

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

349
A



FROM: Don Kent, Treasurer/Tax Collector

SUBMITTAL DATE:
October 24, 2013

SUBJECT: Resolution No. 2013-262 – Alvord Unified School District, General Obligation Bonds, Election of 2012, Series A (Vote on Separately) - Dist. 1, 1/2, 2 [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and adopt Resolution No. 2013-262 providing for the issuance and sale of Alvord Unified School District, General Obligation Bonds, Election of 2012, Series A in a maximum principal amount of \$79,000,000.

BACKGROUND:

Summary

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

(Continued on Page 2.)

Name: Don Kent
Title: Treasurer/Tax Collector

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

SOURCE OF FUNDS: District General Obligation Bonds will be secured by and paid from voter approved property taxes. Budget Adjustment: n/a
For Fiscal Year: 2013-2014

C.E.O. RECOMMENDATION:

APPROVE

BY:
Karen L. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Stone and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone and Ashley
Nays: None
Absent: Benoit
Date: November 5, 2013
xc: Treasurer

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

Prev. Agn. Ref.: _____ District: 1,2/1,2 Agenda Number: _____

3-67

FORM APPROVED COUNTY COUNSEL
BY: Dale A. Gardner 10/22/13
DALE A. GARDNER DATE
Departmental Concurrence

A-30
 4/5 Vote
 Positions Added
 Change Order

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

FORM 11: Resolution No. 2013-262, Alvord USD General Obligation Bonds

DATE: October 24, 2013

PAGE: Page 2 of 2

BACKGROUND:

Summary (continued)

Alvord Unified School District (the "District"), under the jurisdiction of the Riverside County Superintendent of Schools, intends to offer its bonds through either a competitive sale or 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 than fifty-five percent of the votes cast by eligible voters of the District, authorized the incurrence of general obligation bonded indebtedness in an aggregate principal amount not to exceed \$79,000,000.

This Resolution, 2013-262, authorizes and provides for the issuance of Alvord Unified School District, General Obligation Bonds, Election of 2012, Series A (the "Series A Bonds") in an aggregate principal amount not to exceed \$79,000,000. The bond proceeds will be used primarily to pay, at maturity, the District's outstanding 2010 General Obligation Bond Anticipation Notes. The remaining proceeds of the Series A Bonds will be used to finance additional educational projects approved by the District's voters at the November 6, 2012 election.

It is anticipated that the Series A Bonds will be issued as current interest bonds and capital appreciation bonds. The restrictions on the issuance of capital appreciation bonds contained in AB 182 will be met.

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. 2013-262 and has approved it as to form.

Impact on Citizens and Businesses

The voters of the District approved the levy of ad valorem property taxes to pay the bonded indebtedness to finance new and improved District facilities. The citizens within the District will receive new and improved educational facilities.

ATTACHMENTS (if needed, in this order):

Resolution No. 2013-262

Bond Purchase Contract

Notice of Sale

District Resolution

Preliminary Official Statement

RESOLUTION NO. 2013-262

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE AUTHORIZING THE ISSUANCE AND SALE OF ALVORD UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES A IN THE MAXIMUM PRINCIPAL AMOUNT OF \$79,000,000

WHEREAS, an election was duly and regularly held in the Alvord Unified School District (the "District") on November 6, 2012, in accordance with Section 1(b)(3) of Article XIII A of the California Constitution, for the purpose of submitting Measure V (the "Bond Measure") to the qualified electors of the District, authorizing the issuance of general obligation bonds in the aggregate principal amount of \$79,000,000 (the "Bonds"), and more than 55% of the votes cast were in favor of the issuance of the Bonds; and

WHEREAS, on October 3, 2013, the Board of Education of the District adopted a resolution (the "District Resolution") authorizing the issuance of a series of the Bonds under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law"); and

WHEREAS, the Bond Law provides that the Bonds may be sold at public or private sale, as the District Board of Education determines, but that the private sale of Bonds is limited to the sale of the Bonds pursuant to Sections 15140 or 15146 of the California Education Code (the "Education Code"); and

FORM APPROVED COUNTY COUNSEL
BY: *Alba Gardner*
ALBA GARDNER
DATE: 10/22/13

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3 **WHEREAS**, Section 15140 of the Education Code requires that
4 general obligation bonds of the District be offered for sale by
5 the Board of Supervisors of the County of Riverside (the
6 "County") as soon as possible following receipt of a resolution
7 adopted by the Board of Education of the District;

8 **WHEREAS**, there has been filed with the Clerk of the Board a
9 certified copy of the District Resolution authorizing the
10 issuance of a series of the Bonds (the "Series A Bonds") in the
11 aggregate principal amount of not to exceed \$79,000,000, which
12 provides for the competitive or negotiated sale of the Series A
13 Bonds, as provided therein; and

14 **WHEREAS**, Board of Education of the District found and
15 informed the Board in the District Resolution that all acts,
16 conditions and things required by law to be done or performed
17 have been done and performed in strict conformity with the laws
18 authorizing the issuance of general obligation bonds of the
19 District, and the indebtedness of the District, including the
20 proposed issue of the Series A Bonds, is within all limits
21 prescribed by law; and

22 **WHEREAS**, the Board, in reliance upon the representations of
23 the District, intends to issue and sell the Series A Bonds, in a
24 principal amount of not to exceed \$79,000,000, under this
25 Resolution and in conformity with the laws of the State of
26 California;

27 **THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE HEREBY**
28 **RESOLVES, DETERMINES AND ORDERS:**

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ARTICLE I

DEFINITIONS; AUTHORITY

Section 1.01. Definitions. The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings given them below, unless the context clearly requires some other meaning.

"Accreted Value" means, with respect to any Capital Appreciation Bond, the total amount of principal thereof and interest payable thereon as of any Compounding Date determined solely by reference to the table of Accreted Values to be set forth on such Series A Bond. The Accreted Value of any Capital Appreciation Bond as of any date other than a Compounding Date shall be the sum of (a) the Accreted Value as of the Compounding Date immediately preceding the date as of which the calculation is being made plus (b) interest on the Accreted Value determined under the preceding clause (a), computed to the date as of which the calculation is being made at the yield to maturity set forth on such Capital Appreciation Bond (computed on the basis of a 360-day year of twelve 30-day months).

"Board" means the Board of Supervisors of the County.

"Bond Counsel" means (a) Jones Hall, A Professional Law Corporation, and (b) any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax exempt status of securities issued by public entities.

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3 "Bond Law" means Article 4.5 of Chapter 3 of Part 1 of
4 Division 2 of Title 5 of the California Government Code,
5 commencing with Section 53506 of said Code, as in effect on the
6 date of adoption hereof and as amended hereafter.

7 "Bond Purchase Agreement" means, in the event that the
8 Series A Bonds are sold pursuant to negotiated sale, the Bond
9 Purchase Agreement among the District, the County and the
10 Underwriter, under which the Underwriter agrees to purchase the
11 Series A Bonds and pay the purchase price therefor.

12 "Building Fund" means the fund established and held by the
13 County under Section 3.03.

14 "Capital Appreciation Bonds" means the Series A Bonds
15 designated as such in Section 2.02(b), the interest on which is
16 compounded semiannually on each Compounding Date and is payable
17 in full at maturity as shown in the table of Accreted Value for
18 the Capital Appreciation Bonds.

19 "Closing Date" means the date upon which there is an
20 exchange of Series A Bonds for the proceeds representing the
21 purchase price of the Series A Bonds by the Underwriter.

22 "Compounding Date" means (a) with respect to any Capital
23 Appreciation Bond, each February 1 and August 1, commencing on
24 the date set forth in the Official Notice of Sale or the Bond
25 Purchase Agreement, as applicable, to and including the date of
26 maturity or redemption of such Capital Appreciation Bond, and
27 (b) with respect to any Convertible Capital Appreciation Bond,
28 each February 1 and August 1, commencing on the date set forth

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2 in the Bond Purchase Agreement, to and including the Conversion
3 Date of such Convertible Capital Appreciation Bond.

4 "Conversion Date" means, with respect to any Convertible
5 Capital Appreciation Bond, the date on which such Convertible
6 Capital Appreciation Bond automatically converts from a Capital
7 Appreciation Bond to a Current Interest Bond.

8 "Convertible Capital Appreciation Bonds" means the Series A
9 Bonds which are designated as such in Section 2.02(c), the
10 interest on which is compounded semiannually on each Compounding
11 Date to and including the respective Conversion Dates, and the
12 interest on which is payable thereafter on a current basis on
13 each Interest Payment Date.

14 "Costs of Issuance" means all items of expense directly or
15 indirectly reimbursable to the District relating to the
16 issuance, execution and delivery of the Series A Bonds
17 including, but not limited to, filing and recording costs,
18 settlement costs, printing costs, reproduction and binding
19 costs, legal fees and charges, fees and expenses of the Paying
20 Agent, financial and other professional consultant fees, costs
21 of obtaining credit ratings, municipal bond insurance premiums,
22 and charges and fees in connection with the foregoing.

23 "County" means the County of Riverside, a political
24 subdivision of the State of California, duly organized and
25 existing under the Constitution and laws of the State of
26 California.

27 "County Treasurer" means the Treasurer-Tax Collector of the
28 County, or any authorized deputy thereof.

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3 "Current Interest Bonds" means the Series A Bonds which are
4 designated as such in Section 2.02(a), the interest on which is
5 payable on a current basis on each Interest Payment Date.

6 "Debt Service" means (a) with respect to the Current
7 Interest Bonds and the Convertible Capital Appreciation Bonds,
8 the amount of interest thereon which is payable on each Interest
9 Payment Date and the amount of principal thereof which is
10 payable at maturity or upon the redemption thereof, and (b) with
11 respect to the Capital Appreciation Bonds, the Maturity Value
12 thereof at maturity or the Accreted Value thereof upon the
13 redemption thereof.

