify any of the rights or obligations of any Paying Agent without its written assent  
9 thereto. Notwithstanding anything herein to the contrary, no such consent shall be  
10 required if the Owners are not directly and adversely affected by such amendment or  
11 modification.

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

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

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

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

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

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

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

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

17           **Section 26. Resolution to Constitute Contract.** In consideration of the purchase  
18 and acceptance of any and all of the Bonds authorized to be issued hereunder by those who  
19 shall own the same from time to time, this Resolution shall be deemed to be and shall  
20 constitute a contract among the County, the District and the Owners from time to time of the  
21 Bonds; and the pledge made in this Resolution shall be for the equal benefit, protection and  
22 security of the Owners of any and all of the Bonds, all of which, regardless of the time or  
23 times of their issuance or maturity, shall be of equal rank without preference, priority or  
24 distinction of any of the Bonds over any other thereof.

25           **Section 27. Notices.** All notices or communications herein required or permitted  
26 to be given to any party shall be given to each of the following parties and shall be given in  
27 writing and shall be deemed to have been sufficiently given or served for all purposes by  
28 being delivered or sent by telecopier or by being deposited, postage prepaid, in a post office  
letter box, to the addresses set forth below, or to such other address as may be provided to the  
other parties hereinafter listed in writing from time to time, namely:

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

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

          If to the District:               Desert Sands Unified School District  
  47-950 Dune Palms Road  
  La Quinta, CA 92253  
  Attention: Superintendent



1           **Section 28.    Unclaimed Moneys.** Anything in this Resolution to the contrary  
2 notwithstanding, any moneys held by the Paying Agent in trust for the payment and  
3 discharge of any of the Bonds which remain unclaimed for two (2) years after the date when  
4 such Bonds have become due and payable, either at their stated maturity dates or by call for  
5 earlier redemption, if such moneys were held by the Paying Agent at such date, or for two (2)  
6 years after the date of deposit of such moneys if deposited with the Paying Agent after said  
7 date when such Bonds become due and payable, shall be repaid by the Paying Agent to the  
8 District, as its absolute property and free from trust, and the Paying Agent shall thereupon be  
9 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.

10           **Section 29.    Effective Date.** This Resolution shall take effect immediately upon  
11 its passage.

12           The foregoing resolution was adopted by the Board of Supervisors of the County of  
13 Riverside on June 30, 2015.

COUNTY OF RIVERSIDE

14  
15           By: \_\_\_\_\_  
                  Chairman

16           ATTEST:

17  
18           \_\_\_\_\_  
                  Clerk of the Board of Supervisors

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

**DESERT SANDS UNIFIED SCHOOL DISTRICT**

**RESOLUTION NO. 36/2014-2015**

**A RESOLUTION OF THE BOARD OF EDUCATION OF THE DESERT SANDS UNIFIED SCHOOL DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, AUTHORIZING THE ISSUANCE OF DESERT SANDS UNIFIED SCHOOL DISTRICT (RIVERSIDE COUNTY, CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2014, SERIES 2015, AND ACTIONS RELATED THERETO**

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

**WHEREAS**, at such election there was submitted to and approved by the requisite vote of fifty-five percent or more 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 not to exceed \$225,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Authorization"); and

**WHEREAS**, at this time the Board of Education has determined that it is necessary and desirable to request the issuance by the Board of Supervisors of the County (the "County Board") of the first series of bonds under the Authorization in an aggregate principal amount not-to-exceed \$77,000,000 and to be designated as "Desert Sands Unified School District (Riverside County, California) General Obligation Bonds, Election of 2014, Series 2015" (the "Bonds"); and

**WHEREAS**, the County Board shall issue the Bonds on behalf of the District pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of the California Government Code (the "Act"), for the purposes set forth in the ballot submitted to voters at the Election; and

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

**WHEREAS**, the 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 DESERT SANDS UNIFIED SCHOOL DISTRICT AS FOLLOWS:**

**SECTION 1. Certain Definitions.** As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the County Resolution or the Purchase Contract):

(a) **“Authorized Officer”** means the Superintendent or Assistant Superintendent, Business Services, or such other officer or employee of the District as may be designated by the Superintendent or Assistant Superintendent, Business Services.

(b) **“Bond Insurer”** means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Bonds.

