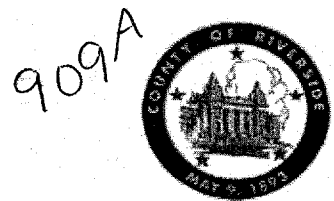


**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



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


**SUBMITTAL DATE:**  
March 21, 2013

**SUBJECT:** Resolution No. 2013-014 – Coachella Valley Unified School District, General Obligation Bonds, 2012 Election, Series A (Vote on Separately)

**RECOMMENDED MOTION:** That your Honorable Board approve and adopt Resolution No. 2013-014 providing for the issuance and sale of Coachella Valley Unified School District, General Obligation Bonds, 2012 Election, Series A in a principal amount not to exceed \$21,000,000.

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

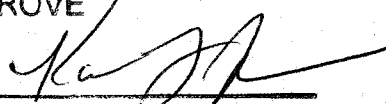
(Continued on Page 2)

  
Don Kent, Treasurer-Tax Collector

FORM APPROVED COUNTY COUNSEL  
BY: DALE A. GARDNER DATE: 3/19/13  
Departmental Concurrence

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

<b>SOURCE OF FUNDS:</b> N/A	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>


**C.E.O. RECOMMENDATION:** APPROVE  
BY:   
Karen L. Johnson  
**County Executive Office Signature**

Policy  
 Policy  
 Consent  
 Consent

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Benoit, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley  
 Nays: None  
 Absent: None  
 Date: April 2, 2013  
 xc: Treasurer

Kecia Harper-Ihem  
 Clerk of the Board  
 By:   
 Deputy

Dept's Recomm.:  
 Per Exec. Ofc.:

**Prev. Agn. Ref.:** District: 4/4 **Agenda Number:**

**3-20**

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

Date: March 21, 2013  
From: Treasurer-Tax Collector  
Subject: Resolution No. 2013-014  
Page 2

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

An election was held on November 6, 2012, pursuant to Section 1 of Article XIII A of the California Constitution, Section 18 of Article XVI of the California Constitution, and Chapter 1 of Part 10 of Division 1 of Title 1 (Section 15266) of the Education Code, codifying, in part, Proposition 39. The measure, which was approved by more fifty-five percent of the votes cast by eligible voters of the District, authorized the incurrence of general obligation bonded indebtedness in an aggregate principal amount not to exceed \$41,000,000.

This Resolution, 2013-014, authorizes and provides for the issuance of Coachella Valley Unified School District, General Obligation Bonds, 2012 Election, Series A (the "Series A Bonds") in an aggregate principal amount not to exceed \$21,000,000. The bond proceeds will be used to finance the purchase of technology equipment and the construction, renovation and repair of infrastructure projects and facilities located within the District.

The Series A Bonds represent a general obligation of the District and do not constitute a debt, liability, or obligation of Riverside County. No part of any fund of the County is pledged or obligated to the payment of the Series A Bonds.

County Counsel has reviewed Resolution No. 2013-014 and has approved it as to form.

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**RESOLUTION NO. 2013-014**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, PROVIDING FOR THE ISSUANCE AND SALE OF COACHELLA VALLEY UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2012 ELECTION, SERIES A, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED TWENTY-ONE MILLION DOLLARS (\$21,000,000); PRESCRIBING THE TERMS OF THE BONDS AND THEIR SALE; APPROVING FORM AND AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; AUTHORIZING EXECUTION OF NECESSARY DOCUMENTS; MAKING RELATED FINDINGS AND DETERMINATIONS AND TAKING RELATED ACTIONS**

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**RESOLUTION NO. 2013-014**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, PROVIDING FOR THE ISSUANCE AND SALE OF COACHELLA VALLEY UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2012 ELECTION, SERIES A, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED TWENTY ONE MILLION DOLLARS (\$21,000,000); PRESCRIBING THE TERMS OF THE BONDS AND THEIR SALE; APPROVING FORM AND AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; AUTHORIZING EXECUTION OF NECESSARY DOCUMENTS; MAKING RELATED FINDINGS AND DETERMINATIONS AND TAKING RELATED ACTIONS**

**WHEREAS**, the Coachella Valley Unified School District ("District") is a public school district duly organized and operating pursuant to the Constitution and the laws of the State of California; and

**WHEREAS**, an election was duly called and regularly held in the District, County of Riverside ("County") and County of Imperial ("Imperial County"), State of California ("State"), on November 6, 2012 ("Election"), and thereafter canvassed pursuant to law; and

**WHEREAS**, at such Election there was submitted to, and approved by more than the requisite fifty-five percent (55%) favorable vote of the qualified electors of the District, as certified by the Riverside County Register of Voters and the Imperial County Registrar of Voters in the official canvassing of the voters, a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot measure submitted to the voters, in the maximum principal amount of \$41,000,000, payable from the levy

FORM APPROVED COUNTY COUNSEL  
BY: Dale A. Gardner 3/20/13  
DATE

1 of an annual *ad valorem* tax against the taxable property in the District (“Authorization”); and

2  
3         **WHEREAS**, the results of the Election were certified by the Board of Trustees of the  
4 District (“District Board”) by adoption of Resolution No. 2013-44, adopted on January 17, 2013,  
5 pursuant to State law, and the County has been informed that Resolution No. 2013-44 has been  
6 filed as required by State law; and

7  
8         **WHEREAS**, pursuant to the provisions of the California Constitution and the  
9 Authorization, the District may, pursuant to certain of the provisions and limitations of Article 1  
10 of Chapter 1.5 of Part 10 of Division 1 of Title 1 of the California Education Code (“Education  
11 Code”), proceed to borrow funds pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1  
12 of Division 2 of Title 5 of the California Government Code (“Government Code”) of the State of  
13 California, being Section 53506 *et seq.*, and, as applicable, Education Code Sections 15140 *et*  
14 *seq.*, which authorizes the District Board to issue general obligation bonds through the County by  
15 way of a resolution and compliance with certain statutory requirements; and

16  
17         **WHEREAS**, pursuant to the Authorization and Government Code Sections 53506 *et*  
18 *seq.*, including, but not limited to Government Code Section 53508.7(c) and, as applicable,  
19 Education Code Sections 15100 *et seq.*, 15140 *et seq.*, the District Board adopted its Resolution  
20 No. 2013-54 on March 14, 2013 (“District Resolution”), an executed electronic copy of which  
21 has been received by the County Board, requesting the County Board to issue a series of such  
22 authorized school district general obligation bonds, designated the “Coachella Valley Unified  
23 School District General Obligation Bonds, 2012 Election, Series A” in an aggregate principal  
24 amount not to exceed \$21,000,000 (“Series A Bonds” or “Bonds”); and

25  
26         **WHEREAS**, within the District Resolution the District Board has requested that  
27 authority be provided to sell the Series A Bonds as Taxable Series A Bonds and/or Tax-Exempt  
28

1 Series A Bonds (as defined herein) as described and set out in the District Resolution and herein;  
2 and  
3

4 **WHEREAS**, the Series A Bonds are authorized to be issued by the County, on behalf of  
5 the District, pursuant to provisions of the California Constitution, the Authorization, the  
6 provisions of the Government Code, specifically Government Code Sections 53506 *et seq.*, and,  
7 as applicable, the provisions of the Education Code, specifically Education Code Sections 15266,  
8 15100 *et seq.*, and 15140 *et seq.*; and  
9

10 **WHEREAS**, in the District Resolution, the District Board found and informed this  
11 County Board that all acts and conditions necessary to be performed by the District or to have  
12 been met precedent to and in the issuance and sale of the Series A Bonds in order to make them  
13 legal, valid and binding general obligations of the District have been performed and have been  
14 met, or will at the time of delivery of the Series A Bonds have been performed and met, in  
15 regular and due form as required by law; and  
16

17 **WHEREAS**, the District Board has further requested this County Board to sell the Series  
18 A Bonds to George K. Baum & Company (“Underwriter”), pursuant to the terms of the proposed  
19 form of Bond Purchase Agreement (“Purchase Agreement”) to be entered into by and among the  
20 County, the District and the Underwriter, subject to the limitations set forth in the District  
21 Resolution and herein; and  
22

23 **WHEREAS**, this County Board desires to make certain determinations and to authorize  
24 the issuance, sale and delivery of the Series A Bonds.  
25

26 **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF**  
27 **THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS FOLLOWS:**  
28



1           **Section 1. Recitals; Incorporation of District Resolution.** The foregoing recitals are  
2 true and correct and are incorporated herein by this reference. The District Resolution, together  
3 with the exhibits thereto, is on file with this County Board and is incorporated herein by  
4 reference and all of the provisions thereof are made a part hereof and shall be applicable to the  
5 sale and delivery of the Series A Bonds, except as otherwise specified herein. Notwithstanding  
6 the foregoing, the County assumes no liability or responsibility for representations or warranties  
7 of the District as set forth in the District Resolution.

8  
9           **Section 2. Purpose and Designation of the Bonds.** Bonds of the District shall be  
10 issued in the name and on behalf of the District in the aggregate principal or issue amount of not  
11 to exceed \$21,000,000 for the purposes of: (a) raising money for acquiring and constructing the  
12 projects, facilities and equipment set forth in the Authorization approved by the voters at the  
13 Election, as further described herein; (b) funding interest on the Series A Bonds, or any of them,  
14 for a period of time, to be specified, as authorized by California law; and (c) to pay all necessary  
15 legal, financial, printing, insurance and other contingent costs in connection with the issuance,  
16 sale and delivery of the Series A Bonds, as further set forth herein and subject to the applicable  
17 provisions of the California Constitution and California law including, but not limited to, the  
18 Government Code and the Education Code. Subject to the provisions of Section 6, the Series A  
19 Bonds shall be officially designated as the “**Coachella Valley Unified School District General**  
20 **Obligation Bonds, 2012 Election, Series A.**”

21  
22           **Section 3. Statutory Authorization.** The Series A Bonds are authorized to be issued  
23 and sold by the County in the name of the District pursuant to the California Constitution, the  
24 Election, the Authorization, the District Resolution, this Resolution, the provisions of  
25 Government Code Sections 53506 *et seq.*, and to the extent applicable, Education Code Sections  
26 15100 *et seq.* and 15140 *et seq.*

1           **Section 4. Negotiated Sale.** The Series A Bonds shall be sold through a negotiated sale  
2 with the Underwriter upon the direction of the District's Superintendent, Executive Director of  
3 Business & Finance, or their designee(s), on behalf of the District, acting together with an  
4 authorized representative(s) of the Office of the County Treasurer and Tax Collector  
5 ("Treasurer") of Riverside County. The Series A Bonds shall be sold pursuant to the applicable  
6 provisions of the Government Code, and, as applicable, the Education Code, the provisions and  
7 requirements of the District Resolution and this Resolution, and the terms and conditions set  
8 forth in the Purchase Agreement, as described herein.

9  
10           **Section 5. Approval of Purchase Agreement.** The Series A Bonds will be sold at  
11 negotiated sale by the Treasurer pursuant to the terms and conditions set forth in the Purchase  
12 Agreement, substantially in the form appended hereto as Exhibit "A" and incorporated by  
13 reference herein. The form of the Purchase Agreement is hereby approved and the Treasurer, or  
14 any designated deputy thereof, is hereby authorized to execute and deliver the Purchase  
15 Agreement and the Superintendent, or other Designated Officer (as defined herein) of the  
16 District, is hereby requested to execute the Purchase Agreement, with such changes therein,  
17 deletions therefrom and modifications thereto as the Treasurer, or designated deputy thereof, and  
18 the District may approve, such approval to be conclusively evidenced by his or her execution and  
19 delivery thereof; provided, however, that the principal amount of the Series A Bonds shall be  
20 determined by the District (but in no event to exceed \$21,000,000), the term of the Series A  
21 Bonds shall not exceed the statutory legal maximum, the interest rates on the Series A Bonds  
22 shall not exceed the legal maximum and the Underwriter's discount shall not exceed three tenths  
23 of one percent (0.30%) of the principal amount of the Series A Bonds (exclusive of any premium  
24 or original issue discount on the Series A Bonds, and any such original issue discount shall not  
25 exceed five percent (5.00%)) (and further excluding any amount(s) which may be held by the  
26 Underwriter to pay designated costs of issuance under the terms of the Purchase Agreement).  
27 The Treasurer, or designated deputy thereof, is further authorized to determine the Principal  
28 Amount or issue amount of the Series A Bonds of each maturity to be specified in the Purchase

1 Agreement for sale by the County, up to an aggregate Principal Amount or issue amount of  
2 \$21,000,000, to determine, upon consultation with the District, to set or modify redemption  
3 terms for the Series A Bonds and to enter into, execute and deliver the Purchase Agreement, if  
4 the conditions set forth in this Resolution are met. The Treasurer is also authorized to make  
5 those determinations and/or approve the matters set out in Section 6 hereof.

6  
7 If, upon consultation with the Designated Officer (as defined herein) of the District, the  
8 District determines to acquire municipal bond insurance to secure all or a portion of the Series A  
9 Bonds, the Treasurer may so provide in the Purchase Agreement.

10  
11 **Section 6. Additional Provisions Concerning Sale of Series A Bonds; Tax Status;**  
12 **Sub-Series.**

13 As additional proceedings of the County in connection with the sale of any of the Series  
14 A Bonds authorized by this Resolution, there is hereby delegated to the Treasurer, or designated  
15 deputy thereof, the power to take the following actions and make the following determinations:

16  
17 (a) To determine, subject to the provisions of this Resolution, whether the Series A  
18 Bonds shall be issued in one or more sub-series for purposes of issuance, sale and delivery, the  
19 respective principal amounts, maturity dates, interest rate or rates or yield or yields to maturity or  
20 the methods of determining such interest rate or rates, Interest Payment Dates, redemption  
21 provisions and authorized denomination(s) (not exceeding the aggregate Principal Amount of  
22 each maturity) of the Series A Bonds or any sub-series thereof and any other provisions  
23 necessary to comply with this Resolution or deemed necessary or advisable by the Treasurer, or  
24 designated deputy thereof, and which provisions are not in conflict with or in substitution for the  
25 provisions of this Resolution;

1 (b) To determine whether the Series A Bonds, or any sub-series of the Series A  
2 Bonds, shall be issued as either Tax-Exempt Series A Bonds and/or Taxable Series A Bonds (as  
3 defined herein);

4  
5 (c) To determine the application of the proceeds of the Series A Bonds for the  
6 purposes stated herein, including, without limitation, the amount of capitalized interest, if any,  
7 that will be funded for each sub-series of the Series A Bonds, as applicable, from the proceeds of  
8 the Series A Bonds and the date or dates through which such capitalized interest will be funded;

9  
10 (d) To omit from, add to or incorporate into the designation and title of the Series A  
11 Bonds contained in Section 2 of this Resolution any provision, or modify such designation or  
12 title in any other manner, in which may be deemed necessary or advisable by the Treasurer, or  
13 designated deputy thereof, in connection with the issuance, sale and delivery of, and security for,  
14 each sub-series of the Series A Bonds, as applicable, and which is not inconsistent with the  
15 provisions of this Resolution;

16  
17 (e) In connection with any of the transactions authorized by this Resolution, to make  
18 such amendments, modifications and revisions to the form(s) of the Series A Bonds prior to, or  
19 simultaneously with, the issuance of the initial sub-series of the Series A Bonds, as applicable, as  
20 (i) may be requested by any rating agency in connection with obtaining a rating on any sub-series  
21 of the Series A Bonds from such rating agency, (ii) may be requested by the Bond Insurer in  
22 connection with obtaining a bond insurance policy for any sub-series of the Series A Bonds, (iii)  
23 the Treasurer, or designated deputy thereof, may determine, in consultation with the Bond  
24 Counsel, are necessary or advisable in order to (a) reflect the actual provisions of this Resolution  
25 that shall be applicable to any sub-series of the Series A Bonds, or (b) facilitate the issuance and  
26 sale of the Series A Bonds and to provide a mechanism for paying all or a portion of the costs  
27 and expenses incurred by the County in connection with the transactions contemplated by this  
28 Resolution, that (A) the provisions of Section 5 hereof relating to the maximum aggregate

1 principal amount of the Series A Bonds, the final maturity date thereof, and (B) no such  
2 amendments, modifications or revisions shall be inconsistent with the provisions of this  
3 Resolution;

4  
5 **Section 7. Certain Definitions.** As used in this Resolution, the terms set forth below  
6 shall have the following meanings ascribed to them:

7  
8 (a) **“Authorized Investments”** means the Riverside County Investment Pool (or  
9 other investment pools of the County into which the District may lawfully invest its funds), the  
10 Local Agency Investment Fund, any investment authorized pursuant to Sections 16429.1 and  
11 53601 of the Government Code, or in shares in a California common law trust established  
12 pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in  
13 investments permitted by Section 53635 of the Government Code, or in guaranteed investment  
14 contracts in direct general obligations of the United States of America (including State and Local  
15 Government Securities) (provided that such investments comply with the requirements of  
16 applicable State law and with Section 148 of the Code, and with the requirements of the Bond  
17 Insurer, if any, and as shall be applicable).

18  
19 (b) **“Authorized Newspaper”** means a newspaper selected by the District which is  
20 customarily published at least once a day for at least five days (other than legal holidays) in each  
21 calendar week, published in the English language, of general circulation in the County of  
22 Riverside and which has been adjudicated or designated as a “newspaper of general circulation”  
23 pursuant to California law.

24  
25 (c) **“Bond Counsel”** means a firm of nationally recognized bond counsel, initially  
26 Bowie, Arneson, Wiles & Giannone.

1 (d) **“Bond Insurer”** means any insurance company which issues a municipal bond  
2 insurance policy insuring the payment of Principal of, and interest on, all or a portion of the  
3 Series A Bonds, as applicable.