14 "Debt Service Fund" means the fund established and held by
15 the County Treasurer under Sections 4.02 and 4.03.

16 "Denominational Amount" means, with respect to any Capital
17 Appreciation Bond or Convertible Capital Appreciation Bond, the
18 original amount of such Capital Appreciation Bond or Convertible
19 Capital Appreciation Bond as of the Closing Date.

20 "Depository" means (a) initially, DTC, and (b) any other
21 Securities Depository acting as Depository under Section 2.04.

22 "Depository System Participant" means any participant in
23 the Depository's book-entry system.

24 "District" means the Alvord Unified School District, a
25 unified school district organized under the Constitution and
26 laws of the State of California, and any successor thereto.

27 "District Representative" means the Superintendent,
28 Controller, or Assistant Superintendent, Business Services of
the District, or any other person authorized by resolution of

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2 the Board of Education of the District to act on behalf of the
3 District with respect to this Resolution and the Series A Bonds.

4 "District Resolution" means the Resolution adopted by the
5 Board of Education of the District on October 3, 2013,
6 authorizing the issuance of the Series A Bonds and requesting
7 the Board to issue and sell the Series A Bonds in the name of
8 the District.

9 "DTC" means The Depository Trust Company, New York, New
10 York, and its successors and assigns.

11 "Education Code" means the Education Code of the State of
12 California, as in effect on the date of adoption hereof and as
13 amended hereafter.

14 "Escrow Agreement" means the Escrow Deposit and Trust
15 Agreement by and between the District and the Escrow Agent
16 relating to the refunding and discharge in full of the
17 District's 2010 Bond Anticipation Notes.

18 "Escrow Agent" means U.S. Bank National Association, its
19 successors and assigns, as escrow agent under the Escrow
20 Agreement.

21 "Escrow Fund" means the fund by that name established
22 pursuant to the Escrow Agreement.

23 "Federal Securities" means United States Treasury notes,
24 bonds, bills or certificates of indebtedness, or obligations
25 issued by any agency or department of the United States which
26 are secured, directly or indirectly, by the full faith and
27 credit of the United States of America.
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3 "Interest Payment Date" means (a) with respect to any
4 Current Interest Bond, each February 1 and August 1, commencing
5 on the date set forth in the Bond Purchase Agreement, and (b)
6 with respect to any Convertible Capital Appreciation Bond, each
7 February 1 and August 1 following the Conversion Date thereof.

8 "Maturity Value" means, with respect to any Capital
9 Appreciation Bond, the Accreted Value of such Capital
10 Appreciation Bond to be paid upon the stated maturity date
11 thereof.

12 "Office" means the office or offices of the Paying Agent
13 for the payment of the Series A Bonds and the administration of
14 its duties hereunder. The Office may be re-designated from time
15 to time by written notice filed with the County and the District
16 by the Paying Agent.

17 "Official Notice of Sale" means the Official Notice of Sale
18 which is approved by the Board relating to the competitive
19 public sale of the Series A Bonds, in the event the Series A
20 Bonds are sold at competitive public sale.

21 "Original Purchaser" means the original purchaser of the
22 Series A Bonds upon the negotiated or competitive public sale
23 thereof. In the event of a negotiated sale, the Original
24 Purchaser is the Underwriter.

25 "Outstanding", when used as of any particular time with
26 reference to Series A Bonds, means all Bonds except:

- 27 (a) Series A Bonds theretofore canceled by the Paying
28 Agent or surrendered to the Paying Agent for
 cancellation;

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2 (b) Series A Bonds paid or deemed to have been paid
3 within the meaning of Section 7.03; and

4 (c) Series A Bonds in lieu of or in substitution for
5 which other Series A Bonds have been authorized,
6 executed, issued and delivered under the District
7 Resolution and this Resolution.

8 "Owner", whenever used herein with respect to a Series A
9 Bond, means the person in whose name the ownership of such
10 Series A Bond is registered on the Registration Books.

11 "Paying Agent" means the U.S. Bank National Association,
12 which has been appointed to act as paying agent for the Series A
13 Bonds by the District, including its successors and assigns, and
14 any other corporation or association which may at any time be
15 substituted in its place.

16 "Record Date" means the 15th day of the month preceding an
17 Interest Payment Date, whether or not such day is a business
18 day.

19 "Registration Books" means the records maintained by the
20 Paying Agent for the registration of ownership and registration
21 of transfer of the Series A Bonds under Section 2.09.

22 "Resolution" means this Resolution adopted by the Board on
23 November 5, 2013, including all amendments hereto and
24 supplements hereof which are duly adopted by the Board from time
25 to time in accordance herewith.

26 "Securities Depositories" means DTC; and, in accordance
27 with then current guidelines of the Securities and Exchange
28 Commission, such other addresses and/or such other securities

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2 depositories as the District may designate in a Written Request
3 of the District delivered to the Paying Agent.

4 "Series A Bonds" means the bonds authorized to be issued
5 under the District Resolution and this Resolution.

6 "Supplemental Resolution" means any resolution supplemental
7 to or amendatory of this Resolution, adopted by the Board in
8 accordance with Article VI.

9 "Tax Code" means the Internal Revenue Code of 1986 as in
10 effect on the Closing Date or (except as otherwise referenced
11 herein) as it may be amended to apply to obligations issued on
12 the Closing Date, together with applicable proposed, temporary
13 and final regulations promulgated, and applicable official
14 public guidance published, under said Code.

15 "2010 Bond Anticipation Notes" means the \$51,999,393.95
16 original principal amount of bond anticipation notes issued by
17 the District on June 15, 2011, pursuant to California Education
18 Code Section 15150 and other California law.

19 "Underwriter" means the investment banking firm selected by
20 the District Superintendent to serve as underwriter of the
21 Series A Bonds upon the negotiated sale thereof, if any.

22 "Written Request of the District" means an instrument in
23 writing signed by a District Representative or by any other
24 officer of the District duly authorized by the District and
25 listed on a Written Request of the District for that purpose.

26 **Section 1.02. Interpretation.**

27 (a) Unless the context otherwise indicates, words expressed
28 in the singular include the plural and vice versa and the use of

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2 the neuter, masculine, or feminine gender is for convenience
3 only and include the neuter, masculine or feminine gender, as
4 appropriate.

5 (b) Headings of articles and sections herein and the table
6 of contents hereof are solely for convenience of reference, do
7 not constitute a part hereof and shall not affect the meaning,
8 construction or effect hereof.

9 (c) All references herein to "Articles," "Sections" and
10 other subdivisions are to the corresponding Articles, Sections
11 or subdivisions of this Resolution; the words "herein,"
12 "hereof," "hereby," "hereunder" and other words of similar
13 import refer to this Resolution as a whole and not to any
14 particular Article, Section or subdivision hereof.

15 **Section 1.03. Authority for this Resolution.** This
16 Resolution is adopted under the provisions of the Bond Law and
17 the pertinent provisions of the Education Code.

18
19 **ARTICLE II**

20 **AUTHORIZATION AND TERMS OF SERIES A BONDS**

21
22 **Section 2.01. Authorization.** The Series A Bonds are
23 hereby authorized to be issued in the aggregate principal amount
24 of not to exceed \$79,000,000 under and subject to the terms of
25 the Bond Law, the District Resolution and this Resolution. The
26 Series A Bonds shall be designated the "Alvord Unified School
27 District (Riverside County, California) General Obligation Bonds
28 2012 Election, Series A (GO Reauthorization Bonds™)" (or such

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2 other designation as shall be approved by the District pursuant
3 to the District Resolution, including separate series
4 designation).

5 The Series A Bonds shall be issued in the form of Current
6 Interest Bonds, Convertible Capital Appreciation Bonds and
7 Capital Appreciation Bonds, or any combination thereof, in such
8 respective principal amounts and Denominational Amounts as set
9 forth in the Official Notice of Sale or the Bond Purchase
10 Agreement, as applicable, and as approved by a District
11 Representative. A District Representative shall identify to the
12 County the proposed final form of Series A Bonds, and the
13 proposed aggregate principal amount thereof, upon the sale
14 thereof. For purposes of determining the principal amount of
15 the Series A Bonds which are issued hereunder, the principal
16 amount of the Capital Appreciation Bonds and the Convertible
17 Capital Appreciation Bonds shall be equal to the Denominational
18 Amount thereof.

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20 **Section 2.02. Terms of Series A Bonds.**

21 (a) Terms of Current Interest Bonds. The Current Interest
22 Bonds shall be issued as fully registered Bonds, without
23 coupons, in the denomination of \$5,000 each or any integral
24 multiple thereof, but in an amount not to exceed the aggregate
25 principal amount of Current Interest Bonds maturing in the year
26 of maturity of the Current Interest Bond for which the
27 denomination is specified. Current Interest Bonds shall be
28 lettered and numbered as the Paying Agent may prescribe. The

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2 Current Interest Bonds shall be dated as of the Closing Date.
3 The Current Interest Bonds will mature on August 1 in each of
4 the years, and bear interest at the rates (calculated on the
5 basis of a 360-day year comprised of twelve 30-day months) as
6 set forth in the Bond Purchase Agreement.

7 Interest on the Current Interest Bonds shall be payable
8 semi-annually on each Interest Payment Date. Each Current
9 Interest Bond shall bear interest from the Interest Payment Date
10 next preceding the date of registration and authentication
11 thereof unless (i) it is authenticated as of an Interest Payment
12 Date, in which event it shall bear interest from such date, or
13 (ii) it is authenticated prior to an Interest Payment Date and
14 after the close of business on the Record Date immediately
15 preceding such Interest Payment Date, in which event it shall
16 bear interest from such Interest Payment Date, or (iii) it is
17 authenticated prior to the first Record Date, in which event it
18 shall bear interest from the Closing Date. Notwithstanding the
19 foregoing, if interest on any Current Interest Bond is in
20 default at the time of authentication thereof, such Current
21 Interest Bond shall bear interest from the Interest Payment Date
22 to which interest has previously been paid or made available for
23 payment thereon.