(c) **“Bond Payment Date”** means, unless otherwise provided by the Purchase Contract, February 1 and August 1 of each year commencing August 1, 2015, with respect to the interest on the Bonds, and August 1 of each year commencing August 1, 2015, with respect to the principal payments on the Bonds.

(d) **“Bond Register”** means the registration books which the Paying Agent shall keep or cause to be kept on which the registered ownership, transfer and exchange of Bonds shall be recorded.

(e) **“Code”** means the Internal Revenue Code of 1986, as amended. Reference to any particular section of the Code shall be deemed to be a reference to any successor to any such section.

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

(g) **“County Resolution”** means that certain resolution of the County Board providing for the issuance of the Bonds.

(h) **“Current Interest Bonds”** means Bonds, the interest on which is payable semiannually on each Bond Payment Date specified therefor, and maturing in the years and amounts set forth in the Purchase Contract.

(i) **“Holder” or “Owner”** means the registered owner of a Bond as set forth on the Bond Register maintained by the Paying Agent pursuant to the County Resolution.

(j) **“Long Current Interest Bonds”** means Current Interest Bonds that mature more than 30 years from their date of issuance.

(k) **“Official Statement”** means the Official Statement for the Bonds, as described in Section 9 hereof.

(l) **“Paying Agent”** means, initially U.S. Bank National Association, or such other Paying Agent as shall be named in the County Resolution or the Purchase Contract, and afterwards any successor financial institution.

(m) **“Purchase Contract”** means the contract or contracts for purchase and sale of the Bonds, by and between the District and the Underwriter. To the extent the Bonds are sold pursuant to more than one Purchase Contract, each shall be substantially in the form presented to the Board, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve.

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

(o) **“Taxable Bonds”** means any Bonds not issued as Tax-Exempt Bonds.

(p) **“Tax-Exempt Bonds”** means any Bonds the interest in which is excludable from gross income for federal income tax purposes and is not treated as an item of tax 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.

(q) **“Treasurer”** means the Treasurer-Tax Collector of Riverside County.

(r) **“Underwriter”** means RBC Capital Markets LLC, as underwriter of the Bonds.

**SECTION 2. Purpose; Authorization.** For the purpose of raising 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, the Board hereby requests 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 an Authorized Officer of the District, 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 \$77,000,000. 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 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 further authorizes the issuance of the Bonds as any combination of Taxable or Tax-exempt Current Interest Bonds, as set forth in the fully executed Purchase Contract for the Bonds, subject to the provisions of the County Resolution.

**SECTION 3. Paying Agent.** The Board hereby appoints the Paying Agent to serve as the paying agent, bond registrar, transfer agent and authentication agent for the Bonds on behalf of the District. The 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 4. Approval of Purchase Contract.** The form of Purchase Contract by and among the District, the County and the Underwriter substantially in the form on file with the Secretary to the Board, is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed to execute such Purchase Contract at time the Bonds are sold; provided, however, that the maximum interest rate on the Bonds shall not exceed the maximum rate permitted by law and the underwriting discount thereon, excluding original issue discount and expenses of the Underwriter, shall not exceed 0.5% of the aggregate principal amount of Bonds actually issued. The Authorized Officers, in consultation with the Treasurer, each alone, are further authorized to determine the principal amount of the Bonds to be specified in the Purchase Contract for sale by the District up to \$77,000,000 and to enter into and execute the Purchase Contract with the County and the Underwriter, if the conditions set forth in this Resolution and the County Resolution are satisfied. The Board estimates that the costs associated with the issuance of the Bonds, including compensation to the Underwriter, will equal approximately 1.2% of the principal amount of the Bonds.

**SECTION 5. Tax Covenants.**

(a) With respect to Bonds issued as Tax-Exempt Bonds, the District hereby covenants with the Holders of such Bonds that, notwithstanding any other provisions of this Resolution, it will (1) comply with all of the provisions of this Resolution and 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 3(a), 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 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 6. Rebate Fund.** The following provisions shall apply to any Bonds issued as Tax-Exempt Bonds.

(a) Pursuant to the County Resolution, there shall be created and established a special fund designated the "Desert Sands Unified School District General Obligation Bonds, Election of 2014, Series 2015 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, the County Resolution 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 cause to be deposited 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 consistent with the County Resolution.

(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 or the County Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Bonds.