4  
5 (e) **“Bond Payment Date”** or **“Interest Payment Date”** means, unless otherwise  
6 provided in the Purchase Agreement as executed and delivered, February 1 and August 1,  
7 commencing on the date(s) set forth in the Purchase Agreement, and commencing on the date set  
8 forth in the Purchase Agreement, with respect to the Principal payments on the Series A Bonds.

9  
10 (f) **“Bond Register”** or **“Registration Books”** means the listing of names and  
11 addresses of the then-current registered owners of the Bonds, as maintained by the Paying Agent  
12 in accordance with Section 13 hereof.

13  
14 (g) **“Bonds”** or **“Series A Bonds”** means, collectively, the Coachella Valley Unified  
15 School District General Obligation Bonds, 2012 Election, Series A, and each sub-series thereof,  
16 as applicable.

17  
18 (h) **“Building Fund”** shall have the meaning set forth in Section 20 hereof.

19  
20 (i) **“Business Day”** means a day which is not a Saturday or Sunday or a day on  
21 which banking institutions are authorized or required by law or executive order to be closed in  
22 California and New York for commercial banking purposes and on which the Federal Reserve  
23 system is not closed.

24  
25 (j) **“Code”** means the Internal Revenue Code of 1986 as in effect on the date of  
26 issuance of the Series A Bonds or (except as otherwise referenced herein) as it may be amended  
27 to apply to obligations issued on the date of issuance of the Series A Bonds, together with  
28

1 applicable proposed, temporary and final regulations promulgated, and applicable official public  
2 guidance published, under the Code.

3  
4 (k) **“County”** means the County of Riverside, California, a political subdivision of  
5 the State of California organized and existing under the Constitution and laws of the State and  
6 any successor thereto.

7  
8 (l) **“County Board”** means the Board of Supervisors of the County.

9  
10 (m) **“Date of Issuance”** or **“Closing Date”** means the delivery date with respect to  
11 the Series A Bonds, or such other date(s) for the issuance of the Series A Bonds as may be  
12 designated by the Purchase Agreement.

13  
14 (n) **“Debt Service Fund”** shall have the meaning set forth in Section 20 hereof.

15  
16 (o) **“Designated Officer(s)”** means the District’s Superintendent, Executive Director  
17 of Business & Finance, or other persons designated in writing by the District’s Superintendent as  
18 a Designated Officer of the District.

19  
20 (p) **“District”** or **“School District”** means the Coachella Valley Unified School  
21 District, a public school district organized and operating under the Constitution and the laws of  
22 the State of California, and any lawful successor thereto.

23  
24 (q) **“District Board”** means the Board of Trustees of the District.

25  
26 (r) **“DTC”** or **“Depository”** means The Depository Trust Company, New York, New  
27 York, a limited purpose trust company organized under the laws of the State of New York in its  
28 capacity as securities depository for the Series A Bonds.

1  
2 (s) **“Imperial County”** means the County of Imperial, a political subdivision of the  
3 State of California organized and existing under the Constitution and laws of the State.

4  
5 (t) **“Informational Services”** means the Municipal Securities Rulemaking Board,  
6 through its Electronic Municipal Market Access (EMMA) system, and, in accordance with then  
7 current guidelines of the Securities and Exchange Commission, such other addresses and/or such  
8 other services providing information with respect to called bonds as the District may designate in  
9 a written request of the District delivered to the Paying Agent.

10  
11 (u) **“Letter of Representations”** or **“Representation Letter”** shall have the  
12 meaning set forth in Section 14 hereof.

13  
14 (v) **“Moody’s”** means Moody’s Investors Service, Inc., a corporation duly organized  
15 and existing under the laws of the State of Delaware and its successors and assigns, except that if  
16 such entity shall be dissolved or liquidated or shall no longer perform the functions of a  
17 securities rating agency, then the term “Moody’s” shall be deemed to refer to any other  
18 nationally recognized securities rating agency selected by the District.

19  
20 (w) **“Nominee”** means the nominee of the Depository, which may be the Depository,  
21 as determined from time to time pursuant to Section 14 hereof.

22  
23 (x) **“Office of the Paying Agent”** means the principal office of the Paying Agent in  
24 Los Angeles, California, or such other office as may be specified by the Paying Agent in writing.

25  
26 (y) **“Official Statement”** shall have the meaning set forth in Section 22 hereof.  
27  
28



1           (z)    **“Outstanding”** means all Series A Bonds theretofore issued by or on behalf of  
2 the District, except:

- 3                   (1)    Series A Bonds theretofore canceled by the District or surrendered to the  
4                                District for cancellation;
- 5                   (2)    Series A Bonds for the transfer or exchange of or in lieu of or in  
6                                substitution for which other Series A Bonds shall have been authenticated  
7                                and delivered by the District pursuant to the terms hereof; and
- 8                   (3)    Series A Bonds paid and discharged pursuant to Sections 18 or 19 hereof.

9

10           (aa)   **“Owner”** or **“Bond Owner”** means the current registered owner of a Series A  
11 Bond or Series A Bonds to whom payments of principal and interest are made.

12

13           (bb)   **“Participants”** means those broker-dealers, banks and other financial institutions  
14 from time to time for which DTC holds book-entry certificates as securities depository.

15

16           (cc)   **“Paying Agent”** means U.S. Bank National Association, or such other party as  
17 selected by the Designated Officer of the District, or any successor thereto, acting as the  
18 authenticating agent, bond registrar, transfer agent and paying agent.

19

20

21           (dd)   **“Principal”** or **“Principal Amount”** means, with respect to any Series A Bond,  
22 the principal amount stated thereon.

23

24           (ee)   **“Purchase Agreement”** or **“Bond Purchase Agreement”** means that certain  
25 Bond Purchase Agreement for the purchase and sale of the Series A Bonds by and among the  
26 County, the District and the Underwriter, as such Purchase Agreement shall be executed and  
27 delivered.

1 (ff) **“Rebate Fund”** shall have the meaning set forth in Section 20 hereof.

2  
3 (gg) **“Record Date”** means the close of business on the fifteenth day of the month  
4 preceding each Bond Payment Date whether or not such day is a Business Day.

5  
6 (hh) **“Redemption Notice”** shall have the meaning set forth in Section 9 hereof.

7  
8 (ii) **“Resolution”** or **“Bond Resolution”** means this Resolution, including the  
9 Exhibits hereto, as adopted by the County Board and as such may be amended pursuant to  
10 Section 29.

11  
12 (jj) **“Securities Depositories”** means the following: The Depository Trust Company,  
13 with Cede & Co. as its nominee, 55 Water Street, 25th Floor, New York, New York, 10041-  
14 0099, Attn: Call Notification Department, Fax (212) 855-5004, and in accordance with then  
15 current guidelines of the Securities and Exchange Commission, such other addresses and/or such  
16 other securities depositories as the District may designate in a Written Request of the District  
17 delivered to the Paying Agent.

18  
19 (kk) **“S&P”** means Standard & Poor’s Ratings Services, a division of The McGraw-  
20 Hill Companies, Inc., a corporation duly organized and existing under the laws of the State of  
21 New York, and its successors and assigns, except that if such entity shall be dissolved or  
22 liquidated or shall no longer perform the functions of a securities rating agency, then the term  
23 “S&P” shall be deemed to refer to any other nationally recognized securities rating agency  
24 selected by the District.

25  
26 (ll) **“State”** means the State of California.

1 (mm) **“Tax Certificate”** means the Tax Certificate executed by the District at the time  
2 of issuance of the Tax-Exempt Series A Bonds relating to the requirements of Section 148 of the  
3 Code, as originally executed and as such may be amended from time to time.

4  
5 (nn) **“Taxable Series A Bonds”** means any Series A Bonds (regardless of final  
6 designation) the interest on which is includable in gross income for federal income tax purposes  
7 pursuant to the Internal Revenue Code of 1986, as amended.

8  
9 (oo) **“Tax-Exempt Series A Bonds”** means any Series A Bonds (regardless of final  
10 designation) the interest on which is not includable in gross income for federal income tax  
11 purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended.

12  
13 (pp) **“Term Bonds”** means those Series A Bonds for which mandatory sinking fund  
14 redemption dates have been established in the Purchase Agreement.

15  
16 (qq) **“Transfer Amount”** means, (i) with respect to any Outstanding Series A Bond,  
17 the Principal Amount.

18  
19 (rr) **“Treasurer”** or **“County Treasurer”** means the Treasurer and Tax Collector of  
20 the County of Riverside, California, or any authorized deputy thereof.

21  
22 (ss) **“Underwriter”** or **“Purchaser”** means the initial purchaser of the Series A  
23 Bonds as identified in the Purchase Agreement.

24  
25 (tt) **“Written Request”** means a written request or directive of the District provided  
26 by a Designated Officer.

1 Unless the context otherwise indicates, words expressed in the singular shall include the  
2 plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience  
3 only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.  
4 Headings of sections herein and the table of contents hereof are solely for convenience of  
5 reference, do not constitute a part hereof and shall not affect the meaning, construction or effect  
6 hereof.

7  
8 All references herein to "Sections" and other subdivisions are to the corresponding  
9 Sections or subdivisions of this Resolution; the words "herein," "hereof," "hereby," "hereunder"  
10 and other words of similar import refer to this Resolution as a whole and not to any particular  
11 Section or subdivision hereof.

12  
13 **Section 8. Terms of Bonds.** The Series A Bonds shall be issued in one series (which  
14 may include one or more sub-series as set forth herein). The Series A Bonds shall consist of  
15 current interest bonds.

16  
17 The Series A Bonds shall be issued as fully-registered bonds, without coupons, in the  
18 denominations of \$5,000 Principal Amount or any integral multiple thereof.

19  
20 The Series A Bonds shall be dated the Date of Issuance, and shall bear interest at the rate  
21 or rates consistent with the interest cost limitations set forth in Section 5, payable on February 1  
22 and August 1 of each year, commencing on the date specified in the Purchase Agreement  
23 (subject to the terms of the Purchase Agreement, as executed and delivered), as may be specified  
24 in the Purchase Agreement as executed and delivered (each, an "Interest Payment Date"), the  
25 actual interest rate or rates and the actual maturity schedule to be fixed at the time of sale. Each  
26 Series A Bond shall be issued in denominations of \$5,000 Principal Amount or integral multiples  
27 thereof, and shall bear interest from the Interest Payment Date next preceding the date of  
28 authentication thereof unless it is authenticated as of a day during the period from the 16th day of

1 the month next preceding any Interest Payment Date to the Interest Payment Date, inclusive, in  
2 which event it shall bear interest from such Interest Payment Date, or unless it is authenticated  
3 on or before the Record Date prior to the initial Interest Payment Date, in which event it shall  
4 bear interest from the Date of Issuance, computed using a year of 360 days, comprised of twelve  
5 30-day months; provided, however, that if at the time of authentication of any Series A Bond,  
6 interest is then in default on Outstanding Series A Bonds, such Series A Bond shall bear interest  
7 from the Interest Payment Date to which interest has previously been paid or made available for  
8 payment thereon. The foregoing terms shall be subject to the terms of the Purchase Agreement  
9 as executed and delivered.

10  
11 The Series A Bonds will be sold as provided in Sections 4, 5, 6 and 8 hereof;  
12 notwithstanding anything herein to the contrary, the terms of the Series A Bonds, as set forth in  
13 this Resolution, may be amended prior to delivery in accordance with the provisions of the  
14 Purchase Agreement. The Series A Bond maturities may be adjusted by the Treasurer and the  
15 Designated Officer(s), in consultation with the Underwriter and the District, as appropriate, to  
16 provide funds to finance school facilities, capital projects and equipment as set forth in the  
17 Authorization, pay for the costs of issuance of the Series A Bonds or furnish funds as needed for  
18 capitalized interest purposes, provided that the total par amount of the Series A Bonds (including  
19 all sub-series) shall not exceed \$21,000,000. In the event of a conflict or inconsistency between  
20 this Resolution and the Purchase Agreement relating to the terms of the Series A Bonds, the  
21 provisions of the Purchase Agreement shall be controlling.

22  
23 **Section 9. Redemption Provisions.**

24  
25 (a) Optional Redemption. The terms for the optional redemption of the Series A  
26 Bonds shall be as set forth in the Purchase Agreement.

1 (b) Mandatory Sinking Fund Redemption of Term Bonds. The Term Bonds, if any,  
2 are subject to mandatory sinking fund redemption prior to their maturity, by lot, without  
3 premium, on each August 1 (or such other date specified in the Purchase Agreement), in the  
4 years and in the amounts as set forth in the Purchase Agreement and in the Official Statement.  
5 In the event that there are no Term Bonds specified in the Purchase Agreement, this subsection  
6 shall not apply.

7  
8 (c) [Reserved].

9  
10 (d) Selection of Bonds for Redemption. Whenever less than all of the outstanding  
11 Bonds are to be redeemed, the Paying Agent, upon written direction from the District, shall  
12 select the Bonds to be redeemed as so directed, and if not so directed in inverse order of  
13 maturity, and within a maturity, the Paying Agent shall select Bonds for redemption by lot.  
14 Redemption by lot shall be in such manner as the Paying Agent shall determine; provided,  
15 however, that the portion of any Series A Bond to be redeemed in part shall be in the Principal  
16 Amount of \$5,000 or any integral multiple thereof. The Paying Agent shall promptly notify the  
17 District of the Series A Bonds so selected for redemption on such date. In the event that Term  
18 Bonds are subject to optional redemption pursuant to Section 9(a), there shall be pro rata  
19 reductions in the annual sinking fund payments due on such Outstanding Term Bonds or as shall  
20 otherwise be set forth in the Purchase Agreement.

21  
22 (e) Form of Notice of Redemption. The Paying Agent shall give notice of the  
23 redemption of the Series A Bonds ("Redemption Notice") at the expense of the District. Such  
24 notice shall specify: (a) that the Series A Bonds or a designated portion thereof are to be  
25 redeemed; (b) if less than all of the then outstanding Bonds are to be called for redemption, shall  
26 designate the numbers (or state that all Series A Bonds between two stated numbers both  
27 inclusive have been called for redemption) and CUSIP® numbers, if any, of the Series A Bonds  
28 to be redeemed; (c) the date of notice and the date of redemption; (d) the place or places where

1 the redemption will be made; and (e) descriptive information regarding the Series A Bonds and  
2 the specific Series A Bonds to be redeemed, including the dated date, interest rate and stated  
3 maturity date of each. Such notice shall further state that on the specified date there shall  
4 become due and payable upon each Series A Bond to be redeemed, the portion of the Principal  
5 Amount of such Series A Bond to be redeemed, together with interest accrued, to the date of  
6 redemption, and redemption premium, if any, and that from and after such date interest with  
7 respect thereto shall cease to accrue, as applicable.

8  
9 (f) Provision of Notice of Redemption. Any Redemption Notice shall be mailed,  
10 first class postage, to the registered Owners of the Series A Bonds, to a Securities Depository and  
11 to a national Information Service, and by first class mail, postage prepaid, to the District and the  
12 County and the respective Owners of any registered Series A Bonds designated for redemption at  
13 their addresses appearing on the Bond Register, in every case at least thirty (30) days, but not  
14 more than sixty (60) days, prior to the designated redemption date; provided that neither failure  
15 to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the  
16 proceedings for the redemption of such Series A Bonds nor entitle the Owner thereof to interest  
17 beyond the date given for redemption. A certificate provided by the Paying Agent that notice of  
18 such redemption has been given as herein provided shall be conclusive as against all parties, and  
19 it shall not be open to a Bond Owner to show that he or she failed to receive notice of such  
20 redemption. In case of the redemption as permitted herein of all of the Outstanding Bonds of any  
21 one maturity, notice of redemption shall be given by mailing as herein provided, except that the  
22 notice of redemption need not specify the serial numbers of the Series A Bond of such maturity.

23  
24 Neither failure to receive or failure to send, to the Securities Depositories or  
25 Informational Services, any Redemption Notice nor any defect in any such Redemption Notice  
26 so given shall affect the sufficiency of the proceedings for the redemption of the affected Series  
27 A Bonds. Neither the failure to receive such notice, the failure to send such notice, nor any  
28 defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption

1 of such Series A Bonds or the cessation of accrual of interest represented thereby from and after  
2 the redemption date.

3  
4 (g) Contingent Redemption; Rescission of Redemption. Any Redemption Notice  
5 may specify that redemption of the Series A Bonds designated for redemption on the specified  
6 date will be subject to the receipt by the District of monies sufficient to cause such redemption  
7 (and will specify the proposed source of such monies), and the District, the County and the  
8 Paying Agent will have no liability to the Owners of any Series A Bonds, or any other party, as a  
9 result of the District's failure to redeem the Series A Bonds designated for redemption as a result  
10 of insufficient monies therefor.

11  
12 Additionally, the District may rescind any optional redemption of the Series A Bonds,  
13 and notice thereof, for any reason on any date prior to the date fixed for such redemption by  
14 causing written notice of the rescission to be given to the Owners of the Series A Bonds so called  
15 for redemption. Notice of rescission of redemption shall be given in the same manner in which  
16 notice of redemption was originally given. The actual receipt by the Owner of any Series A  
17 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to  
18 receive such notice or any defect in such notice shall not affect the validity of the rescission.  
19 Neither the District nor the County will have any liability to the Owners of any Series A Bonds,  
20 or any other party, as a result of the District's decision to rescind redemption of any Series A  
21 Bonds pursuant to the provisions of this subsection.

22  
23 (h) Payment of Redeemed Bonds. When a Redemption Notice has been given  
24 substantially as provided for herein, and, when the amount necessary for the redemption of the  
25 Series A Bonds called for redemption (Principal, and interest, as applicable, and premium, if  
26 any) is set aside for that purpose in the Debt Service Fund, as provided herein (and subject to the  
27 provisions of the foregoing subparagraph), the Series A Bonds designated for redemption shall  
28 become due and payable on the date fixed for redemption thereof and upon presentation and



1 surrender of such Bonds at the place specified in the Redemption Notice, such Series A Bonds  
2 shall be redeemed and paid at the redemption price from funds held in the Debt Service Fund.