24 (b) Terms of Capital Appreciation Bonds. The Capital
25 Appreciation Bonds shall be issued in fully registered form
26 without coupons in Maturity Values (representing both principal
27 and interest payable at maturity) of \$5,000 or any integral
28 multiple thereof, maturing on August 1 in each of the years and

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3 in the maturity amounts as shall be determined upon the sale
4 thereof. Interest on the Capital Appreciation Bonds compounds
5 on each Compounding Date at the respective rates to be
6 determined upon the sale thereof, and is payable solely at
7 maturity or upon earlier redemption thereof as hereinafter
8 provided.

9 Each Capital Appreciation Bond shall be dated as of the
10 Closing Date. The Accreted Value of the Capital Appreciation
11 Bonds and any redemption premium thereon shall be payable solely
12 at maturity or earlier redemption thereof to the Owners thereof
13 upon presentation and surrender thereof at the Office of the
14 Paying Agent. The Accreted Value of the Capital Appreciation
15 Bonds shall be payable in lawful money of the United States of
16 America upon presentation and surrender thereof at the Office of
17 the Paying Agent. The Capital Appreciation Bonds will be issued
18 in the Denominational Amounts, mature on the Maturity Dates, and
19 accrete interest at the rates, as set forth in the Bond Purchase
20 Agreement.

21 (c) Terms of Convertible Capital Appreciation Bonds. The
22 Convertible Capital Appreciation Bonds will be issued in fully
23 registered form without coupons in Accreted Values of \$5,000 or
24 any integral multiple thereof through the Conversion Date.
25 Interest on the Convertible Capital Appreciation Bonds will
26 compound on each Compounding Date at the respective rates set
27 forth in the Bond Purchase Agreement, through the respective
28 Conversion Dates set forth in the Bond Purchase Agreement. On
the Conversion Date for any Convertible Capital Appreciation

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2 Bond, such Convertible Capital Appreciation Bond will convert to
3 a Current Interest Bond in a principal amount equal to the
4 Accreted Value thereof determined as of the Conversion Date.
5 Thereafter, interest on such Current Interest Bond will continue
6 to bear interest at the rate of interest thereon, which interest
7 shall be payable on each succeeding Interest Payment Date on a
8 current basis, in accordance with subsection (a) above.

9 The Convertible Capital Appreciation Bonds will be dated as
10 of the Closing Date. The Convertible Capital Appreciation Bonds
11 shall be issued in the Denominational Amounts, convert from
12 Capital Appreciation Bonds to Current Interest Bonds on each of
13 the Conversion Dates, and mature on August 1 in each of the
14 years, as set forth in the Bond Purchase Agreement.

15 (d) CUSIP Identification Numbers. CUSIP identification
16 numbers shall be imprinted on the Series A Bonds, but such
17 numbers do not constitute a part of the contract evidenced by
18 the Series A Bonds and any error or omission with respect
19 thereto will not constitute cause for refusal of any purchaser
20 to accept delivery of and pay for the Series A Bonds. In
21 addition, failure on the part of the District to use such CUSIP
22 numbers in any notice to Owners of the Series A Bonds will not
23 constitute an event of default or any violation of the
24 District's contract with such Owners and will not impair the
25 effectiveness of any such notice.

26 (e) Payment. Interest on the Series A Bonds (including the
27 final interest payment upon maturity or redemption) is payable
28 by check, draft or wire of the Paying Agent mailed to the Owner

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3 thereof (which shall be DTC so long as the Bonds are held in the
4 book-entry system of DTC) at such Owner's address as it appears
5 on the Registration Books at the close of business on the
6 preceding Record Date; except that at the written request of the
7 Owner of at least \$1,000,000 aggregate principal amount of the
8 Series A Bonds, which written request is on file with the Paying
9 Agent as of any Record Date, interest on such Series A Bonds
10 shall be paid on the succeeding Interest Payment Date to such
11 account as shall be specified in such written request. Debt
12 Service on the Series A Bonds is payable in lawful money of the
13 United States of America upon presentation and surrender at the
14 Office of the Paying Agent.

15 (f) Provisions of Official Notice of Sale and Bond Purchase
16 Agreement to Control. Notwithstanding the foregoing provisions
17 of this Section 2.02 and the following provisions of Section
18 2.03, any of the terms of the Series A Bonds may be established
19 or modified under the Official Notice of Sale or the Bond
20 Purchase Agreement. In the event of a conflict or inconsistency
21 between this Resolution and the Official Notice of Sale or the
22 Bond Purchase Agreement relating to the terms of the Series A
23 Bonds, the provisions of the Official Notice of Sale or the Bond
24 Purchase Agreement shall be controlling.
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3 **Section 2.03. Redemption.**

4 (a) Optional Redemption Dates and Prices. The Series A
5 Bonds shall be subject to redemption prior to maturity, at the
6 option of the District, in whole or in part among maturities on
7 such basis as designated by the District and by lot within a
8 maturity, from any available source of funds, on the dates and
9 at the respective redemption prices as are set forth in the
10 Official Notice of Sale or the Bond Purchase Agreement, as
11 applicable.

12 (b) Mandatory Sinking Fund Redemption. If the successful
13 bid, or the Bond Purchase Agreement, as applicable, specifies
14 that any one or more maturities of the Series A Bonds are term
15 bonds which are subject to mandatory sinking fund redemption,
16 each such maturity of Series A Bonds shall be subject to such
17 mandatory sinking fund redemption on August 1 in each of the
18 years and in the respective principal amounts as set forth in
19 the successful bid or Bond Purchase Agreement, as applicable, at
20 a redemption price equal to 100% of the principal amount thereof
21 to be redeemed (without premium), together with interest accrued
22 thereon to the date fixed for redemption. If any such term
23 bonds are redeemed under the provisions of the preceding clause
24 (a), the total amount of all future payments under this
25 subsection (b) with respect to such term bonds shall be reduced
26 by the aggregate principal amount of such term bonds so
27 redeemed, to be allocated among such payments on a pro rata
28 basis in integral multiples of \$5,000 as determined by the

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2 District (written notice of which determination shall be given
3 by the District to the County and the Paying Agent).

4 (c) Selection of Series A Bonds for Redemption. Whenever
5 less than all of the Outstanding Series A Bonds of any one
6 maturity are designated for redemption, the Paying Agent shall
7 select the Outstanding Series A Bonds of such maturity to be
8 redeemed by lot in any manner deemed fair by the Paying Agent.
9 For purposes of such selection, each Current Interest Bond shall
10 be deemed to consist of individual bonds of \$5,000 denominations
11 each, each Convertible Capital Appreciation Bond shall be deemed
12 to consist of individual bonds of \$5,000 Accreted Value as of
13 the Conversion Date thereof, and each Capital Appreciation Bond
14 shall be deemed to consist of individual bonds of \$5,000
15 Maturity Value each, which may be separately redeemed.

16 (d) Redemption Procedure. The Paying Agent will cause
17 notice of any redemption to be mailed, by first class mail,
18 postage prepaid, at least 30 days but not more than 60 days
19 prior to the date fixed for redemption, to the respective Owners
20 of any Series A Bonds designated for redemption, at their
21 addresses appearing on the Registration Books. Such mailing is
22 not a condition precedent to such redemption and the failure to
23 mail or to receive any such notice will not affect the validity
24 of the proceedings for the redemption of such Series A Bonds.
25 In addition, the Paying Agent will give notice of redemption by
26 telecopy or certified, registered or overnight mail to each of
27 the Securities Depositories at least two days prior to such
28 mailing to the Series A Bond Owners.

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3 Such notice shall state the redemption date and the
4 redemption price and, if less than all of the then Outstanding
5 Series A Bonds are to be called for redemption, shall designate
6 the serial numbers of the Series A Bonds to be redeemed by
7 giving the individual number of each Series A Bond or by stating
8 that all Series A Bonds between two stated numbers, both
9 inclusive, or by stating that all of the Series A Bonds of one
10 or more maturities have been called for redemption, and shall
11 require that such Series A Bonds be then surrendered at the
12 Principal Office of the Paying Agent for redemption at the said
13 redemption price, giving notice also that further interest on
14 such Series A Bonds will not accrue from and after the
15 redemption date.

16 Upon surrender of Series A Bonds redeemed in part only, the
17 District will execute and the Paying Agent shall authenticate
18 and deliver to the Owner, at the expense of the District, a new
19 Series A Bond or Bonds, of the same maturity, of authorized
20 denominations in aggregate principal amount or Accreted Value
21 equal to the unredeemed portion of the Series A Bond or Bonds.

22 From and after the date fixed for redemption, if notice of
23 such redemption has been duly given and funds available for the
24 payment of the Debt Service on the Series A Bonds so called for
25 redemption have been duly provided, the Series A Bonds called
26 for redemption will cease to be entitled to any benefit under
27 this Resolution other than the right to receive payment of the
28 redemption price, and no interest will accrue thereon on or
after the redemption date specified in the notice. The Paying

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3 Agent will cancel all Series A Bonds redeemed under this Section
4 2.03 and will furnish a certificate of cancellation to the
5 District.

6 (e) Right to Rescind Notice of Redemption. The District has
7 the right to rescind any notice of the optional redemption of
8 Series A Bonds under subsection (a) of this Section by written
9 notice to the Paying Agent on or prior to the date fixed for
10 redemption. Any notice of redemption shall be cancelled and
11 annulled if for any reason funds will not be or are not
12 available on the date fixed for redemption for the payment in
13 full of the Series A Bonds then called for redemption. The
14 District and the Paying Agent shall have no liability to the
15 Series A Bond Owners or any other party related to or arising
16 from such rescission of redemption. The Paying Agent shall mail
17 notice of such rescission of redemption in the same manner as
18 the original notice of redemption was sent under subsection (d)
19 of this Section.
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3 **Section 2.04. Book-Entry System.**

4 (a) Original Delivery. The Series A Bonds shall be
5 initially delivered in the form of a separate single fully
6 registered Bond (which may be typewritten) for each maturity of
7 the Series A Bonds. Upon initial delivery, the ownership of
8 each such Series A Bond shall be registered on the Registration
9 Books in the name of Cede & Co. (the "Nominee"). Except as
10 provided in subsection (c), the ownership of all of the
11 Outstanding Series A Bonds shall be registered in the name of
12 the Nominee on the Registration Books.