**SECTION 7. Legislative Determinations.** The 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 8. 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 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.

**SECTION 9. 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 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 the 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 such Underwriter 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 10. Bond Insurance.** In the event the District purchases bond insurance for the Bonds, and to the extent that the Bond Insurer makes payment of the principal of or interest on the Bonds, it shall become the Owner of such Bonds with the right to payment of principal or interest on the Bonds, and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims of past due interest, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for the Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer 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, 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.

**SECTION 11. 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 executed by the District and dated as of the Date of Delivery, 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 Continuing Disclosure Certificate appended to the Preliminary Official Statement on file with the Secretary to the Board, and the Authorized Officers, each alone, are hereby authorized to execute the Continuing Disclosure Certificate with such changes thereto as the Authorized Officers executing the same shall approve, such approval to be conclusively evidenced by such execution and delivery. Noncompliance with the Continuing Disclosure Certificate shall not result in acceleration of the Bonds.

**SECTION 12. Other Actions.**

(a) District officers, 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.

(b) The Board hereby appoints Fieldman Rolapp & Associates, as the Financial Advisor, RBC Capital Markets LLC 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.

(c) To the extent the issuance of Bonds includes Long Current Interest Bonds (as defined herein), the useful life of any facility financed with such Long Current Interest Bonds will equal or exceed the maturity of such Long Current Interest Bonds, as shall be further evidenced by a certificate of the District substantially to such effect.

**SECTION 13. Nonliability of the County; Reimbursement of Costs.** Notwithstanding anything to the contrary contained herein, in the Bonds or in any other document mentioned herein, neither the County, nor its officials, officers, employees or agents shall have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby, the Bonds are not a debt of the County or a pledge of the County's full faith and credit, and the Bonds and any liability in connection therewith shall be paid solely from *ad valorem* property taxes lawfully levied to pay the principal of or interest on the Bonds, which taxes shall be unlimited as to rate or amount. The District shall reimburse the County for all costs and expenses incurred by the County, its officials, officers, agents and employees in issuing or otherwise in connection with the issuance of the Bonds.

**SECTION 14. Request to County to Levy Tax.** The County Board and officers of the County are obligated by statute to provide for the levy and collection of *ad valorem* property taxes in each year sufficient to pay all principal of and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The District hereby requests the County Board to annually levy a tax upon all taxable property in the District sufficient to pay all such principal and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds.

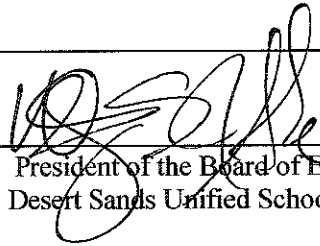
**SECTION 15. Resolution to County Treasurer.** The Secretary to the Board is hereby directed to provide a certified copy of this Resolution to the Treasurer immediately following its adoption.

**SECTION 16. Recitals.** All the recitals in this Resolution above are true and correct and the Board so finds, determines and represents.

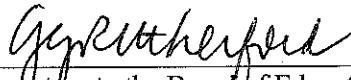
**SECTION 17. Effective Date.** This Resolution shall take effect immediately upon its passage.

PASSED, ADOPTED AND APPROVED this 16<sup>th</sup> day of June 2015, by the following vote:

AYES:	MEMBERS	<u>Duran, Tomak, Griffith, Monica, Jonathan</u>
NOES:	MEMBERS	<u>0</u>
ABSTAIN:	MEMBERS	<u>0</u>
ABSENT:	MEMBERS	<u>0</u>

  
\_\_\_\_\_  
President of the Board of Education  
Desert Sands Unified School District

ATTEST:

  
\_\_\_\_\_  
Secretary to the Board of Education  
Desert Sands Unified School District

CERTIFICATE

I, Dr. Gary Rutherford, Secretary to the Board of Education of the Desert Sands Unified School District (the "District"), hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a meeting of the Board of Education of said District duly and legally held at the regular meeting place thereof on June 16, 2015, of which meeting a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in at the District 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: June 16, 2015

By:   
Secretary to the Board of Education  
Desert Sands Unified School District

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

§ \_\_\_\_\_  
**DESERT SANDS UNIFIED SCHOOL DISTRICT**  
**(Riverside County, California)**  
**General Obligation Bonds, Election of 2014, Series 2015**

**PURCHASE CONTRACT**

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

Riverside County  
Treasurer-Tax Collector  
4080 Lemon St. 4<sup>th</sup> Floor  
Riverside, CA 92501

Desert Sands Unified School District  
Board of Education  
47-950 Dune Palms Road  
La Quinta, CA 92253

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC (the "Underwriter"), offers to enter into this Purchase Contract (the "Purchase Contract") with the County of Riverside, California (the "County"), and the Desert Sands 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 General Obligation Bonds, Election of 2014, Series 2015 (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 herein by reference.