3  
4 Each check issued or other transfer of funds made by the Paying Agent for the purpose of  
5 redeeming Series A Bonds shall bear or include the CUSIP® number identifying, by issue and  
6 maturity, the Series A Bonds being redeemed with the proceeds of such check or other transfer.

7  
8 If on such redemption date, money for the redemption of all the Series A Bonds to be  
9 redeemed as provided in this Section, together with interest to such redemption date, shall be  
10 available therefor, and if notice of redemption thereof shall have been given as aforesaid, then  
11 from and after such redemption date, interest with respect to the Series A Bonds to be redeemed  
12 shall cease to accrue. All money held for the redemption of Series A Bonds shall be held in trust  
13 for the account of the registered Owners of the Series A Bonds so to be redeemed. All unpaid  
14 interest payable at or prior to the designated redemption date shall continue to be payable to the  
15 respective Owners, but without interest thereon.

16  
17 (i) Effect of Notice of Redemption. Notice having been given as aforesaid, and the  
18 monies for the redemption (including the interest to the applicable date of redemption) having  
19 been set aside in the District's Debt Service Fund, the Series A Bonds to be redeemed shall  
20 become due and payable on such date of redemption, as set forth herein.

21  
22 If on such redemption date, money for the redemption of all the Series A Bonds to be  
23 redeemed as provided in this Section 9, together with interest to such redemption date, shall be  
24 held by the Paying Agent so as to be available therefor on such redemption date, and if notice of  
25 redemption thereof shall have been given as aforesaid, then from and after such redemption date,  
26 interest with respect to the Series A Bonds to be redeemed shall cease to accrue and become  
27 payable. All money held by or on behalf of the Paying Agent for the redemption of Series A  
28

1 Bonds shall be held in trust for the account of the Owners of the Series A Bonds so to be  
2 redeemed.

3  
4 (j) Purchase in Lieu of Redemption. In lieu of, or partially in lieu of, any mandatory  
5 sinking fund redemption of Series A Bonds pursuant to the terms hereof, monies in the Debt  
6 Service Fund may be used to purchase the Outstanding Series A Bonds that were to be redeemed  
7 with such funds in the manner hereinafter provided. Purchases of Outstanding Series A Bonds  
8 may be made by the District or the Treasurer through the Paying Agent prior to the selection of  
9 Series A Bonds for redemption at public or private sale as and when and at such prices as the  
10 District may in its discretion determine but only at prices (including brokerage or other expenses)  
11 not more than par plus accrued interest. Any accrued interest payable upon the purchase of  
12 Series A Bonds may be paid from the Debt Service Fund for payment of interest on the next  
13 following Interest Payment Date. Any Series A Bond purchased in lieu of redemption shall be  
14 transmitted to the Paying Agent and shall be canceled by the Paying Agent upon surrender  
15 thereof, as provided for in Section 9(l) below and shall not be re-issued or resold.

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

24  
25 (l) Cancellation of Redeemed Bonds. All Series A Bonds paid at maturity or  
26 redeemed prior to maturity pursuant to the provisions of this Section and Section 16 shall be  
27 canceled upon surrender thereof and be delivered to or upon the order of the County and the  
28 District. All or any portion of a Series A Bond purchased by the Treasurer or the District

1 pursuant to subsection (i) above shall be canceled by the Paying Agent, and the Paying Agent  
2 shall provide a written certification of such cancellation and destruction to the District.

3  
4 (m) Bonds No Longer Outstanding. When any Series A Bonds (or portion(s) thereof),  
5 which have been duly called for redemption prior to maturity under the provisions of this  
6 Resolution, or with respect to which irrevocable instructions to call for redemption prior to  
7 maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory  
8 to it, and sufficient monies shall be held by the Paying Agent irrevocably in trust for the payment  
9 of the redemption price of such Series A Bonds or portions thereof, and, in the case of Series A  
10 Bonds, accrued interest with respect thereto to the date fixed for redemption, all as provided in  
11 this Resolution, then such Series A Bonds shall no longer be deemed outstanding and shall be  
12 surrendered to the Paying Agent for cancellation.

13  
14 **Section 10. Form of Bonds; Temporary Bonds; CUSIP® Numbers.** The Series A  
15 Bonds shall be substantially in conformity with the standard form of registered school district  
16 bonds, the form of which is attached hereto as Exhibit "B" and incorporated herein by this  
17 reference as if set forth in full, with necessary or appropriate variations, omissions and insertions  
18 as may be permitted or required by this Resolution and to conform with the requirements of the  
19 Purchase Agreement. One bond certificate shall be issued for each maturity of the Series A  
20 Bonds of the same interest rate.

21  
22 The Series A Bonds may be initially issued in temporary form exchangeable for  
23 definitive Series A Bonds when ready for delivery. The temporary Series A Bonds may be  
24 printed, lithographed or typewritten, shall be of such denominations as may be determined by the  
25 Treasurer and the District, and may contain such reference to any of the provisions of this  
26 Resolution as may be appropriate. Every temporary Bond shall be executed by the County upon  
27 the same conditions and in substantially the same manner as the definitive Series A Bonds. If the  
28 County issues temporary Series A Bonds, it will execute and furnish definitive Series A Bonds

1 without delay, and thereupon the temporary Series A Bonds may be surrendered, for  
2 cancellation, in exchange therefor at the principal office of the Paying Agent and the Paying  
3 Agent shall deliver in exchange for such temporary Series A Bonds an equal aggregate Principal  
4 amount of definitive Series A Bonds of authorized denominations. Until so exchanged, the  
5 temporary Series A Bonds shall be entitled to the same benefits pursuant to this Resolution as  
6 definitive Series A Bonds executed and delivered hereunder.

7  
8 “CUSIP®” identification numbers shall be imprinted on the Series A Bonds, but such  
9 numbers shall not constitute a part of the contract evidenced by the Series A Bonds and any error  
10 or omission with respect thereto shall not constitute cause for refusal of the Purchaser to accept  
11 delivery of and pay for the Series A Bonds. In addition, failure on the part of the County or the  
12 District to use such CUSIP® numbers in any notice to Owners of the Series A Bonds shall not  
13 constitute an event of default or any violation of the District’s contract with such Owners and  
14 shall not impair the effectiveness of any such notice.

15  
16 **Section 11. Execution of Bonds; Authentication.** The Series A Bonds shall be  
17 executed by the manual or facsimile signature of the Chair of the County Board (“Chair”) and  
18 the Treasurer, or any designated deputy of the Treasurer, and countersigned by the manual or  
19 facsimile signature of the Clerk of the County Board or any designated deputy, and the official  
20 seal of the County affixed thereto. The facsimile signatures of the Chair, the Treasurer and the  
21 Clerk of the County Board may be printed, lithographed, engraved, typewritten or otherwise  
22 mechanically reproduced. The County Board hereby directs that the provisions of Education  
23 Code Sections 15181 and 15182 shall apply to such execution of the Series A Bonds.

24  
25 No Series A Bond shall be valid or obligatory for any purpose or shall be entitled to any  
26 security or benefit under this Resolution unless and until the certificate of authentication printed  
27 on the Series A Bond is signed by the Paying Agent as authenticating agent for the Series A  
28 Bonds. Authentication by the Paying Agent shall be conclusive evidence that the Series A Bond

1 so authenticated has been duly issued, signed and delivered under this Resolution and is entitled  
2 to the security and benefit of this Resolution.

3  
4 **Section 12. Delivery of Bonds.** The proper officials of the County, in cooperation with  
5 the District and the District's agents and consultants, shall cause the Series A Bonds to be  
6 prepared and, following their sale, shall have the Series A Bonds executed and delivered (as set  
7 forth herein), to the original purchaser (Underwriter) upon payment of the purchase price in  
8 immediately available funds as set forth in the Purchase Agreement.

9  
10 **Section 13. Bond Registration; Transfers.** As hereinafter provided, the Bonds shall be  
11 delivered in a form and with such terms as will permit them to be in book-entry only form,  
12 deposited with DTC. If the book-entry only system is no longer in effect, the District will cause  
13 the Paying Agent to maintain and keep at its principal corporate trust office all books and records  
14 necessary for the registration, exchange and transfer of certificated Bonds as provided in this  
15 Section ("Bond Register") and which Bond Register shall, upon reasonable notice, be open to  
16 inspection by the District. While the book-entry only system is in effect, such books need not be  
17 kept, as the Bonds will be represented by one Bond for each maturity registered in the name of  
18 Cede & Co., as nominee for DTC.

19  
20 Subject to the provisions of Section 14 below, the person in whose name a Bond is  
21 registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all  
22 purposes of this Resolution. Payment of or on account of the Principal, premium, if any, and  
23 interest on any Bond, as applicable, shall be made only to or upon the order of the Owner  
24 thereof; the District, the County and the Paying Agent shall not be affected by any notice to the  
25 contrary, but the registration may be changed as provided in this Section. All such payments  
26 shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds,  
27 including interest, to the extent of the amount or amounts so paid.

1 Any Bond may be exchanged for Bonds of the same series (and sub-series, as applicable)  
2 of any other authorized denomination upon presentation and surrender at the principal corporate  
3 trust office of the Paying Agent, together with a request for exchange signed by the Owner or by  
4 a person legally empowered to do so in a form satisfactory to the Paying Agent in its capacity as  
5 bond registrar. Any Bond may, in accordance with its terms (but only if the District determines  
6 no longer to maintain the book-entry only status of the Bonds, DTC determines to discontinue  
7 providing such services and no successor securities depository is named or DTC requests the  
8 District to deliver certificated securities to particular DTC Participants, as deemed below), be  
9 transferred, upon the books required to be kept pursuant to the provisions of this Section, by the  
10 Owner, in person or by his or her duly authorized attorney, upon surrender of such Bond for  
11 cancellation at the office of the Paying Agent, accompanied by delivery of a written instrument  
12 of transfer in a form approved by the Paying Agent, duly executed.

13  
14 If manual signatures on behalf of the County are required in connection with an exchange  
15 or transfer, the Paying Agent shall undertake the exchange or transfer of Bonds only after the  
16 new Bonds are signed by the authorized officers of the County. In all cases of exchanged or  
17 transferred Bonds, the County shall sign and the Paying Agent shall authenticate and deliver  
18 Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall  
19 be paid by the requesting party. Those charges may be required to be paid before the procedure  
20 is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be  
21 valid obligations of the District, evidencing the same debt, and entitled to the same security and  
22 benefit under this Resolution as the Bonds surrendered upon that exchange or transfer.

23  
24 Any Bond surrendered to the Paying Agent for payment, retirement, exchange,  
25 replacement or transfer shall be canceled by the Paying Agent. The District and the County may  
26 at any time deliver to the Paying Agent for cancellation any previously authenticated and  
27 delivered Series A Bonds that the District and the County may have acquired in any manner  
28 whatsoever, and those Series A Bonds shall be promptly canceled by the Paying Agent. Written

1 reports of the surrender and cancellation of Bonds shall be made to the District and the County  
2 by the Paying Agent and updated annually. The canceled Series A Bonds shall be destroyed by  
3 the Paying Agent in accordance with its procedures as confirmed in writing to the District.  
4

5 Neither the District, the County nor the Paying Agent will be required to: (a) issue or  
6 transfer any Bonds during a period beginning the day after the Record Date next preceding any  
7 Interest Payment Date or beginning on the date of selection of Bonds to be redeemed and ending  
8 with the close of business on the Interest Payment Date or day on which the applicable notice of  
9 redemption is given, as applicable, or (b) transfer any Bonds which have been selected or called  
10 for redemption in whole or in part.  
11

12 **Section 14. Book-Entry System.** Except as provided below, the owner of all of the  
13 Bonds shall be The Depository Trust Company, New York, New York (DTC), and the Bonds  
14 shall be registered in the name of Cede & Co., as nominee for DTC. The Bonds shall be initially  
15 executed and delivered in the form of a single, fully-registered Bond for each maturity (which  
16 may be typewritten). Upon initial execution and delivery, as provided for herein, the ownership  
17 of such Bond shall be registered in the Bond Register in the name of the Nominee identified  
18 below as nominee of The Depository Trust Company, New York, New York, and its successors  
19 and assigns. Except as hereinafter provided, all of the Outstanding Bonds shall be registered in  
20 the Bond Register in the name of the nominee of the Depository, which may be the Depository,  
21 as determined from time to time pursuant to this Section ("Nominee"). With respect to the  
22 Bonds registered in the Bond Register in the name of the Nominee, neither the District nor the  
23 Paying Agent shall have any responsibility or obligation to any broker-dealers, banks and other  
24 financial institutions from time to time for which the Depository holds Bonds as securities  
25 depository ("Participant") or to any person on behalf of which such a Participant holds an  
26 interest in the Bonds. Without limiting the immediately preceding sentence, neither the District  
27 nor the Paying Agent shall have any responsibility or obligation (unless the District is at such  
28 time the Depository) with respect to (i) the accuracy of the records of the Depository, the

1 Nominee, or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery  
2 to any Participant or any other person, other than an Owner of a Bond as shown in the Bond  
3 Register, of any notice with respect to the Bonds, including any notice of redemption, (iii) the  
4 selection by the Depository and its Participants of the beneficial interests in the Bonds to be  
5 redeemed in the event the District redeems the Bonds in part, or (iv) the payment to any  
6 Participant or any other person, other than an Owner of a Bond as shown in the Bond Register, of  
7 any amount with respect to the Principal, premium, if any, or interest on the Bonds. The District  
8 and the Paying Agent may treat and consider the person in whose name each Bond is registered  
9 in the Bond Register as the holder and absolute Owner of such Bond for the purpose of payment  
10 of principal premium, if any, of and interest, as applicable, with respect to such Bond, for the  
11 purpose of giving notices of redemption, if applicable, and other matters with respect to such  
12 Bond, for the purpose of registering transfers with respect to such Bond, and for all other  
13 purposes whatsoever. The Paying Agent shall pay all Principal, premium, if any, and interest on  
14 the Bonds, as applicable, only to or upon the order of the respective Owner of the Bond, as  
15 shown in the Bond Register, or his respective attorney duly authorized in writing, and all such  
16 payments shall be valid and effective to fully satisfy and discharge the District's obligations with  
17 respect to payment of Principal, premium, if any, and interest on the Bonds, as applicable, to the  
18 extent of the sum or sums so paid. No person other than an Owner of a Bond, as shown in the  
19 Bond Register, shall receive a Bond evidencing the obligation of the District to make payments  
20 of principal, premium, if any, and interest, as applicable. Upon delivery by the Depository to the  
21 Owners of the Bonds and the District of written notice to the effect that the Depository has  
22 determined to substitute a new nominee in place of the Nominee, and subject to the provisions  
23 herein with respect to Record Dates, the word Nominee in this Resolution shall refer to such  
24 nominee of the Depository.

25  
26 In order to qualify the Bonds for the Depository's book-entry system, the District is  
27 executing and delivering to the Depository a Representation Letter. The execution and delivery  
28 of the Representation Letter shall not in any other way limit the provisions of this Section or in



1 any other way impose upon the District any obligation whatsoever with respect to persons having  
2 interests in the Bonds other than the owners of the Bonds, as shown on the Bond Register. In  
3 addition to the execution and delivery of the Representation Letter, the District shall take such  
4 other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the  
5 Bonds for the Depository's book-entry program.

6  
7 In the event: (i) the Depository determines not to continue to act as securities depository  
8 for the Bonds; or (ii) the Depository shall no longer so act and gives notice to the District of such  
9 determination, then the District will discontinue the book-entry system with the Depository. If  
10 the District determines to replace the Depository with another qualified securities depository, the  
11 District shall prepare or direct the preparation of a new single, separate, fully registered Bond,  
12 per maturity, registered in the name of such successor or substitute qualified securities depository  
13 or its nominee. If the District fails to identify another qualified securities depository to replace  
14 the Depository, then the Bonds shall no longer be restricted to being registered in the Bond  
15 Register in the name of the Nominee, but shall be registered in whatever name or names owners  
16 of the Bonds transferring or exchanging Bonds shall designate, in accordance with provisions of  
17 this Resolution, and the District shall prepare and deliver Bonds to the owners thereof for such  
18 purpose.

19  
20 If the District determines to replace the Depository with another qualified securities  
21 depository, the District shall prepare or direct the preparation of a new single, separate, fully-  
22 registered Bond, per maturity, registered in the name of such successor or substitute qualified  
23 securities depository or its nominee. If the District fails to identify another qualified securities  
24 depository to replace the Depository, then the Bonds shall no longer be restricted to being  
25 registered in the Bond Register in the name of the Nominee, but shall be registered in whatever  
26 name or names owners of the Bonds transferring or exchanging Bonds shall designate, in  
27 accordance with provisions of this Resolution, and the District shall prepare and deliver Bonds to  
28 the owners thereof for such purpose.

1 In the event of a reduction in aggregate principal amount of Bonds Outstanding or an  
2 advance refunding of part of the Bonds Outstanding, Depository in its discretion, (a) may request  
3 the District to prepare and issue a new Bond or (b) may make an appropriate notation on the  
4 Bond indicating the date and amounts of such reduction in principal, but in such event the  
5 District records maintained by the Paying Agent shall be conclusive as to what amounts are  
6 Outstanding on the Bond, except in the case of final maturity in which case the Bond must be  
7 presented to the Paying Agent prior to payment.

8  
9 Notwithstanding any other provisions of this Resolution to the contrary, so long as any  
10 Bond is registered in the name of the Nominee, all payments with respect to Principal, premium,  
11 if any, and interest on such Bond and all notices with respect to such Bond shall be made and  
12 given, respectively, as provided in the Representation Letter or as otherwise instructed by the  
13 Depository and acceptable to the District. The initial depository under this Section shall be the  
14 Depository. The initial nominee shall be Cede & Co., as Nominee of the Depository.