13 With respect to Series A Bonds the ownership of which is
14 registered in the name of the Nominee, the District and the
15 Paying Agent have no responsibility or obligation to any
16 Depository System Participant or to any person on behalf of
17 which the Depository holds an interest in the Series A Bonds.
18 Without limiting the generality of the immediately preceding
19 sentence, the District and the Paying Agent have no
20 responsibility or obligation with respect to (i) the accuracy of
21 the records of the Depository, the Nominee or any Depository
22 System Participant with respect to any ownership interest in the
23 Series A Bonds, (ii) the delivery to any Depository System
24 Participant or any other person, other than an Owner as shown in
25 the Registration Books, of any notice with respect to the Series
26 A Bonds, including any notice of redemption, (iii) the selection
27 by the Depository of the beneficial interests in the Series A
28 Bonds to be redeemed if the District elects to redeem the Series
A Bonds in part, (iv) the payment to any Depository System

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2 Participant or any other person, other than an Owner as shown in
3 the Registration Books, of any amount with respect to Debt
4 Service on the Series A Bonds or (v) any consent given or other
5 action taken by the Depository as Owner of the Series A Bonds.
6 The District and the Paying Agent may treat and consider the
7 person in whose name each Series A Bond is registered as the
8 absolute owner of such Series A Bond for the purpose of payment
9 of Debt Service on such Series A Bond, for the purpose of giving
10 notices of redemption and other matters with respect to such
11 Series A Bond, for the purpose of registering transfers. of
12 ownership of such Series A Bond, and for all other purposes
13 whatsoever. The Paying Agent shall pay the Debt Service on the
14 Series A Bonds only to the respective Owners or their respective
15 attorneys duly authorized in writing, and all such payments
16 shall be valid and effective to fully satisfy and discharge all
17 obligations with respect to payment of Debt Service on the
18 Series A Bonds to the extent of the sum or sums so paid. No
19 person other than an Owner shall receive a Series A Bond
20 evidencing the obligation of the District to make payments of
21 Debt Service under this Resolution. Upon delivery by the
22 Depository to the Nominee of written notice to the effect that
23 the Depository has determined to substitute a new nominee in its
24 place, and subject to the provisions herein with respect to
25 Record Dates, such new nominee shall become the Nominee
26 hereunder for all purposes; and upon receipt of such a notice
27 the District shall promptly deliver a copy of the same to the
28 Paying Agent.

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3 (b) Transfers Outside Book-Entry System. If that either (i)
4 the Depository determines not to continue to act as Depository
5 for the Series A Bonds, or (ii) the District determines to
6 terminate the Depository as such, then the District shall
7 thereupon discontinue the book-entry system with such
8 Depository. In such event, the Depository shall cooperate with
9 the District and the Paying Agent in the issuance of replacement
10 Series A Bonds by providing the Paying Agent with a list showing
11 the interests of the Depository System Participants in the
12 Series A Bonds, and by surrendering the Series A Bonds,
13 registered in the name of the Nominee, to the Paying Agent on or
14 before the date such replacement Series A Bonds are to be
15 issued. The Depository, by accepting delivery of the Series A
16 Bonds, agrees to be bound by the provisions of this subsection
17 (b). If, prior to the termination of the Depository acting as
18 such, the District fails to identify another Securities
19 Depository to replace the Depository, then the Series A Bonds
20 shall no longer be required to be registered in the Registration
21 Books in the name of the Nominee, but shall be registered in
22 whatever name or names the Owners transferring or exchanging
23 Bonds shall designate, in accordance with the provisions of this
24 Article II. Prior to its termination, the Depository shall
25 furnish the Paying Agent with the names and addresses of the
26 Participants and respective ownership interests thereof.

27 (c) Payments to the Nominee. Notwithstanding any other
28 provision of this Resolution to the contrary, but subject to
Section 4.06 of this Resolution, so long as any Series A Bond is

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2 registered in the name of the Nominee, all payments by the
3 District or the Paying Agent with respect to Debt Service on
4 such Series A Bond and all notices with respect to such Series A
5 Bond shall be made and given, respectively, as instructed by the
6 Depository.
7

8 **Section 2.05. Form of Series A Bonds.** The Series A Bonds,
9 the form of the Paying Agent's certificate of authentication and
10 registration and the form of assignment to appear thereon shall
11 be substantially in the forms, respectively, with necessary or
12 appropriate variations, omissions and insertions, as permitted
13 or required by this Resolution and the Official Notice of Sale
14 or the Bond Purchase Agreement (as applicable), as are set forth
15 in Appendices A, B and C attached hereto.
16

17 **Section 2.06. Execution of Series A Bonds.** The Series A
18 Bonds shall be executed on behalf of the Board by the facsimile
19 signature of the Chairman of the Board of Supervisors and shall
20 be countersigned by the facsimile signature of the Clerk of the
21 Board of Supervisors. If any officer whose signature appears on
22 any Series A Bond ceases to be such officer before delivery of
23 the Series A Bonds to the purchaser, such signature shall
24 nevertheless be as effective as if the officer had remained in
25 office until the delivery of the Series A Bonds to the
26 purchaser. Any Series A Bond may be signed and attested on
27 behalf of the Board by such persons as at the actual date of the
28 execution of such Series A Bond are the proper officers of the

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2 County although at the nominal date of such Series A Bond any
3 such person was not such officer of the County.
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5 Only those Series A Bonds bearing thereon a certificate of
6 authentication and registration in the form set forth in
7 Appendix A attached hereto, executed and dated by the Paying
8 Agent, are valid or obligatory for any purpose or entitled to
9 the benefits of this Resolution, and such certificate of the
10 Paying Agent is conclusive evidence that the Series A Bonds so
11 registered have been duly authenticated, registered and
12 delivered hereunder and are entitled to the benefits of this
13 Resolution.
14

15 **Section 2.07. Transfer of Series A Bonds.** Any Series A
16 Bond may, in accordance with its terms, be transferred, upon the
17 Registration Books, by the person in whose name it is
18 registered, in person or by his duly authorized attorney, upon
19 surrender of such Series A Bond for cancellation at the Office
20 at the Paying Agent, accompanied by delivery of a written
21 instrument of transfer in a form approved by the Paying Agent,
22 duly executed. The Paying Agent shall require the payment by
23 the Owner requesting such transfer of any tax or other
24 governmental charge required to be paid with respect to such
25 transfer. Whenever any Series A Bond or Bonds is surrendered
26 for transfer, the Board shall execute and the Paying Agent shall
27 authenticate and deliver a new Series A Bond or Bonds, for like
28 aggregate principal amount or Accreted Value.

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3 No transfers of Series A Bonds are required to be made (a)
4 during the period established by the Paying Agent for selection
5 of Series A Bonds for redemption or (b) with respect to a Series
6 A Bond which has been selected for redemption.

7
8 **Section 2.08. Exchange of Series A Bonds.** Current Interest
9 Bonds may be exchanged at the Principal Office of the Paying
10 Agent for a like aggregate principal amount of Current Interest
11 Bonds of authorized denominations and of the same maturity and
12 interest rate. Capital Appreciation Bonds may be exchanged at
13 the Principal Office of the Paying Agent for a like aggregate
14 Maturity Value of Capital Appreciation Bonds of authorized
15 denominations and of the same maturity and rate of accretion.
16 Convertible Capital Appreciation Bonds may be exchanged at the
17 Principal Office of the Paying Agent for a like aggregate
18 principal amount of Convertible Capital Appreciation Bonds of
19 authorized denominations and of the same maturity, interest rate
20 and Conversion Date. The District may charge a reasonable sum
21 for each new Series A Bond issued upon any exchange.

22 No exchanges of Series A Bonds are required to be made (a)
23 during the period established by the Paying Agent for selection
24 of Series A Bonds for redemption or (b) with respect to a Series
25 A Bond which has been selected for redemption.

26
27 **Section 2.09. Registration Books.** The Paying Agent shall
28 keep or cause to be kept sufficient books for the registration
and transfer of the Series A Bonds, which shall at all times be

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2 open to inspection by the District upon reasonable notice; and,
3 upon presentation for such purpose, the Paying Agent shall,
4 under such reasonable regulations as it may prescribe, register
5 or transfer or cause to be registered or transferred, on the
6 Registration Books, Bonds as herein before provided.
7

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9 **ARTICLE III**

10 **DELIVERY OF SERIES A BONDS; APPLICATION OF PROCEEDS**

11 **Section 3.01. Delivery of Series A Bonds.** A District
12 Representative is hereby directed to cause the Series A Bonds to
13 be printed, signed and sealed, and to be delivered to the
14 Original Purchaser upon the County Treasurer's receipt of the
15 purchase price therefor and upon the Original Purchaser's
16 performance of the conditions imposed by the District. The
17 Paying Agent is hereby authorized to deliver the Series A Bonds
18 to the Original Purchaser, upon receipt of a Written Request of
19 the District.
20

21 **Section 3.02. Application of Proceeds of Sale of Series A**
22 **Bonds.** The proceeds of the Series A Bonds shall be applied on
23 the Closing Date as follows:

- 24 (a) The portion of the proceeds representing funds to
25 be deposited in the Escrow Fund to provide for the
26 advance defeasance of the 2010 Bond Anticipation
27 Notes shall be deposited with the Escrow Bank for
28 deposit in the Escrow Fund.