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 \$\_\_\_\_\_).

Inasmuch as this purchase and sale represents a negotiated transaction, the District and the County acknowledge and agree that: (i) the transaction contemplated by this Contract of Purchase is an arm's-length commercial transaction by and among the District, the County and the Underwriter, in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisory or fiduciary to the District or the County; (ii) the Underwriter has not assumed a financial advisor or fiduciary responsibility to the District or the County with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto, irrespective of whether or not the Underwriter has provided other services or is currently providing other services to the District or the County on other matters; (iii) the Underwriter is acting solely in its capacity as an underwriter for its own account; (iv) the only obligations the Underwriter has to the District or the County with respect to the transaction contemplated hereby expressly are set forth in this Contract of Purchase; and (v) the District has consulted with its own legal, accounting, tax, financial and other advisors to the extent it deemed appropriate in connection with the offering of the Bonds. The District further acknowledges that it has previously provided the Underwriter with an acknowledgment 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 June 16, 2015 (the "District Resolution") and the Resolution of the Board of Supervisors of the County adopted June 30, 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.

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; and (iii) that 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 or cause to be delivered 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 unified 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, to approve the Official Statement, and to carry out and effectuate the transactions contemplated by this Purchase Contract, the Continuing Disclosure Certificate and the Resolutions; (iii) the execution and delivery or adoption of, and the performance by the District of its obligations contained in the Bonds, the District Resolution, the Continuing Disclosure Certificate and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (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, as amended (the "Code"), 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, the Continuing Disclosure Certificate or the Resolutions or contesting the powers of the District or its authority with respect to the Bonds, the District Resolution 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 State of 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. Except as otherwise disclosed in the Official Statement, the District has not, within the past five years, failed to comply in a material respect with its prior undertakings pursuant to the Rule.

(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.

(l) Audited Financial Statements. The audited financial statements of the District for the fiscal year ending June 30, 2014 were prepared in accordance with generally accepted accounting principles consistently applied and fairly presented the financial position and results of operations of the District for the period and at the date set forth therein, and there has been no material adverse change in the business, affairs, financial position, results of operations or condition, financial or otherwise, of the District since the date of such financial statements, except as otherwise described in the Official Statement.

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 actions 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 appendix to the Preliminary Official Statement entitled "Riverside County Pooled Investment Fund," 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 appendix to the Official Statement entitled "Riverside County Pooled Investment Fund" 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 an 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.

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.

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. The Underwriter shall have the right to cancel their obligation to purchase the Bonds if, between the date of this Purchase Contract and the Closing, customer orders have been canceled due to the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, being materially adversely affected, in the reasonable judgment of the Underwriter, by the occurrence of any of the following:

(1) legislation enacted by Congress, or passed by either House thereof, or favorably reported for passage thereto by any Committee of such House to which such legislation has been referred for consideration, or by the legislature of the State of California (the "State"), or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court of the United States or the State 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 (the "IRS"), with the purpose or effect, directly or indirectly, of changing, directly or indirectly, the federal income tax consequences or State tax consequences of interest on the Bonds or of obligations of the general character of the Bonds in the hands of the holders thereof; or

(ii) by or on behalf of the Securities and Exchange Commission (the "SEC"), 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) any outbreak or escalation of hostilities affecting the United States, the declaration by the United States of a national emergency or war, or engagement in or material escalation of major military hostilities by the United States or the occurrence of any other national emergency, calamity or crisis relating to the effective operation of the government or the financial community in the United States;

(3) the declaration of a general banking moratorium by Federal, New York State or State authorities having appropriate jurisdiction, or the general suspension of trading on any national securities exchange or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on any national securities exchange, whether by virtue of a determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction;

(4) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in

force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(5) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the SEC, 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;