15  
16 The County, the District and the Paying Agent shall have no responsibility for  
17 transmitting payments to, communicating with, notifying, or otherwise dealing with any  
18 beneficial owners of the Series A Bonds and neither the County, the District nor the Paying  
19 Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or  
20 to any other party, including the Depository or its Nominee for any failure of the Depository or  
21 its Nominee to provide notices, distribute payments on the Series A Bonds nor take other actions  
22 concerning the beneficial owners of the Series A Bonds which are the responsibility of the  
23 Depository or its Nominee. As to the District, the foregoing is subject to the express provisions  
24 of the Representation Letter.

25  
26 **Section 15. Paying Agent.**

27 (a) At the request and direction of the District, U.S. Bank National Association is  
28 hereby confirmed as the initial authenticating agent, bond registrar, transfer agent and paying

1 agent (collectively, "Paying Agent") for the Series A Bonds. All fees and expenses incurred for  
2 services of the Paying Agent shall be the sole responsibility of the District, subject to the terms  
3 hereof. The Paying Agent may also function as the dissemination agent for the Bonds and if so  
4 acting, shall perform all duties and obligations as set forth in the Continuing Disclosure  
5 Certificate, as described in Section 23 hereof.

6  
7 (b) The Paying Agent may, at any time, resign as Paying Agent upon 60 days' prior  
8 written notice to the Treasurer and the District, and the Paying Agent may be removed at any  
9 time upon 30 days' written notice by the District. If at any time the Paying Agent shall resign or  
10 be removed, the District shall appoint a successor Paying Agent, with the written consent of the  
11 Treasurer, which shall be a bank or trust company doing business in and having a principal  
12 corporate trust office in the County or Los Angeles County, California, or such other location  
13 within the State as the District shall expressly consent to, with at least \$50,000,000 in assets and  
14 willing and able to accept the office on reasonable and customary terms and authorized by law to  
15 perform all the duties imposed upon it by this Resolution. Such Paying Agent shall signify the  
16 acceptance of its duties and obligations hereunder by executing and delivering to the District a  
17 written acceptance thereof. Resignation or removal of the Paying Agent shall be effective only  
18 upon appointment and acceptance of a successor Paying Agent. The Paying Agent shall keep  
19 accurate records of all funds administered by it and of all Series A Bonds paid and discharged by  
20 it. Such records shall be provided, upon reasonable request and reasonable notice to the Paying  
21 Agent, in a format mutually agreeable to the District, the Paying Agent and the County.

22  
23 (c) In the event of the resignation or removal of the Paying Agent, such Paying Agent  
24 shall pay over, assign and deliver any monies held by it as Paying Agent to its successor. In the  
25 event of a replacement of the Paying Agent, the Paying Agent shall serve in such capacity until  
26 the successor Paying Agent has accepted such position and appointment. The County shall  
27 promptly cause to be mailed, at the District's direction and expense, the name and principal  
28

1 corporate trust office address of the Paying Agent appointed to replace any resigned or removed  
2 Paying Agent to the Informational Services and to DTC.

3  
4 (d) Any company or association into which a successor Paying Agent may be merged  
5 or converted or with which it may be consolidated or any company resulting from any merger,  
6 conversion or consolidation to which it shall be a party or any company or association to which  
7 the Paying Agent may sell or transfer all or substantially all of its corporate trust business,  
8 provided that such company or association shall be eligible under Section 15(b), shall be the  
9 successor to the Paying Agent and vested with all of the title to the trust estate and all of the  
10 trust, powers, discretions, immunities, privileges and all other matters as was its predecessor,  
11 without the execution or filing of any paper or further act, anything herein to the contrary  
12 notwithstanding. All costs associated with the Paying Agent's merger or consolidation with  
13 another bank or trust company shall be paid by the successor Paying Agent. No expense  
14 resulting from such merger or consolidation shall be billed to the District.

15  
16 (e) The Paying Agent may, to the extent permitted by applicable law, become the  
17 Owner of any of the Outstanding Series A Bonds.

18  
19 (f) The District shall be responsible to pay all fees, costs and expenses of the Paying  
20 Agent, subject to the provisions of Section 17 hereof.

21  
22 (g) All documents received by the Paying Agent under the provisions of this  
23 Resolution shall be retained in its possession at the Office of the Paying Agent and shall be  
24 subject during business hours and upon reasonable notice to the inspection of the District or the  
25 Owners and their agents and representatives duly authorized in writing.

26  
27 **Section 16. Payment of Principal and Interest.** The Principal, premium, if any, and  
28 interest on, the Series A Bonds, as applicable, shall be payable in lawful money of the United

1 States of America without deduction for the services of the Paying Agent. Interest on the Series  
2 A Bonds shall be paid on each Bond Payment Date by check mailed by first-class mail to the  
3 person in whose name the Bond is registered, and to that person's address appearing on the Bond  
4 Register (as described in Section 13) on the Record Date. The Owner of an aggregate Principal  
5 Amount of Series A Bonds, of \$1,000,000 or more may request, in writing, prior to the close of  
6 business on the Record Date preceding each Interest Payment Date, to the Paying Agent that  
7 such Owner be paid interest by wire transfer to the bank within the continental United States and  
8 account number on file with the Paying Agent as of the Record Date.

9  
10 Payments of Principal and redemption premiums, if any, shall be payable at maturity or  
11 redemption upon surrender at the Office of the Paying Agent, or such other location as the  
12 Paying Agent shall designate to the County and the District in writing. In the event the Paying  
13 Agent shall provide written notice of a change in the location for payment of Principal and  
14 redemption premiums on the Bonds, as applicable, the Paying Agent shall thereafter provide  
15 notice of such change to the Informational Services and Securities Depositories of such change.  
16 The Paying Agent is hereby authorized to pay the Series A Bonds when duly presented for  
17 payment at maturity and to cancel all Series A Bonds upon payment thereof.

18  
19 In the event any payment is required to be made hereunder on a day which is not a  
20 Business Day, such payment shall be made on the next succeeding Business Day with the same  
21 effect as if made on such non-Business Day.

22  
23 The Series A Bonds (regardless of sub-series) are the general obligations of the District  
24 secured by *ad valorem* taxes levied and collected pursuant to the Authorization, the California  
25 Constitution and State law and do not constitute an obligation of the County except to provide  
26 for the levy and collection of the *ad valorem* taxes and payment of funds to the Paying Agent as  
27 set forth in Section 16 hereof. No part of any fund of the County is pledged or obligated to the  
28 payment of the Series A Bonds.

1  
2           **Section 17. Source of Payment; Security for the Series A Bonds.** Pursuant to the  
3 California Constitution, the Authorization and California law, there shall be levied by the  
4 County, pursuant to Education Code Sections 15250 *et seq.* and 15260 *et seq.*, on all the taxable  
5 property in the District located within the County (as allocated among the County and Imperial  
6 County pursuant to State law), in addition to all other taxes, a continuing direct *ad valorem* tax  
7 annually during the period the Series A Bonds are Outstanding, commencing in Fiscal Year  
8 2013/2014, or as shall be applicable given the debt service requirements of the Series A Bonds as  
9 issued and delivered, in an amount sufficient to pay the Principal of, and interest on, the Series A  
10 Bonds when due, which monies when collected will be placed in the Debt Service Fund.  
11 Pursuant to the California Constitution, the Authorization and California law, there shall be  
12 levied by Imperial County, pursuant to Education Code Sections 15260 *et seq.*, on all the taxable  
13 property in the District located within Imperial County (as allocated among the County and  
14 Imperial County pursuant to State law), in addition to all other taxes, a continuing direct *ad*  
15 *valorem* tax annually during the period the Series A Bonds are Outstanding, commencing in  
16 Fiscal Year 2013/2014, or as shall be applicable given the debt service requirements of the Series  
17 A Bonds as sold and delivered, in an amount sufficient to pay the Principal of, and interest on,  
18 the Series A Bonds when due, which monies when collected will be transferred to the Treasurer,  
19 as provided for under California law, and placed in the Debt Service Fund established in Section  
20 20 hereof. The Debt Service Fund is irrevocably pledged for the payment of the Principal of,  
21 interest on and redemption premium, if any, on, the Series A Bonds when and as the same fall  
22 due along with administrative costs and expenses for the Series A Bonds including fees and  
23 expenses of the Paying Agent.

24  
25           The monies held in the Debt Service Fund, to the extent necessary to pay the Principal,  
26 premium, if any, and interest on the Series A Bonds as the same become due and payable, shall  
27 be transferred by the County to the Paying Agent as necessary to pay the Principal, premium, if  
28

1 any and interest on the Series A Bonds, as applicable, as set out in California law, and in the  
2 District Resolution and herein.

3  
4 The monies in the Debt Service Fund, to the extent necessary to pay the Principal of,  
5 interest on, and redemption premium, if any, on the Series A Bonds as the same become due and  
6 payable, shall be transferred by the Treasurer, or the Treasurer's designee or deputy, to the  
7 Paying Agent (sufficiently in advance of each Interest Payment Date to allow for timely payment  
8 by the Paying Agent of Principal of, interest on, and redemption premium, if any, on the Series A  
9 Bonds, as applicable) who in turn, shall pay such monies to the Depository to pay the Principal  
10 of, interest on, and redemption premium, if any, on the Series A Bonds, as applicable, when due.  
11 The Depository will thereupon make payments of Principal of, interest on, and redemption  
12 premium, if any, on the Series A Bonds, as applicable, to the Depository Participants who will  
13 thereupon make payments of Principal, interest and redemption premium, if any, to the beneficial  
14 owners of the Series A Bonds. The County, the District and the Paying Agent shall have no  
15 responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing  
16 with any beneficial owners of the Series A Bonds, except as expressly provided for herein, and  
17 neither the County, the District nor the Paying Agent shall have any responsibility or obligation,  
18 legal or otherwise, to the beneficial owners of the Series A Bonds or to any other party, including  
19 the Depositor or its successor, beyond those responsibilities expressly set forth herein. Any  
20 monies remaining in the Debt Service Fund after all of the Series A Bonds, the interest thereon,  
21 and redemption premium, if any, as applicable, have been paid, or provision for such payment  
22 has been made, shall be transferred to the General Fund of the District pursuant to the Education  
23 Code Section 15235, or any successor section thereto.

24  
25 **Section 18. Defeasance.** The Series A Bonds may be defeased prior to maturity in the  
26 following ways:

27 (a) **Cash:** By irrevocably depositing with a bank or trust company, in escrow, an  
28 amount of cash which, together with amounts then on deposit in the Debt Service Fund,

1 is sufficient to pay all Series A Bonds Outstanding, including all Principal and interest  
2 and premium, if any; or

3  
4 (b) Defeasance Securities: By irrevocably depositing with a bank or trust company,  
5 in escrow, noncallable Defeasance Securities, permitted under Section 149(d) of the Code  
6 thereto together with cash, if required, in such amount as will, in the opinion of an  
7 independent certified public accountant, together with interest to accrue thereon and  
8 monies then on deposit in the Debt Service Fund, together with the interest to accrue  
9 thereon, be fully sufficient to pay and discharge all Series A Bonds (including all  
10 Principal and interest represented thereby and redemption premiums, if any) at or before  
11 their maturity date;

12  
13 *then*, notwithstanding that any Series A Bonds shall not have been surrendered for payment, all  
14 obligations of the District and the County with respect to all Outstanding Series A Bonds shall  
15 cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid  
16 from funds deposited pursuant to paragraphs (a) or (b) of this Section 18, to the Owners of the  
17 Series A Bonds not so surrendered and paid all sums due with respect thereto.

18  
19 For purposes of this Section and Section 19, "Defeasance Securities" shall mean:

20  
21 Direct and general obligations of the United States of America (including State and Local  
22 Government Series), or obligations that are unconditionally guaranteed as to principal and  
23 interest by the United States of America, including (in the case of direct and general obligations  
24 of the United States of America) evidence of direct ownership or proportionate interests in future  
25 interest or principal payments of such obligations. In the case of investments in such  
26 proportionate interests, such proportionate interests shall be limited to circumstances wherein (a)  
27 a bank or trust company acts as custodian and holds the underlying Defeasance Obligations; (b)  
28 the owner of the investment is the real party in interest and has the right to proceed directly and



1 individually against the obligor of the underlying Defeasance Obligations; and (c) the underlying  
2 Defeasance Obligations are held in a special account, segregated from the custodian's general  
3 assets, and are not available to satisfy any claim of the custodian, any person claiming through  
4 the custodian, or any person to whom the custodian may be obligated; provided that such  
5 obligations are rated or assessed at the highest then-prevailing United States Treasury securities  
6 rate.

7  
8 For purposes of this Section 18, and Section 19, the escrow agent bank and verification  
9 agent shall be selected by the District. Any such escrow bank or trust company shall conform to  
10 the successor paying agent requirements of Section 15 hereof. All costs for defeasance of the  
11 Series A Bonds shall be paid by the District.

12  
13 **Section 19. Partial Defeasance.** A portion of the then-Outstanding maturities of the  
14 Series A Bonds may be defeased prior to maturity in the following ways:

15  
16 (a) Cash: by irrevocably depositing with a bank or trust company, in escrow, an  
17 amount of cash which, together with amounts then on deposit in the Debt Service Fund,  
18 is sufficient to pay the designated Outstanding maturities of Series A Bonds, including all  
19 Principal and interest and premium, if any; or

20  
21 (b) Defeasance Securities: by irrevocably depositing with a bank or trust company,  
22 in escrow, noncallable Defeasance Securities, permitted under Section 149(d) of the Code  
23 together with cash, if required, in such an amount as will, in the opinion of an  
24 independent certified public accountant, together with interest to accrue thereon, be fully  
25 sufficient to pay and discharge the designated maturities of Series A Bonds (including all  
26 Principal and interest represented thereby and redemption premiums, if any) at or before  
27 their maturity date;

1 *then*, notwithstanding that any of such designated maturities of Series A Bonds shall not have  
2 been surrendered for payment, all obligations of the District and the County with respect to such  
3 Outstanding maturities of Series A Bonds shall cease and terminate, except only the obligation of  
4 the Paying Agent to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or  
5 (b) of this Section 19, to the Owners of the Series A Bonds of such maturities designated for  
6 redemption not so surrendered and paid all sums due with respect thereto.

7  
8 **Section 20. Establishment of Funds; Disposition of Proceeds of the Bonds;**  
9 **Investment.**

10  
11 (a) The net proceeds from the sale of the Series A Bonds, to the extent of the net  
12 allocated Principal Amount thereof, shall be paid to the County to the credit of the fund hereby  
13 created and established by the County and to be designated as the "Coachella Valley Unified  
14 School District General Obligation Bonds, 2012 Election, Series A Bonds Building Fund"  
15 ("Building Fund") of the District, and shall be kept separate and distinct from all other District  
16 and County funds, and those proceeds shall be used solely for the purpose for which the Series A  
17 Bonds are being issued and for payment of permissible costs of issuance of the Series A Bonds  
18 and provided further that such proceeds shall be applied solely to authorized purposes for which  
19 the Series A Bonds were authorized as directed in writing by the District. Such purposes include  
20 payment for any costs of issuance of the Series A Bonds. The County shall have no obligation to  
21 ensure that the proceeds are applied in accordance with the preceding sentence. To the extent  
22 that a portion of the Series A Bonds are issued and sold as Taxable Series A Bonds, the net  
23 construction proceeds of the such Taxable Series A bonds shall be deposited into a separate  
24 account of the Building fund, designated as the "Taxable Bonds Building Account" and shall be  
25 held, invested and accounted for separately from other funds and accounts established and held  
26 hereunder. The interest earned on the monies deposited to the Building Fund, or the account(s)  
27 thereof, shall be deposited to such Fund, and corresponding account(s) and such monies shall be  
28

1 used for the purposes for which the Series A Bonds were authorized at the direction of the  
2 District.

3  
4 (b) The accrued interest, if any, and any premium received by the County or the  
5 District from the sale of the Series A Bonds (if any, after all or a portion of the bond insurance  
6 premium and any other allowable costs of issuance are paid by the Underwriter therefrom  
7 pursuant to the provisions of the Purchase Agreement), as well as tax revenues collected by the  
8 County and Imperial County pursuant to Section 17 hereof and Sections 15260 *et seq.* of the  
9 Education Code, shall be deposited and kept separate and apart in the fund established and held  
10 by the Treasurer and designated as the "Coachella Valley Unified School District General  
11 Obligation Bonds, 2012 Election, Series A Bonds Debt Service Fund" ("Debt Service Fund") for  
12 the Series A Bonds and used for payments of Principal of, interest on, and redemption premium,  
13 if any, as applicable, on the Series A Bonds when and as such become due. *Ad valorem* taxes  
14 collected by the County, and Imperial County, pursuant to State law and Section 17 hereof shall  
15 be deposited by the County into the Debt Service Fund and applied, pursuant to the provisions of  
16 State law and this Resolution, only for payments of Principal of, interest on and redemption  
17 premium, if any, on the Series A Bonds as and when due. Funds held in the Debt Service Fund  
18 are irrevocably pledged to the payment of Principal of, interest on and redemption premium, if  
19 any, on the Series A Bonds when due. Except as required below to satisfy the requirements of  
20 Section 148(f) of the Code, as may be applicable, interest earned on investments of monies held  
21 in the Debt Service Fund shall be retained in the Debt Service Fund and used to pay Principal of,  
22 interest on, and redemption premium, if any, on the Series A Bonds when and as such become  
23 due. Prior to each such Bond Payment Date (and subject to the applicable provisions of Section  
24 17 hereof), the Treasurer shall transfer to the Paying Agent, for subsequent disbursement to the  
25 beneficial Owners of the Series A Bonds, pursuant to the provisions hereof, monies from the  
26 Debt Service Fund sufficient to pay Principal of, interest on and premium (if any) on the Series  
27 A Bonds due on such Bond Payment Date. The Paying Agent shall hold all such monies  
28 transferred to it, pursuant to the foregoing sentence, uninvested. If, after payment in full of all

1 Principal, redemption premium, if any, and interest on the Series A Bonds, as applicable, there  
2 remain funds in the Debt Service Fund, any such excess amounts shall be transferred to the  
3 General Fund of the District.