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3 (b) The portion of the proceeds representing the
4 premium (if any) received by the County on the sale
5 of the Series A Bonds shall be deposited with the
6 County Treasurer in the Debt Service Fund.

7 (c) All remaining proceeds received by the County
8 Treasurer from the sale of the Series A Bonds shall
9 be deposited in the Building Fund to be applied as
10 set forth in Section 3.03.

11 **Section 3.03. Building Fund.** The County shall establish a
12 fund known as the "Building Fund", into which the County
13 Treasurer shall deposit the proceeds from the sale of the Series
14 A Bonds, to the extent required under Section 3.02(b). The
15 County Treasurer shall maintain separate accounting for the
16 proceeds of the Series A Bonds, including all earnings received
17 from the investment thereof. Amounts credited to the Building
18 Fund for the Series A Bonds shall be expended by the District
19 solely for the financing of projects for which the Series A Bond
20 proceeds are authorized to be expended under the ballot
21 proposition authorizing the issuance thereof, and for payment of
22 Costs of Issuance. All interest and other gain arising from the
23 investment of proceeds of the Series A Bonds shall be retained
24 in the Building Fund and used for the purposes thereof. At the
25 Written Request of the District filed with the County Treasurer,
26 any amounts remaining on deposit in the Building Fund and not
27 needed for the purposes thereof shall be withdrawn from the
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2 Building Fund and transferred to the Debt Service Fund, to be
3 applied to pay the Debt Service on the Series A Bonds.
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5 If there remain excess amounts on deposit in the Building
6 Fund after payment in full of the Series A Bonds, any such
7 excess amounts shall be transferred to the general fund of the
8 District, to be applied for the purposes for which the Series A
9 Bonds have been authorized or otherwise in accordance with the
10 Bond Law.

11 **Section 3.04. Security for Bonds.** The Series A Bonds are
12 general obligations of the District, and the Board has the power
13 to levy *ad valorem* taxes upon all property within the District
14 subject to taxation without limitation of rate or amount, for
15 the payment of the Series A Bonds and the interest, and
16 redemption premium (if any) thereon, in accordance with and
17 subject to Sections 15250 and Section 15252 of the Education
18 Code.

19 The Board will levy *ad valorem* taxes, as provided in
20 Section 15250 of the Education Code, so as to enable the
21 District to punctually pay, or cause to be paid, Debt Service on
22 the Series A Bonds in conformity with the terms of the Series A
23 Bonds and of this Resolution. Nothing herein contained prevents
24 the District from making advances of its own moneys, howsoever
25 derived, to any of the uses or purposes permitted by law.

26 **Section 3.05. Official Actions.** All actions heretofore
27 taken by the officers and agents of the County with respect to
28 the issuance and sale of the Series A Bonds are hereby approved,

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2 and the County Treasurer and all other officers of the County
3 are hereby authorized and directed for and in the name and on
4 behalf of the Board, to do any and all things and take any and
5 all actions relating to the execution and delivery of any and
6 all certificates, requisitions, agreements and other documents,
7 which they, or any of them, may deem necessary or advisable in
8 order to consummate the lawful issuance, sale and delivery of
9 the Series A Bonds in accordance with this Resolution. Whenever
10 in this Resolution any officer of the County is authorized to
11 execute or countersign any document or take any action, such
12 execution, countersigning or action may be taken on behalf of
13 such officer by any person designated by such officer to act on
14 his or her behalf in the case such officer is absent or
15 unavailable.
16

17 **ARTICLE IV**

18 **SALE OF THE SERIES A BONDS; DEBT SERVICE FUND**

19
20 **Section 4.01. Sale of the Series A Bonds.** The Series A
21 Bonds are issued pursuant to the Bond Law, and as provided
22 therein, if sold on a negotiated basis, shall be offered for
23 sale by the Board pursuant to Education Code Section 15140. The
24 District Resolution provides that the Series A Bonds shall be
25 sold on a competitive basis, however, that the Series A Bonds
26 may be sold on a negotiated basis if it is determined by the
27 District Superintendent to be in the best interests of the
28 District.

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3 (a) Competitive Sale of Series A Bonds. In accordance
4 with Government Code 53508.7, the District Board has authorized,
5 except as provided in (b) below, the sale of the Series A Bonds
6 by competitive public bidding in accordance with the provisions
7 of the Official Notice of Sale for the Series A Bonds, in
8 substantially the form on file with the Clerk of the Board,
9 together with such additions thereto and changes therein as may
10 be approved by a District Representative. The true interest
11 cost of the Series A Bonds shall not exceed the legal limit.

12 Under Government Code Section 53692, the District Board has
13 approved and authorized, and the Board hereby also approves and
14 authorizes, the publication by Jones Hall, A Professional Law
15 Corporation, as Bond Counsel to the District, of a Notice of
16 Intention to Sell Bonds in form and substance acceptable to Bond
17 Counsel, in *The Bond Buyer* once at least five days prior to the
18 date fixed for receipt of bids.

19 In the event the Series A Bonds are sold by competitive
20 public sale, the financial adviser to the District, Dale Scott &
21 Company, Inc. has been authorized by the District and is hereby
22 authorized and directed by the County to cause to be furnished
23 to prospective bidders a reasonable number of copies of the
24 Official Notice of Sale and a reasonable number of copies of the
25 Preliminary Official Statement relating to the Series A Bonds.

26 The terms and conditions of the offering and the sale of
27 the Series A Bonds, if sold by competitive public sale, shall be
28 as specified in the Official Notice of Sale, which Official
Notice of Sale shall provide that the true interest cost of the

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3 Series A Bonds shall not exceed the legal limit per annum and
4 the Underwriter's discount shall not exceed 2.00% of the
5 aggregate principal amount of the Series A Bonds sold
6 thereunder. In the case of a competitive sale, a District
7 Representative is hereby delegated the authority to review bids
8 submitted and to accept the best responsible bid for the
9 purchase of the Series A Bonds, determined in accordance with
10 the Official Notice of Sale.

11 (b) Negotiated Sale of Series A Bonds. Notwithstanding
12 the foregoing Section (a), in the event that the Superintendent
13 of the District determines that it is in the best interests of
14 the District to sell the Series A Bonds on a negotiated basis,
15 in accordance with Section 53508.7 of the Bond Law and Section
16 15140 of the Education Code, the District has requested in the
17 District Resolution that the Board offer the Series A Bonds for
18 sale to the Underwriter on the terms and pursuant to the
19 provisions of the Bond Purchase Agreement. In such case, the
20 County Treasurer, or any designee thereof, is hereby authorized
21 to execute and deliver the Bond Purchase Agreement substantially
22 in the form on file with the Clerk of the Board of Supervisors,
23 with such changes therein, deletions therefrom and modifications
24 thereto as the County Treasurer or such designee may approve,
25 such approval to be conclusively evidenced by the execution and
26 delivery thereof. As provided in the District Resolution, the
27 true interest cost of the Series A Bonds shall not exceed the
28 legal limit per annum and the Underwriter's discount shall not

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2 exceed 2.00% of the aggregate principal amount of the Bonds sold
3 thereunder.

4 **Section 4.02. Debt Service Fund.** The County Treasurer
5 shall create and maintain while the Series A Bonds are
6 outstanding an interest and sinking fund for the Series A Bonds,
7 designated the "Alvord Unified School District Series A Debt
8 Service Fund". The Debt Service Fund shall be maintained by the
9 County Treasurer as a separate account, distinct from all other
10 funds of the District, into which shall be paid on receipt
11 thereof, (i) any premium received by the County on the sale of
12 the Series A Bonds, and (ii) the proceeds of any taxes levied
13 under Section 3.04.

14 **Section 4.03. Disbursements From Debt Service Fund.** The
15 Debt Service Fund shall be administered and disbursements made
16 in the manner set forth in this Section 4.03. Amounts on
17 deposit in the Debt Service Fund, to the extent necessary to pay
18 Debt Service when due and payable, shall be transferred by the
19 County Treasurer to the Paying Agent which, in turn, shall pay
20 such moneys to DTC to pay the amount of Debt Service coming due
21 on the Series A Bonds. DTC will thereupon make payments of Debt
22 Service on the Series A Bonds to the DTC Participants who will
23 thereupon make payments of Debt Service to the beneficial owners
24 of the Series A Bonds. Any moneys remaining in the Debt Service
25 Fund after the Series A Bonds and the interest thereon have been
26 paid, or provision for such payment has been made, shall be
27 transferred to the General Fund of the District, as provided in
28 Section 15234 of the Education Code. As provided in Section

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3 15232 of the Education Code, amounts in the Debt Service Fund
4 shall also be applied to pay the expense of paying the Series A
5 Bonds elsewhere than at the office of the County Treasurer.

6 **Section 4.04. Investment of Funds.** All moneys held in any
7 of the funds or accounts established with the County hereunder
8 shall be invested in any one or more investments generally
9 permitted to school districts under the laws of the State of
10 California, consistent with the County investment policy. Such
11 investments shall be made under the direction and at the
12 discretion of the County Treasurer. Obligations purchased as an
13 investment of moneys in any fund or account shall be deemed to
14 be part of such fund or account. All interest or gain derived
15 from the investment of amounts in any of the funds or accounts
16 established hereunder shall be deposited in the fund or account
17 from which such investment was made, and shall be expended for
18 the purposes thereof.

19 **Section 4.05. Official Actions.** All actions heretofore
20 taken by the officers and agents of the County with respect to
21 the sale and delivery of the Series A Bonds are hereby approved,
22 and the County Treasurer and all other officers of the County
23 are hereby authorized and directed for and in the name and on
24 behalf of the Board, to do any and all things and take any and
25 all actions relating to the execution and delivery of any and
26 all certificates, requisitions, agreements and other documents,
27 which they, or any of them, may deem necessary or advisable in
28 order to consummate the lawful sale and delivery of the Series A
Bonds in accordance with this Resolution.