(6) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to the outstanding indebtedness of the District;

(7) any fact or event shall exist or have existed that, in the reasonable judgment of the Underwriter, requires or has required an amendment of or supplement to the Official Statement; provided, however, that in the event the District, based on the advice of Bond Counsel or Disclosure Counsel, should notify the Underwriter in writing that the District disagrees with the judgment of the Underwriter, the Underwriter shall, as a condition of invoking the within-described right of termination, produce to the District evidence of cancelled trade tickets from retail or institutional purchasers of the Bonds;

(8) the occurrence, since the date hereof, of any materially adverse change in the affairs or financial condition of the District;

(9) the suspension by the SEC of trading in the outstanding securities of the District;

(10) any state Blue Sky or securities commission, or other governmental agency or body, shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;

(11) any amendment shall have been made to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the District, its property, income securities (or interest thereon) or the validity or enforceability of the levy of taxes to pay principal of and interest on the Bonds; or

(12) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.



(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 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 and the Underwriter, 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," "LEGAL MATTERS – Continuing Disclosure – Current Undertaking" 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, and with respect to Appendices \_\_, \_\_, \_\_, \_\_ 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) Ratings. 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”) (or such other equivalent ratings as such rating agencies may give), (B) 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 and the Underwriter, 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 DTC or its book-entry only system included therein, or any information contained in Appendices \_\_, \_\_, \_\_, \_\_ 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) 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 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; and (ix) 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, 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 counsel to the Underwriter, 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 Assistant Superintendent, Business Services, Desert Sands Unified School District, 47-950 Dune Palms Road, La Quinta, CA 92553, or if to the Underwriter, to RBC Capital Markets LLC, 777 S Figueroa Street, Suite 850, Los Angeles, CA 90017, attention: Roderick Carter, 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.

18. **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,

RBC CAPITAL MARKETS, LLC.

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 \_\_ day of \_\_\_\_\_, 2015

DESERT SANDS UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_  
James Novak  
Assistant Superintendent, Business Services

Accepted at \_\_\_\_\_ p.m. California Time  
This \_\_ day of \_\_\_\_\_, 2015

APPENDIX A

\$ \_\_\_\_\_  
DESERT SANDS UNIFIED SCHOOL DISTRICT  
(Riverside County, California)  
General Obligation Bonds, Election of 2014, Series 2015

\$ \_\_\_\_\_ 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 \_\_\_%<sup>(1)</sup>

<sup>(1)</sup> Yield to call at par on August 1, 20\_\_.

**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, together with interest accrued thereon to the date fixed for redemption, without premium.

*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, together with accrued interest to the date fixed for redemption, without premium. The principal amounts represented by such Term Bonds to be so redeemed and the dates therefor and the final principal payment date are as indicated in the following table:

<b>Redemption Date (August 1)</b>	<b>Principal Amount to be Redeemed</b>
---------------------------------------	--

\_\_\_\_\_  
<sup>(1)</sup> Maturity.

In the event that a portion of the Term Bonds maturing on August 1, 20\_\_ are optionally redeemed prior to maturity, the remaining mandatory sinking fund payments shown above shall be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000 of principal amount, in respect of the portion of such Term Bonds optionally redeemed.



**APPENDIX B**

**OPINION OF COUNTY COUNSEL**

**§ \_\_\_\_\_  
DESERT SANDS UNIFIED SCHOOL DISTRICT  
(Riverside County, California)  
General Obligation Bonds, Election of 2014, Series 2015**

Ladies and Gentlemen

This opinion is rendered as counsel to the County of Riverside (the "County") in connection with the issuance by the Desert Sands Unified School District (the "District") of its General Obligation Bonds, Election of 2014, Series 2015 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 June 30, 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 June 16, 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,

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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**

**DESERT SANDS UNIFIED SCHOOL DISTRICT  
GENERAL OBLIGATION BONDS, ELECTION OF 2014, SERIES 2015**

<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 Desert Sands 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 \$77,000,000 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 \$225,000,000 and resolutions of the Board of Education of the District adopted on June 16, 2015 and by the Board of Supervisors of the County on June 30, 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 principal 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	
-----	
(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.

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Chairman of the Board of Supervisors

COUNTERSIGNED:

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Clerk of the Board of Supervisors

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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

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(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.