4  
5 (c) The District shall, at such time as shall be necessary, establish and create the  
6 "Coachella Valley Unified School District General Obligation Bonds, Series A, Rebate Fund"  
7 ("Rebate Fund"), which fund shall be kept separate and distinct from all other District funds, and  
8 into which the District shall deposit, or direct deposit of, funds used to satisfy any requirement to  
9 make rebate payments to the United States pursuant to Section 148 of the Code and the Treasury  
10 Regulations promulgated thereunder as shall be applicable to the Tax-Exempt Series A Bonds.  
11 The principal requirements for rebate payments applicable to the Tax-Exempt Series A Bonds  
12 shall be as set forth in the Tax Certificate as executed and delivered by the District. The Rebate  
13 Fund (if and when established pursuant to the requirements of the Tax Certificate) may, at the  
14 discretion of the District, be held by the Paying Agent or the County. Responsibility for  
15 determining and calculating rebate payments, if any, due with regard to the Tax-Exempt Series A  
16 Bonds are the responsibility of the District as further set forth in Section 24. Monies in the  
17 Rebate Fund shall be invested in compliance with the limitations of the Code.

18  
19 (d) Any excess proceeds of the Series A Bonds in the Building Fund, inclusive of  
20 interest earnings, not needed for the authorized purposes set forth herein shall be transferred to  
21 the Debt Service Fund and applied to the payment of Principal of, interest on, and redemption  
22 premium, if any, on the Series A Bonds at the written direction of the District. If, after payment  
23 in full of the Series A Bonds, there remain excess proceeds and/or interest earnings, any such  
24 excess amounts shall be transferred to the General Fund of the District to be applied in  
25 accordance with law.

26  
27 (e) All proceeds of the Series A Bonds and interest earning thereon shall be invested  
28 by the County, on behalf of, and pursuant to the written direction(s) of, the District, in

1 Authorized Investments. Absent other written investment directions provided to the County  
2 from the District, the Treasurer shall invest monies in the Building Fund and the Debt Service  
3 Fund pursuant to State law and the then-current investment policy of the County. The Treasurer  
4 assumes no responsibility for the reporting, reconciling and monitoring in or for the investment  
5 of proceeds of the Series A Bonds where such investment is in an investment not under the  
6 control or management of the Treasurer or Treasurer's office.

7  
8 **Section 21. Bond Insurance.** In the event the District elects to purchase bond insurance  
9 for all or a portion of the Series A Bonds, and to the extent that the Bond Insurer makes payment  
10 of the Principal of, or interest on, the Series A Bonds (or specific maturities or a subseries  
11 thereof), it shall become the Owner of such Series A Bonds (or specific maturities thereof) with  
12 the right to payment of Principal of, or interest on, the Series A Bonds (or specific maturities  
13 thereof), and shall be fully subrogated to all of the Owners' rights, including the Owners' rights  
14 to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that  
15 were past due interest components, the Paying Agent shall note the Bond Insurer's rights as  
16 subrogee on the Bond Register upon receipt of a copy of the canceled check issued by the Series  
17 A Bond Insurer for the payment of such interest to the Owners of the Series A Bonds, and (ii) in  
18 the case of subrogation as to claims for past due Principal, the Paying Agent shall note the Bond  
19 Insurer as subrogee on the Bond Register upon surrender of the Series A Bonds by the Owners  
20 thereof to the Bond Insurer or the insurance trustee for the Bond Insurer. The officers and  
21 officials of the County are authorized to take all other and further necessary actions to arrange  
22 for the delivery of the bond insurance policy, if such is purchased by, or on behalf of, the District  
23 and for the Series A Bonds. In the event that the Bond Insurer requires additional agreements,  
24 covenants or conditions to the issuance of the bond insurance policy, the Designated Officer may  
25 deliver or agree to such; provided, however, that applicable law(s) shall be complied with and  
26 any such agreement, covenants or conditions shall be consistent with the provisions of this  
27 Resolution and the District Resolution and be satisfactory to the Designated Officer.

1           **Section 22. Preliminary Official Statement; Official Statement.** The District shall  
2 authorize, and shall be responsible for, preparing a Preliminary and final Official Statement for  
3 the Series A Bonds meeting the requirements of Securities and Exchange Commission (“SEC”)  
4 Rule 15c2-12. Such Preliminary Official Statement and final Official Statement are collectively  
5 referred to herein as the “Official Statement.” Neither the County Board nor any officer of the  
6 County has prepared or reviewed the Official Statement of the District describing the Series A  
7 Bonds, and this County Board and the various officers of the County take no responsibility for  
8 the contents or distribution thereof; provided, however, that solely with respect to a section(s)  
9 contained, or to be contained, therein describing the County's investment policy, current portfolio  
10 holdings, and valuation procedures, as they may relate to funds of the District held by the County  
11 Treasurer, the County Treasurer is hereby authorized and directed to prepare and review such  
12 information for inclusion in the Official Statement and the Preliminary Official Statement, and to  
13 certify in writing prior to or upon the issuance of the Series A Bonds that the information  
14 contained in such section(s) does not contain any untrue statement of a material fact or omit to  
15 state any material fact necessary in order to make the statements made therein, in the light of the  
16 circumstances under which they are made, not misleading.

17  
18           **Section 23. Continuing Disclosure.** “Continuing Disclosure Certificate” shall mean  
19 that certain Continuing Disclosure Certificate entered into by the District, as originally executed  
20 and as it may be amended from time to time in accordance with the terms thereof.

21  
22           The District has covenanted and agreed that it will comply with and carry out all of the  
23 terms and conditions of the Continuing Disclosure Certificate (as defined above), which shall be  
24 entered into by District and delivered at the time of delivery of the Series A Bonds.  
25 Notwithstanding any other provisions of this Resolution, failure of the District to comply with  
26 the Continuing Disclosure Certificate shall not be considered a default by the District hereunder  
27 or under the Series A Bonds; however, any underwriter or any holder or beneficial Owner of the  
28

1 Series A Bonds may take such actions as may be necessary and appropriate to compel  
2 performance, including seeking mandate or specific performance by court order.

3  
4 **Section 24. Tax and Arbitrage Matters.**

5  
6 (a) The District has represented that it shall not take any action, or fail to take any  
7 action if such action or failure to take such action would adversely affect the exclusion from  
8 gross income of the interest payable on the Tax-Exempt Series A Bonds under Section 103 of the  
9 Code.

10  
11 (b) The District has covenanted to restrict the use of the proceeds of the Tax-Exempt  
12 Series A Bonds in such manner and to such extent, if any, as may be necessary, so that the Tax-  
13 Exempt Series A Bonds will not constitute "arbitrage bonds" under Section 148 of the Code and  
14 the applicable regulations prescribed under that section or any successor section. Calculations  
15 for determining arbitrage requirements, and payment of any required monies, are the sole  
16 responsibility of the District.

17  
18 (c) The District in order to maintain the exclusion from gross income for federal  
19 income tax purposes of the interest on the Tax-Exempt Series A Bonds, has covenanted to  
20 comply with each applicable requirement of Section 103 and Sections 141 through 150 of the  
21 Code, as set forth in the Tax Certificate to be delivered by the District on the Closing Date and  
22 executed by the District, and which shall be, upon its execution and delivery, incorporated herein  
23 by this reference as a source of guidance for compliance with such provisions.

24  
25 (d) The District has covenanted to at all times do and perform all other acts and  
26 things necessary or desirable and within its powers to assure, for the purposes of California  
27 personal and federal income taxation, that the tax-exempt status of the interest paid on the Tax-  
28 Exempt Series A Bonds to the recipients thereof will be preserved.

1  
2 (e) Notwithstanding any other provision of this Resolution to the contrary, upon the  
3 District's failure to observe, or refusal to comply with, the above covenants, no person other than  
4 the Owners of the Tax-Exempt Series A Bonds shall be entitled to exercise any right or remedy  
5 as may be provided to such Owners under this Resolution on the basis of the District's failure to  
6 observe, or refusal to comply with, the above covenants.  
7

8 **Section 25. County Books and Accounts.** The Treasurer, the Paying Agent and the  
9 County will keep, or cause to be kept, proper books of record and accounts to record (i) the  
10 amount of taxes collected pursuant to Section 17 hereof, (ii) all deposits, expenditure and  
11 investment earnings on the Debt Service Fund and the Building Fund and any and all accounts or  
12 subaccounts thereof, and (iii) all transfers of funds for the payment of Principal, interest or  
13 redemption premiums, as applicable, on the Series A Bonds. The Treasurer shall provide regular  
14 periodic statements of such accounts to the District. Such books of record and accounts shall at  
15 all times during business hours, upon reasonable notice, be subject to the inspection of the  
16 District and the Owners of not less than ten percent (10%) of the Principal amount of the Series  
17 A Bonds then Outstanding, or their representatives authorized in writing.  
18

19 **Section 26. Execution of Documents by Bond Owners.** Any request, consent or other  
20 instrument required by this Resolution to be signed and executed by Bond Owners may be in any  
21 number of concurrent writings of substantially similar tenor and may be signed or executed by  
22 such Bond Owners in person or by their agent or agents duly appointed in writing. Proof of the  
23 execution of any such request, consent or other instrument or of a writing appointing any such  
24 agent shall be sufficient for any purpose of this Resolution and shall be conclusive in favor of the  
25 County, and the District, if made in the manner provided in this Section 26.  
26

27 The fact and date of the execution by any person of any such request, consent or other  
28 instrument or writing may be proved by the affidavit of a witness of such execution or by the



1 certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof  
2 to take acknowledgements of deeds, certifying that the person signing such request, consent or  
3 other instrument or writing acknowledged to him the execution thereof.  
4

5 The ownership of the Series A Bonds shall be proved by the Bond Register. Any request,  
6 consent or vote of the Owner of any Series A Bond shall bind every future Owner of the same  
7 Series A Bond and the Owner of any Series A Bond issued in exchange therefor or in lieu  
8 thereof, in respect of anything done or suffered to be done by the County or the District, in  
9 pursuance of such request, consent or vote.  
10

11 **Section 27. Unclaimed Monies.** Notwithstanding any of the foregoing provisions of  
12 this Resolution, and subject to the escheat laws of the State, any monies held by the Paying  
13 Agent for the payment of the principal of, redemption premium, if any, or interest on Series A  
14 Bonds, as applicable, remaining unclaimed for one year after the corresponding maturity or  
15 redemption date for such Series A Bonds shall be returned by the Paying Agent to the Treasurer,  
16 with any and all interest accrued thereon, for deposit into the Debt Service Fund.  
17 Notwithstanding any other provisions of this Resolution, and subject to the escheat laws of the  
18 State, any monies held in any fund created pursuant to this Resolution, or by the Paying Agent in  
19 trust, for the payment of the Principal of, redemption premium, if any, or interest on Series A  
20 Bonds and remaining unclaimed for one year after the Principal of all of the Series A Bonds have  
21 become due and payable (whether by maturity or upon prior redemption) shall be, after payment  
22 in full of the Series A Bonds, transferred to the General Fund of the District to be applied in  
23 accordance with law; provided, however, that the Paying Agent, or the District, before making  
24 such payment, shall cause notice to be mailed to the Owners of all Bonds that have not been  
25 paid, by first-class mail at the addresses on the Bond Register, postage prepaid, not less than 90  
26 days prior to the date of such payment.  
27  
28

1           **Section 28. Conditions Precedent.** This County Board determines that all acts and  
2 conditions necessary to be performed by the County precedent to and in the issuing of the Series  
3 A Bonds, in order to make them legal, valid and binding general obligations of the District have  
4 been performed and have been met, or will at the time of delivery of the Bonds have been  
5 performed and have been met, in regular and due form as required by law; that this County  
6 Board has the power and is obligated to levy *ad valorem* taxes for the payment of the Bonds and  
7 the interest thereon without limitation as to rate or amount upon all property within the District  
8 subject to taxation (except for certain classes of personal property); and that no statutory or  
9 Constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of  
10 the Series A Bonds.  
11

12           **Section 29. Amendments.** The County may from time to time (which may be at the  
13 request of the District, made in writing), and at any time, without notice to or consent of any of  
14 the Owners, by action of the County Board, amend the provisions of this Resolution for any of  
15 the following reasons:  
16

17           (a) to cure any ambiguity, to correct or supplement any provision herein which may  
18 be inconsistent with any other provision herein or therein, or to make any other provision with  
19 respect to matters or questions arising under this Resolution, provided that such action shall not  
20 adversely affect the interests of the Bond Owners;  
21

22           (b) to add to the covenants and agreements of and the limitations and the restrictions  
23 upon the District contained in this Resolution which are not contrary to or inconsistent with this  
24 Resolution as theretofore in effect; and/or  
25

26           (c) to modify, alter, amend or supplement this Resolution in any other respect which  
27 is not materially adverse to the Bond Owners.  
28

1 In the event of any such amendment, the County shall promptly provide the District and  
2 the Paying Agent with copies of such amendment and the action of the County Board approving  
3 such amendment. Notice of any such amendment shall also be provided to the Owners by the  
4 District in the next occurring Annual Report provided by the District under the terms of the  
5 Continuing Disclosure Certificate.

6  
7 No such amendment shall: (i) extend the fixed maturity of any Series A Bond, reduce the  
8 amount of Principal, or premium, if any, thereof or the rate of interest thereon or extend the time  
9 of payment thereof, without the consent of the Owner of each Series A Bond so affected, or (ii)  
10 modify or amend this Section without the consent of the Owners of all the Series A Bonds then  
11 outstanding.

12  
13 Upon the adoption of any amendment pursuant to this Section, this Resolution shall be  
14 deemed to be modified and amended in accordance therewith, and the respective rights, duties  
15 and obligations under this Resolution of the County, the District, the Paying Agent and all  
16 Owners shall thereafter be determined, exercised and enforced hereunder subject in all respects  
17 to such modification and amendment, and all the terms and conditions of any such amendment  
18 shall be deemed to be part of the terms and conditions of this Resolution for any and all  
19 purposes.

20  
21 The provisions of this Section shall not prevent any Owner from accepting any  
22 modification or amendment as to the particular Series A Bonds held by such Owner.

23  
24 **Section 30. Benefits Limited to Parties.** Nothing in this Resolution, express or implied,  
25 is intended to give to any person other than the County, the District, the Paying Agent and the  
26 Owners of the Series A Bonds, any right, remedy or claim under or by reason of this Resolution.  
27 Any covenants, stipulations, promises or agreements in this Resolution contained by and on  
28 behalf of the District or the County, are for the sole and exclusive benefit of the County, the

1 District, the Paying Agent and the Owners.

2  
3 **Section 31. Acceptance of Payment of County Costs.** This County Board hereby  
4 accepts the District's offer of payment of the County's costs for the authorization, issuance and  
5 sale of the Series A Bonds and authorizes County officers to provide an invoice to the District  
6 for all such costs incurred.

7  
8 **Section 32. Approval of Actions.** Officers of the County Board and County officials  
9 and staff, including the Treasurer and the County Auditor and Controller, or their designee(s),  
10 are hereby authorized and directed, jointly and severally, to do any and all things and to execute  
11 and deliver any and all documents which they may deem necessary or advisable in order to  
12 proceed with the issuance, sale and delivery of the Series A Bonds and otherwise carry out, give  
13 effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken  
14 by such officers, officials and staff are hereby ratified, confirmed and approved.

15  
16 **Section 33. Partial Invalidity; Severability.** If any one or more of the covenants or  
17 agreements, or portions thereof, provided in this Resolution to be performed should be contrary  
18 to law, then such covenant or covenants, such agreement or agreements, or such portions thereof,  
19 shall be null and void and shall in no way affect the validity of this Resolution or of the Series A  
20 Bonds; but the Bond Owners shall retain all rights and benefits accorded to them under any  
21 applicable provisions of law. The County Board hereby declares that it would have adopted this  
22 Resolution and each and every other section, paragraph, subdivision, sentence, clause and phrase  
23 hereof and would have authorized the issuance of the Series A Bonds pursuant hereto  
24 irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences,  
25 clauses or phrases of this Resolution or the application thereof to any person or circumstance  
26 may be held to be unconstitutional, unenforceable or invalid.

27  
28 **Section 34. Compliance With Law.** All acts, conditions and things required by law to

1 be done and performed in strict conformity with the laws authorizing the issuance of general  
2 obligation bonds of the District, and the indebtedness of the District, including this proposed  
3 issue of the Series A Bonds, is within all limits prescribed by law.

4  
5 **Section 35. Effective Date.** This Resolution shall take effect immediately upon  
6 adoption.

7  
8 **Section 36. Clerk's Certificate.** The Clerk of the County Board is hereby directed to  
9 provide certified copies of this Resolution to the Treasurer and the County Auditor and  
10 Controller and to Bond Counsel immediately following its adoption at the following address:

11  
12 Bowie, Arneson, Wiles & Giannone  
13 4920 Campus Drive  
14 Newport Beach, CA 92660  
15 Attn: Robert E. Anslow

16  
17 [Remainder of this page is blank]

18  
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26 166869.7  
27  
28

1 The foregoing Resolution was on the  2nd  day of  April , 2013,  
2 adopted by the Board of Supervisors of the County of Riverside.

3  
4  
5 ROLL CALL:

6 Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley  
7 Nays: None  
8 Absent: None

9 The foregoing is certified to be a true copy of a resolution duly  
10 adopted by said Board of Supervisors on the date therein set forth.