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3 **Section 4.06. No Liability of the County.** Notwithstanding
4 anything stated to the contrary in this Resolution, (a) the
5 Series A Bonds are not a debt of the County, including its
6 Board, officers, officials, agents and employees, and the
7 County, including its Board, officers, officials, agents and
8 employees, has no obligation to repay the Series A Bonds; (b)
9 the Board's sole responsibilities hereunder are to issue, sell
10 and levy a tax for the repayment of the Series A Bonds, as
11 provided in Sections 15140, 15146 and 15250, respectively, of
12 the Education Code, and (i) neither the County, nor the Board,
13 nor any officer, official, agent or employee of the County,
14 shall have any obligation or liability hereunder or in
15 connection with the transactions contemplated hereby other than
16 as specified in said Code Sections; (ii) the Series A Bonds,
17 including interest thereon, shall be payable solely from taxes
18 levied by the Board under Section 15250 of the California
19 Education Code; and (iii) the County, including its Board,
20 officers, officials, agents and employees, shall retain all of
21 their respective constitutional and statutory privileges,
22 immunities, rights and defenses in carrying out their duties
23 under this Resolution. The County makes no assurances regarding
24 the use of the proceeds of the Bonds, and has no responsibility
25 and assumes no liability arising from the expenditure of such
26 proceeds by the District.
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2 **Section 4.07. Limited Duties of County; Indemnification.**

3 The County, including its Board, officers, officials, agents and
4 employees, shall undertake only those duties of the County under
5 this Resolution which are specifically set forth in this
6 Resolution, and even during the continuance of an event of the
7 District's default with respect to the repayment of the Series A
8 Bonds, including interest thereon, no implied covenants or
9 obligations shall be read into this Resolution against the
10 County, including its Board, officers, officials, agents and
11 employees. In the Bond Purchase Agreement, the District agrees
12 to indemnify, defend and hold harmless the County, including its
13 Board, officers, officials, agents and employees, against the
14 payment of any and all liabilities, losses, costs and expenses
15 (including attorneys fees and court costs), damages and claims
16 which the County, including its Board, officers, officials,
17 agents and employees, may incur in the exercise and performance
18 of its or their powers and duties hereunder which are not due to
19 its or their negligence or bad faith.
20

21 **ARTICLE V**

22 **EVENTS OF DEFAULT AND REMEDIES OF BOND OWNERS**

23
24 **Section 5.01. Events of Default.** Any one or more of the
25 following events constitute an "event of default" under this
26 Resolution:
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- 28 (a) default by the District in the due and punctual
 payment of Debt Service on any Series A Bond when

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3 and as the same becomes due and payable, whether at
4 maturity as therein expressed, by declaration or
5 otherwise;

6 (b) default by the District in the observance of any of
7 the covenants, agreements or conditions on its part
8 contained in this Resolution, in the District
9 Resolution or in the Series A Bonds, and the
10 continuation of such default for a period of 30
11 days after written notice thereof has been given to
12 a District Representative; or

13 (c) the filing by the District of a petition seeking
14 reorganization or arrangement under the federal
15 bankruptcy laws or any other applicable law of the
16 United States of America, or if a court of
17 competent jurisdiction approves a petition, seeking
18 reorganization of the District under the federal
19 bankruptcy laws or any other applicable law of the
20 United States of America, or if, under the
21 provisions of any other law for the relief or aid
22 of debtors, any court of competent jurisdiction
23 assumes custody or control of the District or of
24 the whole or any substantial part of its property.

25 **Section 5.02. Remedies of Series A Bond Owners.** Upon the
26 occurrence and during the continuation of any event of default,
27 any Series A Bond Owner has the right, for the equal benefit and
28 protection of all Series A Bond Owners similarly situated:

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3 (a) by mandamus, suit, action or proceeding, to
4 compel the District and its members, officers, agents or
5 employees to perform each and every term, provision and
6 covenant contained in this Resolution, in the District
7 Resolution and in the Series A Bonds, and to require the
8 carrying out of any or all such covenants and agreements of
9 the District and the fulfillment of all duties imposed upon
10 it;

11 (b) by suit, action or proceeding in equity, to
12 enjoin any acts or things which are unlawful, or the
13 violation of any of the Series A Bond Owners' rights; or

14 (c) by suit, action or proceeding in any court of
15 competent jurisdiction, to require the District and its
16 members and employees to account as if it and they were the
17 trustees of an express trust.

18 **Section 5.03. Remedies Not Exclusive.** No remedy herein
19 conferred upon the Owners of Series A Bonds shall be exclusive
20 of any other remedy and that each and every remedy shall be
21 cumulative and shall be in addition to every other remedy given
22 hereunder or thereafter conferred on the Series A Bond Owners.
23

24 **Section 5.04. Non-Waiver.** Nothing in this Article V or in
25 any other provision of this Resolution, or in the Series A
26 Bonds, affects or impairs the obligation of the District, which
27 is absolute and unconditional, to pay Debt Service on the Series
28 A Bonds to the respective Owners of the Series A Bonds at the

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respective dates of maturity, as herein provided, or affect or impair the right of action against the District, which is also absolute and unconditional, of such Owners to institute suit against the District to enforce such payment by virtue of the contract embodied in the Series A Bonds.

A waiver of any default by any Series A Bond Owner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner of any of the Series A Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Series A Bond Owners by this Article V may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners of the Series A Bonds.

If a suit, action or proceeding to enforce any right or exercise any remedy is abandoned or determined adversely to the Series A Bond Owners, the District and the Series A Bond Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

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3 **ARTICLE VI**

4 **AMENDMENT OF THIS RESOLUTION**

5 **Section 6.01. Amendments Without Consent of the Owners.**

6 For any one or more of the following purposes and at any time or
7 from time to time, a Supplemental Resolution of the Board may be
8 adopted, which, without the requirement of consent of the Owners
9 of the Series A Bonds, shall be fully effective in accordance
10 with its terms:

- 11 (a) To add covenants and agreements of the Board in
12 this Resolution, which are not contrary to or
13 inconsistent with this Resolution as theretofore in
14 effect;
- 15 (b) To add limitations and restrictions in this
16 Resolution, other limitations and restrictions to
17 be observed by the Board which are not contrary to
18 or inconsistent with this Resolution as theretofore
19 in effect;
- 20 (c) To confirm, as further assurance, any pledge of the
21 District under this Resolution, of any moneys,
22 securities or funds, or to establish any additional
23 funds or accounts to be held under this Resolution;
- 24 (d) To cure any ambiguity, supply any omission, or cure
25 or correct any defect or inconsistent provision in
26 this Resolution; or
- 27 (e) To make such additions, deletions or modifications
28 as may be necessary to assure the exclusion from

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2 gross income for purposes of federal income
3 taxation of interest on the Series A Bonds.
4

5 The Board will adopt a Supplemental Resolution for any one
6 or more of the foregoing purposes only at the Written Request of
7 the District, and only if the adoption of such Supplemental
8 Resolution is in accordance with the provisions of this
9 Resolution.

10 **Section 6.02. Supplemental Resolutions Effective With**
11 **Consent to the Owners.** Any modification or amendment of this
12 Resolution and of the rights and obligations of the District and
13 of the Owners of the Series A Bonds, in any particular, may be
14 made by a Supplemental Resolution, with the written consent of
15 the Owners of a majority in aggregate principal amount of the
16 Series A Bonds Outstanding at the time such consent is given.
17 No such modification or amendment may permit a change in the
18 terms of maturity of the principal of any Outstanding Series A
19 Bonds or of any interest payable thereon or a reduction in the
20 principal amount thereof or in the rate of interest thereon, or
21 reduce the percentage of Series A Bonds the consent of the
22 Owners of which is required to effect any such modification or
23 amendment, or change any of the provisions in Section 5.01
24 hereof relating to Events of Default, or shall reduce the amount
25 of moneys pledged by the District for the repayment of the
26 Series A Bonds without the consent of all the Owners of such
27 Series A Bonds, or shall change or modify any of the rights or
28 obligations of any Paying Agent without its written assent
thereto.

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ARTICLE VII
MISCELLANEOUS

Section 7.01. Provisions Relating to Paying Agent.

(a) Appointment of Paying Agent. Pursuant to the District Resolution, the District has appointed U.S. Bank National Association to act as authenticating agent, transfer agent, registrar and paying agent for the Series A Bonds. The Paying Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Series A Bonds, no implied covenants or obligations shall be read into this Resolution against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the District a certificate to that effect.

(b) Removal and Resignation of Paying Agent. The District may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company doing business and having an office in the State of California, having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, under law or to the requirements of any supervising or examining

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2 authority above referred to, then for the purposes of this
3 Section 7.01 the combined capital and surplus of such bank or
4 trust company shall be deemed to be its combined capital and
5 surplus as set forth in its most recent report of condition so
6 published.

7
8 The Paying Agent may at any time resign by giving written
9 notice to the District and the Series A Bond Owners of such
10 resignation. Upon receiving notice of such resignation, the
11 District shall promptly appoint a successor Paying Agent by an
12 instrument in writing. Any resignation or removal of the Paying
13 Agent and appointment of a successor Paying Agent will become
14 effective upon acceptance of appointment by the successor Paying
15 Agent.

16 (c) Ownership of Bonds. The Paying Agent may become the
17 owner of any of the Series A Bonds in its own or any other
18 capacity with the same rights it would have if it were not
19 Paying Agent.