11 KECIA HARPER-IHEM, Clerk of said Board

12 By: \_\_\_\_\_

Deputy

**EXHIBIT "A"**

**FORM OF BOND PURCHASE AGREEMENT**

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§ \_\_\_\_\_  
COACHELLA VALLEY UNIFIED SCHOOL  
DISTRICT  
GENERAL OBLIGATION BONDS, 2012  
ELECTION, SUBSERIES A-1  
(Federally Taxable)  
(Riverside and Imperial Counties, California)

§ \_\_\_\_\_  
COACHELLA VALLEY UNIFIED SCHOOL  
DISTRICT  
GENERAL OBLIGATION BONDS, 2012  
ELECTION, SUBSERIES A-2  
(Federally Tax-Exempt)  
(Riverside and Imperial Counties, California)

**BOND PURCHASE AGREEMENT**

\_\_\_\_\_, 2013

County of Riverside  
Board of Supervisors  
4080 Lemon St., P.O. Box 1147  
Riverside, California 92502

Coachella Valley Unified School District  
87225 Church Street  
Thermal, CA 92274

Ladies and Gentlemen:

The undersigned, on behalf of George K. Baum & Company (“Underwriter”), hereby offers to enter into this Bond Purchase Agreement (“Purchase Agreement”) with the County of Riverside, California (“County”), and the Coachella Valley Unified School District (“District”) to purchase the Bonds (as hereinafter defined) of District on the terms herein provided. Upon acceptance hereof by the District and the County, this Purchase Agreement will be binding on the District and the Underwriter. By execution of this Purchase Agreement, the County acknowledges its terms and recognizes that it will be bound by certain of the provisions hereof, and to the extent binding on the County, acknowledges and agrees to such terms. This offer is made subject to the written acceptance of this Purchase Agreement by the County and the District and delivery of such acceptance to us at our office prior to 11:59 p.m., California Time, on the date hereof.

The District and the County acknowledge and agree that (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm’s-length commercial transaction between the District, the County and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the District or the County, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the District or the County with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the District or the County on other matters) or (y) any other obligation to the District or the County except the obligations expressly set forth in this Purchase Agreement and (iv) the District and the County have consulted with their own respective legal and other professional



advisors to the extent they have deemed appropriate in connection with the offering of the Bonds.

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 (i) \$ \_\_\_\_\_ in aggregate principal amount of the Coachella Valley Unified School District General Obligation Bonds, 2012 Election, Subseries A-2 (Federally Taxable) consisting of current interest serial [and term] bonds ("Taxable Bonds"), and (ii) \$ \_\_\_\_\_ in aggregate principal amount of Coachella Valley Unified School District General Obligation Bonds, 2012 Election, Subseries A-2 (Federally Tax-Exempt) consisting of current interest serial [and term] bonds ("Tax-Exempt Bonds," and, collectively "Bonds" or the "Series A Bonds"). The Bonds shall bear interest at the rates, and shall mature in the years shown on Appendix "A" hereto, which is incorporated herein by this reference. The Tax-Exempt Bonds shall bear interest from the date thereof and such interest shall be payable on each February 1 and August 1, commencing \_\_\_\_\_ 1, 20\_\_ . The Taxable Bonds shall bear interest from the date thereof and such interest shall be payable on each February 1 and August 1, commencing \_\_\_\_\_ 1, 20\_\_ . The Bonds shall be dated the date of delivery.

The Underwriter agrees to purchase the Bonds at a purchase price equal to \$ \_\_\_\_\_ (which represents the aggregate principal amount of the Bonds of \$ \_\_\_\_\_, plus a net original issue premium of \$ \_\_\_\_\_ and less an underwriter's discount of \$ \_\_\_\_\_). The Underwriter agrees to pay \$ \_\_\_\_\_ to pay for the bond insurance premium as set forth in Section 14(a).

The Series A Bonds are issued as current interest bonds bearing interest at the rates, maturing in the years and subject to redemption prior to maturity shown in Appendix A hereto, which is incorporated herein by this reference.

2. **The Bonds.** The Bonds shall mature on August 1 in the years shown in Appendix "A" and shall otherwise be as described in, and shall be issued and secured pursuant to, the provisions of the Resolution of the District, adopted on March 14, 2013 ("District Resolution"), the Resolution of the Board of Supervisors of the County adopted on \_\_\_\_\_, 2013 ("County Resolution" and collectively with the District Resolution, the "Resolutions"), Sections 53506 *et seq.* of the California Government Code ("Government Code") and Sections 15100 *et seq.* and Sections 15140 *et seq.*, of the California Education Code (collectively, the "Act"), Article XIII A of the California Constitution and other applicable State law. The Bonds were authorized under and pursuant to a bond authorization approved by more than fifty-five (55%) of the voters of the District voting at an election held on November 6, 2012 ("Election") approving an amount not to exceed \$41,000,000 of general obligation bonds of the District to be used to finance specific construction, repair and improvement projects and the acquisition of certain equipment and furnishings (collectively, the "Project") as further described in the Preliminary Official Statement (defined below). Capitalized terms used herein and not otherwise defined herein shall have the corresponding meaning(s) set forth in the County Resolution.

Certain provisions for the redemption of the Bonds, not otherwise specified in the Resolutions, are shown in Appendix "A" attached hereto and incorporated herein by reference, all as provided in the County Resolution.

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement and the Resolutions. The Bonds shall be in definitive book-entry form, shall bear CUSIP® numbers, shall be in fully registered form initially, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York and the Bonds shall initially be in authorized denominations of \$5,000 maturity value each or any integral multiple thereof.

U.S. Bank National Association ("Paying Agent") shall serve as the initial authenticating agent, bond registrar, transfer agent, and paying agent for the Bonds pursuant to a paying agent agreement with respect to the Bonds, between the District and the Paying Agent.

[The payment of principal of and interest (but not any prepayment premium) on the Bonds will be secured by a municipal bond insurance policy ("Insurance Policy") to be issued simultaneously with the issuance of the Bonds by \_\_\_\_\_ ("Insurer" or "Bond Insurer").]

3. **Use of Documents.** The District and the County hereby authorize the Underwriter to use, in connection with the offer and sale of the Bonds, this Purchase Agreement, the Official Statement (defined below), the Resolutions, and all information contained herein and therein and all of the documents, certificates, or statements furnished by the District or the County to the Underwriter in connection with the transactions contemplated by this Purchase Agreement (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 as set forth in Appendix "A" hereto and incorporated herein by reference. 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; *provided* that the Underwriter shall not change the interest rates set forth in Appendix "A". The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

The Underwriter hereby represents to the District (i) that as of the date of sale, all of the Bonds purchased were expected to be reoffered in a bona fide public reoffering; (ii) that as of the date of the certification, all of the Bonds purchased had actually been offered to the general public at the offering prices shown in Appendix A; and (iii) that the prices given in Appendix A are the maximum initial bond fide offering prices at which a substantial amount (at least 10%) of each maturity of the Bonds purchased was sold to the general public. The Underwriter agrees, upon request, to furnish to the District or to Bond Counsel, reasonable written verification of its compliance with this paragraph.

5. **Review of Preliminary Official Statement and Official Statement.** The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated \_\_\_\_\_, 2013 ("Preliminary Official

Statement”), or such other date as designated on behalf of the District by a party designated by the District (“District Official”). The District represents that it deems the Preliminary Official Statement to be final, except for either revisions or additions to the offering price(s), interest rate(s), yield(s) to maturity, Underwriter's discount, 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 (“Rule”). By the execution of this Bond Purchase Agreement, the District ratifies the use by the Underwriter of the Preliminary Official Statement.

The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the seventh (7th) business day following the date this Purchase Agreement is fully executed, copies of a final Official Statement relating to the Bonds (“Official Statement”) substantially in the form of the Preliminary Official Statement, as further provided for in paragraph 10(b) hererof; *provided, however*, that the failure of the District to comply with this requirement due solely to the acts of the Underwriter, its counsel or agents, shall not be considered cause for the Underwriter to refuse to accept delivery of and pay for the Bonds.

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

The Underwriter hereby represents that it will provide, consistent with the requirements of Municipal Securities Rulemaking Board (“MSRB”) Rule G-32, for the delivery of a copy of the Official Statement to each customer who purchases any Bonds during the underwriting period (a such term is defined in MSRB Rule G-11), and deliver a copy of the Official Statement to a national repository on or before the Closing Date, and that it will otherwise comply with all applicable statues and regulations in connection with the offering and sale of the Bonds, including, without limitation, MSRB Rule G-32 and 17 CFR Section 240.15c2-12, promulgated by the Securities and Exchange Commission (“Rule 15c2-12”).

6. **Closing.** At 8:30 a.m., California Time, on \_\_\_\_\_, 2013, or at such other time or on such other date as shall have been mutually agreed upon by the District, the County and the Underwriter (“Closing”), the District or the County, as appropriate, will deliver to the Underwriter, at the offices of The Depository Trust Company (“DTC”) in New York, New York, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and in Newport Beach, California, the other documents hereinafter mentioned, and the Underwriter will accept such delivery and pay the net purchase price thereof, of \$ \_\_\_\_\_ in immediately available funds (by wire transfer or such other manner of

payment as the Underwriter, the County and the District shall reasonably agree upon, and as set forth in Section 14 hereof) to the order of the District.

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 public school district duly organized and validly existing under the laws of the State of California ("State"), with the power to issue the Bonds through the County 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 Agreement, to adopt the District Resolution, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Agreement and the Resolutions; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the Resolutions and this Purchase Agreement have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Agreement constitutes a valid and legally binding obligation of the District; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Agreement.

(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, sale or delivery of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby. The District gives no representation or warranty with regard to compliance with Blue Sky or similar securities requirements.

(d) **No Conflicts.** To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Purchase Agreement, the Resolutions 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 material 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 material default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(e) **Litigation.** 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 title of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection of taxes of the District pledged or to be pledged or available to pay the

principal of and interest on the Bonds, or the pledge thereof, or the levy of any taxes contemplated by the Resolutions or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Agreement or the Resolutions or contesting the powers of the District to execute, deliver and perform its obligations under the Resolutions or this Purchase Agreement; or (iii) in which a final adverse decision could (a) materially adversely affect the transactions contemplated by this Purchase Agreement or the Resolutions, (b) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Tax-Exempt Bonds from gross income for federal income tax purposes and the exemption of such interest from California personal income taxation.

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

(g) Arbitrage Certificate. The District has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the District is an issuer of tax-exempt obligations whose arbitrage certificates may not be relied upon.

(h) Certificates. Except as specifically provided, 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 statement made therein.

(i) Continuing Disclosure Certificate. To assist the Underwriter in complying with the Rule, the District will undertake, pursuant to the District Resolution and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. The Continuing Disclosure Certificate shall comply with the provisions of Rule 15c2-12(b)(5) and be in substantially the form attached to the Official Statement in Appendix C. The District has, in the past, failed to file certain information in a timely manner as required by its prior continuing disclosure obligations. The District has since filed all such required information and is, as of the closing, current with respect to all filings required under its prior existing continuing disclosure obligations.

(j) Internal Revenue Code. The District has complied with the Internal Revenue Code of 1986, as amended, with respect to the Tax-Exempt Bonds.

(k) 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 final Official Statement did not and will not contain any untrue

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 Final Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein.

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, with the power to issue the Bonds on behalf of the District pursuant to the Act.

(b) **Due Authorization.** (i) At or prior to the Closing, the County will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the County has full legal right, power and authority to enter into this Purchase Agreement, 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 Agreement and the County Resolution; (iii) the execution and delivery or adoption of, and the performance by the County of the obligations contained in the Bonds, the Resolutions and this Purchase Agreement have been duly authorized and such authorization shall be in full force and effect at the time of the closing; (iv) this Purchase Agreement constitutes a valid and legally binding obligation of the County, subject to bankruptcy, insolvency, moratorium and other similar laws affecting creditor's rights generally and to equitable principles when equitable remedies are sought; and (v) the County has duly authorized the consummation by it of all transactions contemplated by this Purchase Agreement.

(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, sale or delivery of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby. The County gives no representation or warranty with regard to compliance with Blue Sky or similar securities requirements.

(d) **No Conflicts.** To the best knowledge of the County, the issuance of the Bonds, the execution, delivery and performance of this Purchase Agreement, 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 material default under the Constitution of the State 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 material default under, any agreement, indenture, mortgage, lease or other instrument to which the County is a party or by which it is bound or to which it is subject.

(e) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the County, threatened against the County: (i) in any way affecting the existence of the County or in any way challenging the respective powers of the several offices or of the titles of the officials of the County to such offices; or (ii) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the pledge thereof, or the levy of any taxes contemplated by the Resolutions, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Agreement or the Resolutions or contesting the powers of the County or their authority with respect to the Bonds, the Resolutions or this Purchase Agreement; or (iii) in which a final adverse decision could (a) materially adversely affect the operations of the County related to the transactions contemplated by this Purchase Agreement or the Resolutions, or (b) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part.

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

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

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

(a) The Underwriter is duly authorized to execute this Purchase Agreement through its officer as undersigned and is authorized to take any action(s) under the Purchase Agreement required to be taken by it;

(b) The execution and delivery hereof and the consummation of the transactions contemplated hereto does not and will not violate any of the prohibitions set forth in Rule G-37 promulgated by the MSRB;

(c) All reports required to be submitted to the MSRB pursuant to Rule G-37 have been and will be submitted to the MSRB;

(d) The Underwriter has, and has had, no financial advisory relationship 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, within the meaning of California Government Code Section 53590, or otherwise;

(e) The Underwriter has not paid or agreed to pay, nor will it pay or agree to pay, any entity, company, firm, or person (including, but not limited to, the District's financial consultants, or any officer, agent or employee thereof), other than a bona fide officer, agent or employee working for Underwriter, any compensation, fee gift or other consideration contingent upon or resulting from the award of or entering into this Purchase Agreement; and

(f) The Underwriter has reasonably determined that the District's undertaking to provide continuing disclosure with respect to the Bonds pursuant to Section 12(e)(14) hereof is sufficient to effect compliance with the Rule.

10. **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, and at the expense of, the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, provided, however, that the County 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) **Official Statement.** The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the seventh (7th) business day following the date this Purchase Agreement is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto being called the "Official Statement") in such reasonable quantities as may be requested by the Underwriter in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

(c) **Subsequent Events.** Each party hereto agrees that it will notify the other parties hereto if, within the period from the date of this Bond Purchase Agreement to and including the date which is 25 days following the End of the Underwriting Period (as hereinafter defined), such party discovers any pre-existing or subsequent fact or becomes aware of the occurrence of any event, in any such case which might cause the Official Statement (as the same may have been theretofore 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 written opinion of the District or counsel to the Underwriter, the preparation and publication of a supplement or amendment to the Official Statement is, as a result of such fact or event (or any other event which becomes known to the District or the Underwriter during such period), necessary so that the Official Statement does not contain any untrue statement of a material fact or 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, the District will, at its expense, supplement or amend the Official Statement in such a manner so that the Official Statement, as so supplemented or amended, does not contain any untrue statement of a material fact or 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, and furnish copies of such supplement or amendment to the Underwriter in such numbers as the Underwriter may reasonably request. The District and the Underwriter agree that they will cooperate in the preparation of any such amendment or supplement. As used herein, the term "End of the Underwriting Period" means the later of such time as (i) the District delivers the Bonds to the Underwriter, or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the "End of the Underwriting Period" shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the District at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the End of the Underwriting Period;

(d) Amendments to Official Statement. For a period of ninety (90) days after the Closing or until such time (if earlier) as the Underwriter shall no longer hold any of the Bonds for sale, the District will not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall reasonably object in writing or which shall be disapproved by the Underwriter; and if any event relating to or affecting the District shall occur as a result of which it is necessary, in the opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser, the Underwriter shall forthwith prepare and furnish (at the expense of the District) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact, or omit to state a material fact, necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading; and

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

11. Division of Responsibility Between District and County. It is specifically acknowledged and agreed by and between the District and the County that the County shall have no responsibility or liability to ensure or provide compliance with those provisions of this Purchase Agreement which are to be performed solely by the District.