20 (e) Limitation on Liability. The recitals of facts,
21 covenants and agreements herein and in the Series A Bonds
22 contained shall be taken as statements, covenants and agreements
23 of the District, and the Paying Agent assumes no responsibility
24 for the correctness of the same, nor makes any representations
25 as to the validity or sufficiency of this Resolution, the Bond
26 Resolution or of the Series A Bonds, nor shall incur any
27 responsibility in respect thereof, other than as set forth in
28 this Resolution. The Paying Agent shall not be liable in

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2 connection with the performance of its duties hereunder, except
3 for its own negligence or willful default.
4

5 In the absence of bad faith, the Paying Agent may
6 conclusively rely, as to the truth of the statements and the
7 correctness of the opinions expressed therein, upon certificates
8 or opinions furnished to the Paying Agent and conforming to the
9 requirements of this Resolution and the Bond Resolution; but in
10 the case of any such certificates or opinions by which any
11 provision hereof are specifically required to be furnished to
12 the Paying Agent, the Paying Agent shall be under a duty to
13 examine the same to determine whether or not they conform to the
14 requirements of the Bond Resolution.

15 The Paying Agent is not liable for any error of judgment
16 made in good faith by a responsible officer unless it is proved
17 that the Paying Agent was negligent in ascertaining the
18 pertinent facts.

19 No provision of this Resolution or the District Resolution
20 requires the Paying Agent to expend or risk its own funds or
21 otherwise incur any financial liability in the performance of
22 any of its duties hereunder, or in the exercise of any of its
23 rights or powers, if it has reasonable grounds for believing
24 that repayment of such funds or adequate indemnity against such
25 risk or liability is not reasonably assured to it.

26 The Paying Agent may execute any of the powers hereunder or
27 perform any duties hereunder either directly or by or through
28 agents or attorneys and the Paying Agent shall not be

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responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(f) Compensation, Indemnification. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution.

Section 7.02. Benefits of Resolution Limited to Parties.

Nothing in this Resolution, expressed or implied, is intended to give to any person other than the Board, the District, the Paying Agent, any bond insurer and the Owners of the Series A Bonds, any right, remedy, claim under or by reason of this Resolution. Any covenants, stipulations, promises or agreements in this Resolution contained by and on behalf of the District are for the sole and exclusive benefit of the Owners of the Series A Bonds.

Section 7.03. Defeasance.

(a) Manner of Defeasance. Any or all of the Series A Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable hereunder by the District:

- (i) by paying or causing to be paid all Debt Service on such Series A Bonds when due;

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3 (ii) by irrevocably depositing, in trust, at or before
4 maturity, money or securities in the necessary amount (as
5 provided in Section 7.03(c) hereof) to pay or redeem such
6 Series A Bonds; or

7 (iii) by delivering such Series A Bonds to the
8 Paying Agent for cancellation by it.

9 If the District pays all Outstanding Series A Bonds and
10 also pays or causes to be paid all other sums payable hereunder
11 by the District, then and in that case, at the election of the
12 District (evidenced by a certificate of a District
13 Representative filed with the Paying Agent, signifying the
14 intention of the District to discharge all such indebtedness and
15 this Resolution), and notwithstanding that any Series A Bonds
16 have not been surrendered for payment, this Resolution and all
17 covenants, agreements and other obligations of the District
18 under this Resolution shall cease, terminate, become void and be
19 completely discharged and satisfied, except only as provided in
20 Section 7.03(b). In that event, upon request of the District,
21 the Paying Agent shall cause an accounting for such period or
22 periods as may be requested by the District to be prepared and
23 filed with the District and shall execute and deliver to the
24 District all such instruments as may be necessary to evidence
25 such discharge and satisfaction, and the Paying Agent shall pay
26 over, transfer, assign or deliver to the District all moneys or
27 securities or other property held by it under this Resolution
28 which are not required for the payment or redemption of Series A

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2 Bonds not theretofore surrendered for such payment or
3 redemption.

4 (b) Discharge of Liability on Series A Bonds. Upon the
5 deposit, in trust, at or before maturity, of money or securities
6 in the necessary amount (as provided in Section 7.03(c) hereof)
7 to pay or redeem any Outstanding Series A Bond (whether upon or
8 prior to its maturity or the redemption date of such Series A
9 Bond), provided that, if such Series A Bond is to be redeemed
10 prior to maturity, notice of such redemption is given as
11 provided in Section 2.03(d) or provision satisfactory to the
12 Paying Agent is made for the giving of such notice, then all
13 liability of the District in respect of such Series A Bond shall
14 cease and be completely discharged, except only that thereafter
15 the Owner thereof shall be entitled only to payment of the Debt
16 Service on such Series A Bond by the District, and the District
17 shall remain liable for such payment, but only out of such money
18 or securities deposited with the Paying Agent as aforesaid for
19 such payment.

20 (c) Deposit of Money or Securities with Paying Agent.
21 Whenever in this Resolution it is provided or permitted that
22 there be deposited with or held in trust by the Paying Agent
23 money or securities in the necessary amount to pay or redeem any
24 Series A Bonds, the money or securities so to be deposited or
25 held may be held by the Paying Agent. Such money or securities
26 may include money or securities held by the Paying Agent in the
27 funds and accounts established under this Resolution and shall
28 be:

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3 (i) lawful money of the United States of America in
4 an amount equal to the amount of Debt Service coming due on
5 the Series A Bonds to maturity, except that, in the case of
6 Series A Bonds which are to be redeemed prior to maturity
7 and in respect of which notice of such redemption is given
8 as provided in Section 2.03(d) or provision satisfactory to
9 the Paying Agent is made for the giving of such notice, the
10 amount to be deposited or held shall be the principal
11 amount or redemption price of such Series A Bonds and all
12 unpaid interest thereon to the redemption date; or

13 (ii) Federal Securities (not callable by the issuer
14 thereof prior to maturity) the principal of and interest on
15 which when due, in the opinion of a certified public
16 accountant delivered to the County and the District, will
17 provide money sufficient to pay the amount of Debt Service
18 to maturity, or to the redemption date, as the case may be,
19 on the Series A Bonds to be paid or redeemed, as such Debt
20 Service comes due, provided that, in the case of Series A
21 Bonds which are to be redeemed prior to the maturity
22 thereof, notice of such redemption is given as provided in
23 Section 2.03(d) or provision satisfactory to the Paying
24 Agent is made for the giving of such notice.

25 (d) Transfer of Funds to District After Discharge of
26 Resolution. Any moneys held by the Paying Agent in trust for
27 the payment of the Series A Bonds and remaining unclaimed for
28 one year after the principal of all of the Series A Bonds has
become due and payable (whether at maturity or upon call for

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2 redemption), if such moneys were so held at such date, or one
3 year after the date of deposit of such moneys if deposited after
4 said date when all of the Series A Bonds became due and payable,
5 shall, upon request of the District, be repaid to the District
6 free from the trusts created by this Resolution, and all
7 liability of the Paying Agent with respect to such moneys shall
8 thereupon cease; *provided, however,* that before the repayment of
9 such moneys to the District as aforesaid, the Paying Agent may
10 (at the cost of the District) first mail to the Owners of all
11 Series A Bonds which have not been paid at the addresses shown
12 on the Registration Books a notice in such form as may be deemed
13 appropriate by the Paying Agent, with respect to the Series A
14 Bonds so payable and not presented and with respect to the
15 provisions relating to the repayment to the District of the
16 moneys held for the payment thereof.
17

18 **Section 7.04. Execution of Documents and Proof of**
19 **Ownership by Bond Owners.** Any request, declaration or other
20 instrument which this Resolution may require or permit to be
21 executed by Series A Bond Owners may be in one or more
22 instruments of similar tenor, and shall be executed by Series A
23 Bond Owners in person or by their attorneys appointed in
24 writing.

25 Except as otherwise herein expressly provided, the fact and
26 date of the execution by any Series A Bond Owner or his attorney
27 of such request, declaration or other instrument, or of such
28 writing appointing such attorney, may be proved by the

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2 certificate of any notary public or other officer authorized to
3 take acknowledgments of deeds to be recorded in the state in
4 which he purports to act, that the person signing such request,
5 declaration or other instrument or writing acknowledged to him
6 the execution thereof, or by an affidavit of a witness of such
7 execution, duly sworn to before such notary public or other
8 officer.

9 Except as otherwise herein expressly provided, the
10 ownership of the Series A Bonds and the amount, maturity, number
11 and date of holding the same shall be proved by the Registration
12 Books.

13 Any request, declaration or other instrument or writing of
14 the Owner of any Series A Bond shall bind all future Owners of
15 such Series A Bond in respect of anything done or suffered to be
16 done by the District, the Paying Agent or a District
17 Representative in good faith and in accordance therewith.
18

19 **Section 7.05. Waiver of Personal Liability.** No Board
20 member, officer, agent or employee of the Board, the County or
21 the District shall be individually or personally liable for the
22 payment of Debt Service on the Series A Bonds.
23

24 **Section 7.06. Destruction of Canceled Bonds.** Whenever in
25 this Resolution provision is made for the surrender to the
26 District of any Series A Bonds which have been paid or canceled
27 under the provisions of this Resolution, a certificate of
28 destruction duly executed by the Paying Agent shall be deemed to

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2 be the equivalent of the surrender of such canceled Series A
3 Bonds and the District shall be entitled to rely upon any
4 statement of fact contained in any certificate with respect to
5 the destruction of any such Series A Bonds therein referred to.
6

7 **Section 7.07. Partial Invalidity.** If any Section,
8 paragraph, sentence, clause or phrase of this Resolution is for
9 any reason held illegal or unenforceable, such holding shall not
10 affect the validity of the remaining portions of this
11 Resolution. The Board hereby declares that it would have adopted
12 this Resolution and each and every other Section, paragraph,
13 sentence, clause or phrase hereof and authorized the issue of
14 the Series A Bonds pursuant thereto irrespective of the fact
15 that any one or more Sections, paragraphs, sentences, clauses,
16 or phrases of this Resolution may be held illegal, invalid or
17 unenforceable. If, by reason of the judgment of any court, the
18 District is rendered unable to perform its duties hereunder, all
19 such duties and all of the rights and powers of the District
20 hereunder shall be assumed by and vest in a District
21 Representative in trust for the benefit of the Series A Bond
22 Owners. Nothing in this Section 7.07 is intended to create, nor
23 do the other provisions of this Resolution create, any liability
24 or obligation of the Board or the County beyond those
25 specifically imposed by statute, as specifically referenced in
26 Sections 4.06 and 4.07.
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Section 7.08. Effective Date of Resolution. This

Resolution shall take effect from and after the date of its passage and adoption.