12. Conditions to Closing. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the County and the District contained herein and the performance by the District and the County of their respective obligations hereunder, both as of the date hereof and as of the date of Closing. The

Underwriter's obligations under this Purchase Agreement 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 Agreement;

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

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

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

(1) legislation enacted or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for

purposes of federal income taxation of the interest received by the owners of the Tax-Exempt Bonds; or

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

(2) legislation enacted by the legislature of the State, or a decision rendered by a court of the State, or a ruling, order, or regulation (final or temporary) made by State authority, which would have the effect of changing, directly or indirectly, the State tax consequences of interest on the obligations of the general character of the Tax-Exempt Bonds in the hands of the holders thereof;

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

(4) the declaration of a general banking moratorium by federal, New York or State authorities having 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 or a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction;

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

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

(7) the withdrawal or downgrading of any rating of the District's Outstanding indebtedness or of any insurer insuring the scheduled payment of the

principal and interest on the Bonds by a national rating agency if such action, in the opinion of the Underwriter, materially affects the market for the Bonds; or

(8) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; and/or

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

(e) Delivery of Documents. At or prior to the date of the Closing, the District shall deliver, or cause to be delivered, 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 and Reliance Letter. An approving opinion or opinions of Bond Counsel, as to the validity and tax status of the Bonds, as applicable, dated the date of the Closing, addressed to the County and the District; together with a reliance letter(s) from Bond Counsel, addressed to the Underwriter [and the Insurer] to the effect that the Underwriter and Insurer may rely upon the approving opinion(s) described above;

(2) Certificate(s) of the District. A certificate signed by an authorized officer(s) of the District to the effect that (i) such official is authorized to execute this Purchase Agreement, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has complied with all the terms of the District Resolution and this Purchase Agreement to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect, (iv) to the best of such official's knowledge, no litigation is pending or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Continuing Disclosure Certificate or this Purchase Agreement, or (C) in any way contesting the existence or powers of the District, (v) such official has reviewed the Official Statement and on such basis certifies 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, (vi) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Agreement substantially conform to the descriptions thereof contained in the Resolutions and this Purchase Agreement, and (viii) no consent of any party is required for inclusion of the District's audited financial statements for fiscal year ended June 30, 2012, in the Official Statement;

(3) Certificate(s) of the County. A certificate(s) signed by an authorized officer(s) of the County to the effect that (i) such officials are authorized to execute this Purchase Agreement, (ii) the representations, agreements and warranties of the County herein are true and correct in all material respects as of the date of Closing, (iii) the County has complied with all the terms of the County Resolution and this Purchase Agreement to be complied with by the County prior to or concurrently with the Closing and such documents are in full force and effect, and (iv) the Bonds being delivered on the date of Closing to the Underwriter under this Purchase Agreement substantially conform to the descriptions thereof contained in the County Resolution and this Purchase Agreement;

(4) Disclosure Counsel Opinion. An opinion of Disclosure Counsel, addressed to the Underwriter and the District to the effect that, without passing upon or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement and making no representation that they have independently verified the accuracy, completeness or fairness of any such statements, based upon the information made available to them in the course of their participation in the preparation of the Official Statement, nothing has come to such counsel's attention which would lead them to believe that the Official Statement, including the cover page (but excluding therefrom the appendices thereto, financial statements and statistical data, [information regarding the Insurer,] and information regarding The Depository Trust Company and its book-entry system, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light under which they were made, not misleading;

(5) Arbitrage. A non-arbitrage (tax) certificate of the District in form satisfactory to Bond Counsel applicable to the Tax-Exempt Bonds;

[(6) Municipal Bond Insurance. Evidence satisfactory to the Underwriter that the Bonds shall have received a policy of municipal bond insurance by the Insurer that unconditionally guarantees the timely payments of all debt service on the Bonds;]

[(7) Certificate of Insurer. A certificate(s) of the Insurer in form and substance satisfactory to Bond Counsel, including a certification of the appropriate agent of the Insurer evidencing Insurer's determination that the information contained in the Official Statement regarding the Insurer and its policy with respect to the Bonds is accurate;]

[(8) Opinion of Counsel to the Insurer. An opinion of counsel to the Insurer, dated as of the date of Closing, addressed to the Underwriter, the District and the County in form and substance acceptable to counsel to the Underwriter, substantially to the effect that: (i) the Insurer has been duly incorporated and is

validly existing and in good standing under the laws of the State of its incorporation; (ii) the Policy constitutes the legal, valid and binding obligation of the Insurer enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization, rehabilitation and other similar laws of general applicability relating to or affecting creditors' and/or claimants' rights against insurance companies and to general equity principles; and (iii) the information contained in the Official Statement under the caption "BOND INSURANCE" does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;]

(9) Ratings. [Evidence satisfactory to the Underwriter (i) that the Bonds shall have been rated "\_\_\_\_\_" (insured) by Standard & Poor's Ratings Service and "\_\_\_\_\_" (insured) by Moody's Investors Service as a result of municipal bond insurance provided by the Insurer, (ii) that the Bonds shall have an underlying rating of "\_\_\_\_\_" by Standard & Poor's Ratings Service and "\_\_\_\_\_" by Moody's Investors Service, and (iii) that any such ratings have not been revoked or downgraded;]

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

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

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

(11) County Resolution. A certificate, together with fully executed copies of the County Resolution, of the 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) the County Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing;

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

(13) County Certificate. A certificate signed by appropriate officials of the County to the effect that such official has reviewed the information contained

in the Official Statement in [Appendix \_\_\_\_ -- "Summary of County of \_\_\_\_\_ Investment Policies and Practices and Description of Investment Pool" and on such basis certifies that the information contained in the Official Statement in Appendix \_\_\_\_ "Summary of County of Riverside Investment Policies and Practices and Description of Investment Pool"] does not contain any untrue statement of a material fact concerning the County required to be stated therein or omit to state a material fact necessary to make the statements concerning the County therein, in the light of the circumstances in which they were made, not misleading;

(14) Official Statement. Certificate(s) of the appropriate officials of the District evidencing their determinations respecting the Official Statement in accordance with the Rule; and

(15) Continuing Disclosure Certificate. A Continuing Disclosure Certificate of the District as summarized in the Official Statement and in a form satisfactory to the Underwriter which complies with S.E.C. Rule 15c2-12(b)(5);

(16) Letter of Representations. A copy of the signed Letter of Representations as filed with The Depository Trust Company (DTC);

[(17) Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing with respect to the Tax-Exempt Bonds;]

(18) CDIAC Statements. A copy of the filings with the California Debt and Investment Advisory Commission pursuant to the applicable provisions of the California Government Code;

(19) District Counsel Opinion. An opinion of Counsel to the District in substantially the form attached hereto as Appendix "C";

(20) Underwriter's Certifications. At or before Closing, and contemporaneously with the acceptance and delivery of the Bonds and the payment of the purchase price therefore (as set forth herein), the Underwriter shall provide to the District:

(i) the receipt of the Underwriter, in form satisfactory to the District and the County and signed by an authorized officer of the Underwriter, accepting the Bonds by the Underwriter and receipt of all documents required by the Underwriter pursuant to the terms hereof, and the satisfaction or waiver of all conditions and terms of this Purchase Agreement by the District and the County, respectively, and confirming to the District and the County that as of the Closing Date all of the representations of the Underwriter contained in this Purchase Agreement are true, complete and correct in all material respects;

[(ii) the certification of the Underwriter, signed by an authorized officer of the Underwriter, in form satisfactory to Bond Counsel, regarding the prices at which the Bonds have been reoffered to the public, as described in paragraph 4 hereof;] and

[(iii) the certification of the Underwriter, signed by an authorized officer of the Underwriter, in form satisfactory to Bond Counsel, that the present value of the interest saved as a result of obtaining the Insurance Policy issued by the Insurer with respect to the Bonds exceeds the premium paid for such insurance, and said premium is not unreasonable; and]

(21) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably request to evidence compliance (i) by the County and the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the County and the District herein contained, (iii) the truth and accuracy, as of the time of Closing, of the Official Statement and (iv) the due performance or satisfaction by the County and the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the 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 prior to the close of business, California Time, on \_\_\_\_\_, 2013, or such other date as is agreed upon by the District, County and Underwriter, then the obligation of the Underwriter 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 14 hereof.

If the County and/or the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be canceled 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.

The Underwriter shall also have the right to cancel its obligation to purchase the Bonds, by written notice to the County and the District, if between the date hereof and the Closing, (i) any event occurs or information becomes known, which makes untrue any statement of a material fact set forth in the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; (ii) the market for the Bonds



or the market price of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds shall have been materially and adversely affected, in the reasonable professional judgment of the Underwriter, by (a) legislation enacted by the Congress of the United States, or passed by either House of the Congress, or favorably reported for passage to either House of the Congress, by any Committee of such House to which such legislation has been referred for consideration, or by the legislature of the State, or a decision rendered by a court of the United States or the State or by the United States Tax Court, or a ruling, order, or regulation (final or temporary) made by the Treasury Department of the United States or the Internal Revenue Service or other federal or State authority, which would have the effect of changing, directly or indirectly, the federal income tax consequences or State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof, or (b) any new outbreak of hostilities or other national or international calamity or crisis, the effect of such outbreak on the financial markets of the United States being such as, in the judgment of the Underwriter, would affect materially and adversely the ability of the Underwriter to market the Bonds, or (c) a general suspension of trading on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, or (d) a general banking moratorium declared by either federal or State authorities having jurisdiction; or (iii) additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which in the opinion of the Underwriter, materially adversely affect the market price for the Bonds.

13. **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 County of the opinion and certificates being delivered at the Closing by persons and entities other than the County and the District.

14. **Expenses.**

[(a) The Underwriter shall, at the direction of the District and the County, pay the bond insurance premium in the amount of \$\_\_\_\_\_ directly to the Insurer on the Closing Date.]

(b) The District shall be responsible to pay the following costs of issuance of the Bonds from the net proceeds of the Bonds: (i) the cost of the preparation and reproduction of the Resolutions; (ii) the fees and disbursements of Bond Counsel, District Counsel and Disclosure Counsel; (iii) the cost of the preparation, printing and delivery of the Bonds; (iv) the fees, if any, for Bond ratings, including all necessary travel expenses; (v) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement; (vi) the initial fees of the Paying Agent; and (vii) all other fees and expenses incident to the issuance and sale of the Bonds, exclusive of the fees and expenses set forth in paragraph 14(c) hereof.

(c) In addition to the foregoing expenses, Underwriter shall also pay all out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, travel (except in connection with securing a rating on the Bonds), expenses of counsel to the Underwriter, if any, and other expenses (except as provided above), shall be paid by the Underwriter.

15. **Notices.** Any notice or other communication to be given under this Purchase Agreement (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 of the County of Riverside, Treasurer-Tax Collector of the County of Riverside, 4080 Lemon St., 4th Floor, P.O. Box 12005, Riverside, CA 92502-2205; if to the District, to the Superintendent (or Superintendent's designee), Coachella Valley Unified School District, 87-255 Church St., Thermal, California 92274, attn: Superintendent; or if to the Underwriter, George K. Baum & Company, 555 Capitol Mall, Suite 700, Sacramento, California 95814.

16. **Parties in Interest; Survival of Representations and Warranties.** This Purchase Agreement 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 Agreement 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 the representations, warranties and agreements of the County and the District in this Purchase Agreement 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 Agreement.

17. **Underwriter Indemnification.** The Underwriter agrees to indemnify and hold harmless the County and its supervisors, officers, employees and agents, and the District and its directors, officers, employees and agents, from and against any and all losses, claims, damages, liabilities, attorneys' fees and other expenses of every conceivable kind, character or nature whatsoever (including the reasonable costs of investigation) arising out of, resulting from or in any way connected with:

(a) any violation or alleged violation in the offering or sale of the Bonds, by the Underwriter, of the Blue Sky, securities or any other laws of any jurisdiction in which any such offering or sale is made;

(b) any untrue statement or alleged untrue statement of a material fact or any omission or alleged omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in any text hereafter provided by the Underwriter, without the knowledge and consent of the District, for use in the Official Statement or any supplement or amendment thereto, and which is included therein; or

(c) the failure of the Underwriter to send or give to any purchaser of any Bonds a copy of the Preliminary Official Statement pursuant to Section 5 of this Purchase Agreement and, concurrently with the written confirmation of the sale of such Bonds, the Official Statement (to the extent supplemented or amended, as so supplemented or amended).

18. **Severability.** In the event any provision of this Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable and other provision hereof.

19. **Nonassignment.** Notwithstanding anything stated to the contrary herein, neither party hereto may assign or transfer its interest herein, or delegate or transfer any of its obligations hereunder, without the prior written consent of the other party hereto.

20. **Entire Agreement.** This Purchase Agreement, when executed by the parties hereto, shall constitute the entire agreement of the parties hereto, including their permitted successors and assigns, respectively.

21. **Execution in Counterparts.** This Purchase Agreement 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.

[Remainder of this page is blank]

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

Very truly yours,

**GEORGE K. BAUM & COMPANY:**

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

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

**COUNTY OF RIVERSIDE**

By: \_\_\_\_\_  
Treasurer/Assistant Treasurer/Tax Collector

**APPROVED AS TO FORM:**  
Pamela J. Walls, County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

**COACHELLA VALLEY UNIFIED SCHOOL DISTRICT**

By: \_\_\_\_\_  
Authorized Officer

APPENDIX "A"

**MATURITY SCHEDULE AND REDEMPTION TERMS**

Dated: \_\_\_\_\_, 2013

Delivery: \_\_\_\_\_, 2013

[Insured] Ratings: Moody's - "\_\_\_\_\_"  
S&P - "\_\_\_\_\_"

**COACHELLA VALLEY UNIFIED SCHOOL DISTRICT  
GENERAL OBLIGATION BONDS, 2012 ELECTION, SUBSERIES A-1  
(Federally Taxable)**

**Taxable Serial [and Term] Bonds:**

First Interest Payment Date: \_\_\_\_\_ 1, 20\_\_

<u>Maturity</u> <u>(August 1)</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Dollar Price</u>
--------------------------------------	---------------	----------------------	--------------	--------------	---------------------

C=Priced to call date of August 1, 20\_\_

**COACHELLA VALLEY UNIFIED SCHOOL DISTRICT  
GENERAL OBLIGATION BONDS, 2012 ELECTION, SUBSERIES A-2  
(Federally Tax-Exempt)**

**Tax-Exempt Serial [and Term] Bonds:**

First Interest Payment Date: \_\_\_\_\_ 1, 20\_\_

<u>Maturity</u> <u>(August 1)</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Dollar Price</u>
--------------------------------------	---------------	----------------------	--------------	--------------	---------------------

C=Priced to call date of August 1, 20\_\_

## Redemption Provisions

### Taxable (Subseries A-1) Bonds

#### **Optional Redemption**

The Taxable Bonds maturing on or before August 1, 20\_\_\_, are not subject to optional redemption prior to maturity. The Taxable Bonds maturing on or after August 1, 20\_\_\_ are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20\_\_\_, or on any date thereafter, at a price equal to 100% of the principal amount thereof, without premium, together with accrued interest thereon to the stated redemption date.

#### **Mandatory Sinking Fund Redemption**

*Taxable Term Bonds.* The Taxable Bonds maturing on August 1, 20\_\_\_ (the "Taxable Term Bonds"), are subject to mandatory sinking fund redemption by lot, without premium, on each August 1 of the years and in the amounts set forth below:

\$ \_\_\_\_\_ Taxable Term Bonds Maturing August 1, 20\_\_\_

Redemption Date  
(August 1)

Sinking Fund  
Redemption

\_\_\_\_\_ (maturity)

### Tax-Exempt (Subseries A-2) Bonds

#### **Optional Redemption**

*Tax-Exempt Bonds.* The Tax-Exempt Bonds maturing on or before August 1, 20\_\_\_, are not subject to optional redemption prior to maturity. The Tax-Exempt Bonds maturing on or after August 1, 20\_\_\_ are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20\_\_\_, or on any date thereafter, at a price equal to 100% of the principal amount thereof, without premium, together with accrued interest thereon to the stated redemption date.

**Mandatory Sinking Fund Redemption**

*Tax-Exempt Term Bonds.* The Tax-Exempt Bonds maturing on August 1, 20\_\_ (the “Tax-Exempt Term Bonds”), are subject to mandatory sinking fund redemption by lot, without premium, on each August 1 of the years and in the amounts set forth below:

\$ \_\_\_\_\_ **Current Tax-Exempt Term Bonds Maturing August 1, 20\_\_**

Redemption Date  
(August 1)

Sinking Fund  
Redemption

\_\_\_\_\_ (maturity)

**APPENDIX "B"**

**FORM OF OPINION OF COUNTY COUNSEL**

\_\_\_\_\_, 2013

§ \_\_\_\_\_  
**COACHELLA VALLEY UNIFIED SCHOOL  
DISTRICT  
GENERAL OBLIGATION BONDS, 2012  
ELECTION, SUBSERIES A-1  
(Federally Taxable)  
(Riverside and Imperial Counties, California)**

§ \_\_\_\_\_  
**COACHELLA VALLEY UNIFIED SCHOOL  
DISTRICT  
GENERAL OBLIGATION BONDS, 2012  
ELECTION, SUBSERIES A-2  
(Federally Tax-Exempt)  
(Riverside and Imperial Counties, California)**

Ladies and Gentlemen:

As counsel to the Board of Supervisors ("Board") of the County of Riverside, California ("County"), I have reviewed the Official Statement ("Official Statement") for the above-described bonds ("Bonds") and the Resolution of the Board adopted on \_\_\_\_\_, 2013, with respect to the Bonds ("County Resolution"), and the Bond Purchase Agreement, dated as of \_\_\_\_\_, 2013, by and among the Coachella Valley Unified School District ("District"), the County and George K. Baum & Company as Underwriter ("Purchase Agreement").

Having reviewed these documents, it is my opinion 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 County Resolution was duly adopted at a meeting of the governing body of the County which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting 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 restrain or enjoin the levy or collection of tax revenues pledged for payment of the principal and interest of the Bonds or in any way contesting or affecting the validity of the County Resolution, the Purchase Agreement or the Bonds wherein an unfavorable decision, ruling or finding would adversely affect the validity and enforceability of the County Resolution, the Purchase Agreement or the Bonds, or in which a final adverse decision could materially adversely affect the operations of the County.
4. To my knowledge, the issuance of the Bonds and the execution of and performance of the provisions of the Purchase Agreement, 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.

5. No authorization, approval, consent, or other order of the State of California, or other governmental authority or agency within the State of California, is required for the valid authorization, issuance and sale of the Bonds or the execution of the Purchase Agreement by the County.

Very truly yours,

APPENDIX "C"

**FORM OF DISTRICT COUNSEL OPINION**

Board of Trustees of the  
Coachella Valley Unified School District  
87-255 Church St.  
Thermal, CA 92274

George K. Baum & Company  
555 Capitol Mall, Suite 700  
Sacramento, CA 95814

Re: \$ \_\_\_\_\_ Coachella Valley Unified School District General Obligation Bonds, 2012 Election, Subseries A-1 (Federally Taxable) and \$ \_\_\_\_\_ Coachella Valley Unified School District General Obligation Bonds, 2012 Election, Subseries A-2 (Federally Tax-Exempt)  
**Opinion of District Counsel**

Ladies and Gentlemen:

We have acted as District Counsel for the Coachella Valley School District ("District") in connection with the proceedings for the issuance and sale by the District of \$ \_\_\_\_\_ Coachella Valley Unified School District General Obligation Bonds, 2012 Election, Subseries A-1 (Federally Taxable) and \$ \_\_\_\_\_ Coachella Valley Unified School District General Obligation Bonds, 2012 Election, Subseries A-2 (Federally Tax-Exempt) (collectively, the "Bonds"). The Bonds are being issued pursuant to the Resolution of the Board of Trustees of the District, adopted on March 14, 2013 (Resolution No. 2013-54) ("District Resolution"), and a Resolution of the Board of Supervisors of the County of Riverside (Resolution No. \_\_\_\_\_), adopted on \_\_\_\_\_, 2013 ("County Resolution" and collectively with the District Resolution, the "Resolutions"), in accordance with the provisions of the California Constitution, the statutory authority set forth in Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the State of California Government Code, commencing with Section 53506, California Education Code Sections 15264, 15266(b), and, as applicable, the provisions of Title 1, Division 1, Part 10, Chapters 1 and 2 of the California Education Code, commencing with Section 15100 and related California law.

This letter is delivered to you pursuant to Section [12(e)(18)] the Bond Purchase Agreement dated \_\_\_\_\_, 2013 ("Purchase Agreement"), between the County of Riverside ("County"), the District and George K. Baum & Company ("Underwriter").

Capitalized terms not otherwise defined herein shall have the meaning(s) ascribed thereto in the Purchase Agreement.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions. As to questions of fact material to our opinions, we have relied upon the documents and matters referred to herein, and we have not undertaken by independent investigation to verify the authenticity of signatures or the accuracy of the factual matters represented, warranted or certified therein. Whenever our opinion herein is qualified by the phrase "to our actual knowledge," it is intended to indicate that in the course of our representation of the District in connection with the issuance, sale and delivery of the Bonds, no information has come to the attention of the lawyers in our firm which would give them current actual knowledge (as distinguished from constructive or inquiry knowledge) of the existence of such fact. In making our examination of the documents referenced herein, we have assumed that each party to one or more of the documents referenced herein, other than the District, has the power to enter into and perform its obligations thereunder, has duly authorized, executed and delivered such documents, and that such documents constitute the legal, valid and binding obligations of such party. Furthermore, we have assumed all compliance with all covenants contained in the Resolutions and in certain other documents. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum or waiver provisions contained in the documents described herein. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no opinion with respect thereto.

As District Counsel, we have examined a record of the proceedings in connection with the execution and delivery of the Bonds, including, without limitation, the following:

- (i) the proceedings relating to the call and conduct of the general obligation bond election conducted on November 6, 2012, within the boundaries of the District ("Election");
- (ii) the District Resolution;
- (iii) the County Resolution;
- (iv) the Purchase Agreement;
- (v) the Continuing Disclosure Certificate provided by the District with respect to the Bonds, dated as of \_\_\_\_\_, 2013 ("Continuing Disclosure Certificate"); and
- (iv) such other documents, including, but not limited to, certificates of the District and the County delivered in connection with the issuance of the Bonds, as we have deemed necessary to render the opinions set forth below.

With regard to the opinion expressed in paragraph (3) below, we have conducted an electronic search for existing civil actions as against the District, which has consisted of searches of records within the Riverside County Superior Court, the Federal District court with jurisdiction over the boundaries of the District. We have also expressly relied upon the factual representations made to us by the District as to such matters. With respect to the provision of such opinion, we have presumed that the District maintains normal and customary liability

insurance, insurance coverage or equivalent self-insurance, and requires normal and customary liability coverage to be carried or provided by its contractors and consultants, with respect to the protection of the District's financial position. This opinion may be affected by actions or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether (or not) any such actions or events occur.

Attention is called to the fact the we have not been requested to examine, and have not examined, any documents or information relating to the District other than the record of proceedings herein referred to, and no opinion is expressed as to any financial or other information, or the adequacy thereof, which has been, or may be, supplied to any purchaser of the Bonds.

The Resolutions and other related documents refer to certain requirements and procedures which may be changed and certain actions which may be taken, in circumstances and subject to terms and conditions set forth in such documents, upon the advice or with an approving opinion of nationally recognized bond counsel. No opinion is expressed herein as to any Bond, or any related document, if any such change is made or action is taken upon the advice or approval of counsel other than ourselves.

It is to be understood that the rights and obligations under the Resolutions and related documents are subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws heretofore or hereafter enacted, affecting the enforcement of creditors' rights and remedies, to the application of equitable principles when equitable remedies are sought, and to the exercise of judicial discretion in appropriate cases.

Based on and subject to the foregoing, and in reliance thereon and our consideration of such questions of law as we have deemed relevant to the circumstances, and under existing law, we are of the following opinions:

1. The District is a school district duly organized and existing under the Constitution and the laws of the State of California ("State");
2. The District Resolution was duly adopted at a meeting of the Board of Trustees of the District which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;
3. To the best of our knowledge, after due inquiry, 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 District which would adversely impact the District's ability to cause the Bonds to be issued or which would restrain or enjoin the levy or collection of tax revenues pledged for the Bonds or in any way contesting or affecting the validity of the Purchase Agreement, the District Resolution, or the Bonds wherein an unfavorable decision, ruling or finding would adversely affect the validity and enforceability of the Purchase Agreement, the District Resolution or the Bonds; and

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

We express no opinion with respect to the effect of laws, other than the laws and regulations of the State in full force and effect on the date hereof, upon the validity and binding effect of the Purchase Agreement.

We have not undertaken any duty and expressly disclaim any responsibility to advise you as to events occurring after the date hereof with respect to the Bonds or the Special Taxes. We have not undertaken any duty and expressly disclaim any responsibility to supplement or update this opinion letter nor to advise you or any other party if there is a change in law or facts or new facts come to our attention subsequent to the date hereof which may affect the opinions expressed above and/or which may cause us to amend any portion of this opinion letter in full or in part. Furthermore, future acts or omissions of the parties may serve to modify, alter or change the circumstances under which this opinion letter was prepared and upon which the opinions herein were rendered. We have not undertaken to determine or to inform any person, whether (or not) any such actions or events occur. Also, actions, conduct or omissions by a party may create a situation of waiver, estoppel or novation which would supplant the opinions set forth in this opinion letter. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no opinion with respect thereto.

The opinions expressed herein are based on the facts (as we know, believe or have assumed them to be) and law as in effect on the date of this opinion letter and, as such, such opinions shall be effective only as of the date of this letter. This opinion letter is limited to the matters expressly set forth above, and no opinions are implied or may be inferred beyond the matters expressly so stated. No attorney-client relationship has existed or exists between our firm and the Underwriter, in connection with the authorization, issuance and delivery of the Bonds or related matters thereto. This opinion letter is issued with all the exclusions and limitations set forth herein. Exclusive of inclusion in the transcript of documents for the Bonds, this letter is not to be used, circulated, quoted, or otherwise referred to by you for any other purpose whatsoever or delivered to any other person without our prior written consent; provided, however, that a copy of this letter may be included in the transcript of proceedings for the Bonds.

Very truly yours,

1 **EXHIBIT "B"**

2  
3 **FORM OF SERIES A BOND**

4  
5 **STATE OF CALIFORNIA**

**COUNTIES OF RIVERSIDE AND IMPERIAL**

6 **REGISTERED**

**REGISTERED**

7 **NO.**

**\$**

8  
9  
10 **COACHELLA VALLEY UNIFIED SCHOOL DISTRICT**  
11 **GENERAL OBLIGATION BONDS, 2012 ELECTION, SERIES A**  
12 **(Riverside and Imperial Counties, California)**

13  
14 **INTEREST RATE:**

**MATURITY DATE:**

**DATED AS OF:**

**CUSIP®:**

15  
16 X.XXX%

August 1, 20\_\_

\_\_\_\_\_, 2013

189849 XX0

17  
18  
19 **REGISTERED OWNER: CEDE & CO.**

20  
21 **PRINCIPAL AMOUNT:**

22  
23  
24 The **COACHELLA VALLEY UNIFIED SCHOOL DISTRICT** ("District") in  
25 Riverside County ("County") and Imperial County, California, for value received, promises to  
26 pay to the Registered Owner named above, or registered assigns, the Principal Amount on the  
27 Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or  
28 provided for at the Interest Rate stated above, on February 1 and August 1 ("Bond Payment

1 Dates”), commencing August 1, 2013. This Bond will bear interest from the Bond Payment Date  
2 next preceding the date of authentication hereof unless it is authenticated as of a day during the  
3 period from the 16th day of the month next preceding any Bond Payment Date to the Bond  
4 Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or  
5 unless it is authenticated on or before \_\_\_\_\_ 15, 20\_\_\_\_, in which event it shall bear interest  
6 from \_\_\_\_\_, 2013. Principal and interest are payable in lawful money of the United  
7 States of America, without deduction for the paying agent services, to the person in whose name  
8 this Bond (or, if applicable, on one or more predecessor Bonds) is registered (“Registered  
9 Owner”) on the Bond Register maintained by the Paying Agent, initially U.S. Bank National  
10 Association (“Paying Agent”). Interest shall be calculated on the basis of a 360-day year  
11 comprised of twelve 30-day months. Principal is payable upon presentation and surrender of this  
12 Bond at the principal office of the Paying Agent in Riverside, California. Interest is payable by  
13 check or draft mailed by the Paying Agent on each Bond Payment Date to the Registered Owner  
14 of this Bond (or one or more predecessor bonds) as shown and at the address appearing on the  
15 Bond Register at the close of business on the 15th day of the calendar month next preceding that  
16 Bond Payment Date, whether or not such day is a business day (“Record Date”). The Owner of  
17 an aggregate Principal Amount of \$1,000,000 or more may request in writing to the Paying  
18 Agent that such Registered Owner be paid interest by wire transfer to the bank within the  
19 continental United States and account number on file with the Paying Agent as of the Record  
20 Date.

21  
22 This Bond is one of an aggregate amount of \$\_\_\_\_\_ of Bonds issued to be used for  
23 the acquisition and construction of school facilities to serve the District under authority of and  
24 pursuant to the laws of the State of California, and more than the requisite fifty-five percent  
25 (55%) favorable vote of the electors of the District obtained at an election held on November 6,  
26 2012, upon the question of issuing Bonds in the amount of \$41,000,000, the resolution of the  
27 Board of Trustees of the District, adopted on March 14, 2013 (“District Resolution”), and the  
28 resolution of the Riverside County Board of Supervisors, adopted on \_\_\_\_\_, 2013

1 (“County Resolution”). This Bond and the issue of which this Bond is one are payable as to both  
2 principal and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to  
3 such taxes in the District, which taxes are unlimited as to rate or amount. The Bonds of this  
4 issue are general obligations of the District and do not constitute an obligation of the County of  
5 Riverside or the County of Imperial. No part of any fund of the County is pledged or obligated  
6 to the payment of the Bonds of this issue.

7  
8 The Bonds of this issue are issuable only as fully-registered bonds in the denominations  
9 of \$5,000 or any integral multiple thereof. This bond is exchangeable and transferable for Bonds  
10 of other authorized denominations at the Office of the Paying Agent (as defined in the County  
11 Resolution), by the Registered Owner or by a person legally empowered to do so, upon  
12 presentation and surrender hereof to the Paying Agent, together with a request for exchange or an  
13 assignment signed by the Registered Owner or by a person legally empowered to do so, in a form  
14 satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in  
15 the County Resolution. Any tax or governmental charges shall be paid by the transferor. The  
16 District, the County and the Paying Agent may deem and treat the Registered Owner as the  
17 absolute owner of this Bond for the purpose of receiving payment of or on account of principal  
18 or interest and for all other purposes, and neither the District, the County nor the Paying Agent  
19 shall be affected by any notice to the contrary.

20  
21 The Bonds maturing on or before August 1, 20\_\_\_, are not subject to optional redemption  
22 prior to maturity. The Bonds maturing on or after August 1, 20\_\_\_, are subject to optional  
23 redemption prior to maturity from any funds legally available therefor, in whole or in part on any  
24 date, on or after August 1, 20\_\_\_, at the principal amount of the Current Interest Bonds to be  
25 redeemed, plus accrued but unpaid interest to the redemption date, without premium.

26  
27 The Bonds maturing on August 1, 20\_\_\_, are subject to sinking fund redemption, in part,  
28 by lot, on August 1, 20\_\_\_, and on each August 1 thereafter in accordance with the schedule set



1 forth below. The Bonds so called for mandatory sinking fund redemption shall be redeemed at  
2 the principal amount of such Bonds to be redeemed, plus accrued but unpaid interest, without  
3 premium.

4 Sinking Fund	Principal
5 Redemption Date	Amount
6 <u>(August 1)</u>	<u>to be Redeemed</u>
7 20__	\$ _____
8 20__	_____
9 20__ (maturity)	_____

10  
11 If less than all of the Bonds of any one maturity shall be called for redemption, the  
12 particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot by  
13 the Paying Agent in such manner as the Paying Agent in its discretion may determine; provided,  
14 however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000  
15 or some multiple thereof and that, in selecting Bonds for redemption, the Paying Agent shall  
16 treat each Bond as representing that number of Bonds which is obtained by dividing the principal  
17 amount of such Bond by \$5,000. If less than all of the Bonds shall be called for redemption, the  
18 particular Bonds or portions thereof to be redeemed shall be called by lot in any manner which  
19 the District in its discretion shall determine.

20  
21 The Paying Agent shall give notice of the Redemption of the Bonds at the expense of the  
22 District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be  
23 redeemed; (b) the serial or registration numbers and CUSIP® numbers, if any, of the Bonds to be  
24 redeemed; (c) the date of notice and the date of redemption; (d) the place or places where the  
25 redemption will be made; and (e) descriptive information regarding the issue of Bonds and the  
26 specific bonds redeemed, including the dated date, interest rate and stated maturity date of each.  
27 Such notice shall further state that on the specified date there shall become due and payable upon  
28

1 each Bond to be redeemed, together with interest accrued to said date, the redemption premium,  
2 if any, and that from and after such date interest with respect thereto shall cease to accrue.  
3

4 Notice of redemption shall be by registered or otherwise secured mail or delivery service,  
5 postage prepaid, to the registered Owner of the Bonds, or if the original purchaser is a syndicate,  
6 to the managing member of such syndicate, to a municipal registered securities depository and to  
7 a national information service that disseminates securities redemption notices and, by first-class  
8 mail, postage prepaid, to the District, the County and the respective Owners of any registered  
9 Bonds designated for redemption at their addresses appearing on the Bond registration books, in  
10 every case at least thirty (30) days, but not more than sixty (60) days, prior to the redemption  
11 date; provided that neither failure to receive such notice nor any defect in any notice so mailed  
12 shall affect the sufficiency of the proceedings for the redemption of such Bonds, nor entitle the  
13 Owner thereof to interest beyond the date given for redemption.  
14

15 Neither the District, the County nor the Paying Agent will be required (a) to issue or  
16 transfer any Bond during a period beginning on the day after the Record Date next preceding any  
17 Interest Payment Date or beginning the 16th business day of the month next preceding either any  
18 Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close  
19 of business on the Interest Payment Date or day on which the applicable notice of redemption is  
20 given, as applicable, or (b) transfer any Bonds which have been selected or called for redemption  
21 in whole or in part.  
22

23 The rights and obligations of the District and of the Registered Owners of the Bonds may  
24 be amended at any time, and in certain cases without the consent of the Registered Owners to the  
25 extent and upon the terms and conditions provided in the County Resolution.  
26  
27  
28

1           The County Resolution contains provisions permitting the District to make provision for  
2 the payment of the interest on, and the principal and premium, if any, of any of the Bonds so that  
3 the Bonds shall no longer be deemed to be outstanding under the terms of the County Resolution.  
4

5           Reference is made to the County Resolution for a more complete description of the  
6 provisions, among others, with respect to the nature and extent of the security for the bonds of  
7 this series, the rights, duties and obligations of the District, the County, the Paying Agent and the  
8 Registered Owners, and the terms and conditions upon which the bonds are issued and secured.  
9 The Registered Owner of this Bond assents, by acceptance hereof, to all of the provisions of the  
10 County Resolution.  
11

12           **IT IS CERTIFIED AND RECITED** that all acts and conditions required by the  
13 Constitution and laws of the State of California to exist, to occur and to be performed or to have  
14 been met precedent to and in the issuing of the Bonds in order to make them legal, valid and  
15 binding general obligations of the District, have been performed and have been met in regular  
16 and due form as required by law; that payment in full for the Bonds has been received; that no  
17 statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the  
18 Bonds; and that due provision has been made for levying and collecting *ad valorem* property  
19 taxes on all of the taxable property within the District in an amount sufficient to pay principal  
20 and interest when due.  
21

22           This Bond shall not be valid or obligatory for any purpose and shall not be entitled to any  
23 security or benefit under the County Resolution until the Certificate of Authentication below has  
24 been signed.  
25  
26  
27  
28



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**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds described in the County Resolution referred to herein.

Date of Registration and Authentication: \_\_\_\_\_

**U.S. BANK NATIONAL ASSOCIATION**, Paying Agent, as authenticating agent:

***-EXHIBIT-***

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

Authorized Signatory

1 **FORM OF ASSIGNMENT**

2

3 For value received, the undersigned sells, assigns and transfers unto:

4

5 \_\_\_\_\_

6 \_\_\_\_\_

7 \_\_\_\_\_

8

9 (print/type name, address, zip code, tax identification or Social Security number of assignee) the

10 within Bond and do(es) irrevocably constitute and appoint \_\_\_\_\_,

11 attorney, to transfer the same on the registration books of the Paying Agent, with full power of

12 substitution in the premises.

13

14 Date: \_\_\_\_\_

15

16 ***-EXHIBIT-***

17 \_\_\_\_\_

18 Notice: The assignor's signature to this assignment must correspond with the name as it appears

19 upon the face of the within Bond in every particular, without alteration or any change what so

20 ever.

21

22 Signature Guaranteed:

23

24

25 ***-EXHIBIT-***

26 \_\_\_\_\_

27 Signature must be guaranteed by an eligible guarantor institution.

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1 Unless this Bond is presented by an authorized representative of The Depository Trust  
2 Company to the issuer or its agent for registration of transfer, exchange or payment, and any  
3 Bond issued is registered in the name of Cede and Co. or such other name as requested by an  
4 authorized representative of The Depository Trust Company and any payment is made to Cede &  
5 Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE  
6 BY OR TO ANY PERSON IS WRONGFUL since the registered Owner hereof, Cede & Co., has  
7 an interest herein.

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**[FORM OF BOND COUNSEL OPINION]**

[Text of Opinion]