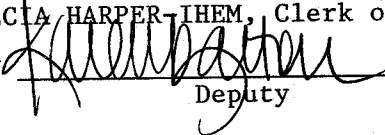
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PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the COUNTY OF RIVERSIDE on the 5th day of November, 2013, by the following vote:

ROLL CALL:

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

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

KECIA HARPER-IHEM, Clerk of said Board
By 
Deputy

1
2 **APPENDIX A**

3
4 **FORM OF CURRENT INTEREST BOND**

5
6 **UNITED STATES OF AMERICA**

7 **STATE OF CALIFORNIA**

8 **RIVERSIDE COUNTY**

9
10 **ALVORD UNIFIED SCHOOL DISTRICT**

11 **(Riverside County, California)**

12 **General Obligation Bonds**

13 **2012 Election, Series A**

14 **(GO Reauthorization Bonds™)**

15
16 **INTEREST RATE: MATURITY DATE: ISSUE DATE: CUSIP:**

17
18
19 **REGISTERED OWNER:**

20
21 **PRINCIPAL SUM: DOLLARS**

22
23 The ALVORD UNIFIED SCHOOL DISTRICT, for value received,
24 hereby promises to pay to the Registered Owner stated above, or
25 registered assigns, the Principal Amount on the Maturity Date,
26 each as stated above, and interest thereon, calculated on a
27 30/360 day basis, until the Principal Amount is paid or provided
28

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2 for, at the Interest Rate stated above, such interest to be paid
3 on February 1 and August 1 of each year, commencing _____
4 (the "Interest Payment Dates"). This Bond will bear interest
5 from the Interest Payment Date next preceding the date of
6 authentication hereof, unless (a) it is authenticated as of a
7 business day following the 15th day of the month immediately
8 preceding any Interest Payment Date and on or before such
9 Interest Payment Date, in which event it shall bear interest
10 from such Interest Payment Date, or (b) it is authenticated on
11 or before _____, in which event it will bear interest from
12 the Issue Date set forth above.

13 Principal hereof and interest hereon are payable in lawful
14 money of the United States of America to the person in whose
15 name this Bond is registered (the "Registered Owner") on the
16 Bond registration books maintained by the Paying Agent,
17 initially U.S. Bank National Association. Except as provided
18 below, the principal hereof is payable upon presentation and
19 surrender of this Bond at the office of the Paying Agent.
20 Interest hereon is payable by check mailed by the Paying Agent
21 on each Interest Payment Date to the Registered Owner of this
22 Bond by first-class mail at the address appearing on the Bond
23 registration books at the close of business on the 15th day of
24 the calendar month next preceding such Interest Payment Date
25 (the "Record Date"); *provided, however,* that at the written
26 request of the registered owner of Bonds in an aggregate
27 principal amount of at least \$1,000,000, which written request
28 is on file with the Paying Agent prior to any Record Date,

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2 interest on such Bonds shall be paid on each succeeding Interest
3 Payment Date by wire transfer in immediately available funds to
4 such account of a financial institution within the United States
5 of America as specified in such written request.

6 This Bond is one of a series of \$ _____ of bonds
7 issued for the purpose of raising money for the acquisition,
8 construction and rehabilitation of school facilities, and to pay
9 all necessary legal, financial, engineering and contingent costs
10 in connection therewith under authority of and under the laws of
11 the State of California, and the requisite 55% vote of the
12 electors of the District cast at a special bond election held on
13 November 6, 2012, upon the question of issuing Bonds in the
14 amount of \$79,000,000. This Bond and the issue of which this
15 Bond is a part are payable as to both principal and interest
16 from the proceeds of the levy of *ad valorem* taxes on all
17 property subject to such taxes in the District, which taxes are
18 unlimited as to rate or amount. The Bonds have been issued
19 under the provisions of Article 4.5 of Chapter 3 of Part 1 of
20 Division 2 of Title 5 of the California Government Code (the
21 "Bond Law"), under a resolution of the Board of Education of the
22 District adopted on October 3, 2013, and under a resolution of
23 the Board of Supervisors of Riverside County adopted on November
24 5, 2013 (the "Resolution"), authorizing the issuance and sale of
25 the Bonds.

26 The Bonds are being issued in the form of Current Interest
27 Bonds (of which this Bond is one) in the aggregate principal
28 amount of \$ _____, as Convertible Capital Appreciation

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2 Bonds in the aggregate denominational amount of \$ _____, and
3 as Capital Appreciation Bonds in the aggregate denominational
4 amount of \$ _____, all subject to the terms and conditions
5 of the Resolution. All capitalized terms herein shall have the
6 same meaning as the capitalized terms in the Resolution.
7 Reference is hereby made to the Resolution (copies of which are
8 on file at the office of the District) and the Bond Law for a
9 description of the terms on which the Bonds are issued and the
10 rights thereunder of the owners of the Bonds and the rights,
11 duties and immunities of the Paying Agent and the rights and
12 obligations of the District thereunder, to all of the provisions
13 of which Resolution the Owner of this Bond, by acceptance
14 hereof, assents and agrees.

15 The Bonds maturing on or before August 1, 20__, are not
16 subject to redemption prior to their respective stated
17 maturities. The Bonds maturing on or after August 1, 20__, are
18 subject to redemption prior to maturity, at the option of the
19 District, in whole or in part among maturities on such basis as
20 designated by the District and by lot within a maturity, from
21 any available source of funds, on August 1, 20__, and on any
22 date thereafter, at a redemption price (expressed as a
23 percentage of the principal amount of Bonds to be redeemed) as
24 set forth in the following table, together with accrued interest
25 thereon to the date fixed for redemption.
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3 Redemption Dates

Redemption Price

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6 [If applicable:] The Bonds maturing on August 1, 20__ (the
7 "Term Bonds") are also subject to mandatory sinking fund
8 redemption on August 1 in the years, and in the amounts, as set
9 forth in the following table, at a redemption price equal to
10 100% of the principal amount thereof to be redeemed (without
11 premium), together with interest accrued thereon to the date
12 fixed for redemption; *provided, however,* that if some but not
13 all of the Term Bonds have been redeemed under the preceding
14 paragraph, the aggregate principal amount of Term Bonds to be
15 redeemed under this paragraph shall be reduced on a pro rata
16 basis in integral multiples of \$5,000, as designated in written
17 notice filed by the District with the Paying Agent.
18

19 Redemption Date Principal
20 (August 1) Amount

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22 \$

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24 If less than all of the Bonds of any one maturity shall be
25 called for redemption, the particular Bonds or portions of Bonds
26 of such maturity to be redeemed shall be selected by lot by the
27 District in such manner as the District in its discretion may
28 determine; *provided, however,* that the portion of any Bond to be

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2 redeemed shall be in the principal amount of \$5,000 or some
3 multiple thereof and that, in selecting Bonds for redemption,
4 the Paying Agent shall treat each Bond as representing that
5 number of Bonds which is obtained by dividing the principal
6 amount of such Bond by \$5,000. If less than all of the Bonds
7 shall be called for redemption, the particular Bonds or portions
8 thereof to be redeemed among maturities as designated by the
9 District.

10
11 The Paying Agent shall give notice of the redemption of the
12 Bonds at the expense of the District. Such notice shall
13 specify: (a) that the Bonds or a designated portion thereof are
14 to be redeemed, (b) the numbers and CUSIP numbers of the Bonds
15 to be redeemed, (c) the date of notice and the date of
16 redemption, (d) the place or places where the redemption will be
17 made, and (e) descriptive information regarding the Bonds
18 including the issue date, interest rate and stated maturity
19 date. Such notice shall further state that on the specified
20 date there shall become due and payable upon each Bond to be
21 redeemed, the portion of the principal amount of such Bond to be
22 redeemed, together with interest accrued to said date, the
23 redemption premium, if any, and that from and after such date
24 interest with respect thereto shall cease to accrue and be
25 payable.

26 Notice of redemption shall be by registered or otherwise
27 secured mail or delivery service, postage prepaid, to the
28 respective owners of any Bonds designated for redemption at
their addresses appearing on the Bond registration books, in

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3 every case at least 30 days, but not more than 60 days, prior to
4 the redemption date; provided that neither failure to receive
5 such notice nor any defect in any notice so mailed affects the
6 sufficiency of the proceedings for the redemption of such Bonds.

7 The Bonds are issuable as fully registered Bonds, without
8 coupons, in denominations of \$5,000 and any integral multiple
9 thereof. Subject to the limitations and conditions and upon
10 payment of the charges, if any, as provided in the Resolution,
11 Bonds may be exchanged for a like aggregate principal amount of
12 Bonds of other authorized denominations and of the same
13 maturity.

14 This Bond is transferable by the Owner hereof, in person or
15 by his attorney duly authorized in writing, at said office of
16 the Paying Agent in Los Angeles, California, but only in the
17 manner and subject to the limitations provided in the
18 Resolution, and upon surrender and cancellation of this Bond.
19 Upon registration of such transfer a new Bond or Bonds, of
20 authorized denomination or denominations, for the same aggregate
21 principal amount and of the same maturity will be issued to the
22 transferee in exchange herefor.

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

27 The Resolution may be amended without the consent of the
28 Owners of the Bonds to the extent set forth in the Resolution.

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3 The District has certified that all of the things,
4 conditions and acts required to exist, to have happened or to
5 have been performed precedent to and in the issuance of this
6 Bond do exist, have happened or have been performed in due and
7 regular time and manner as required by the laws of the State of
8 California, and that all things necessary to consummate the
9 lawful issuance and sale of the Bonds, the amount of this Bond,
10 together with all other indebtedness of the District, does not
11 exceed any limit prescribed by any laws of the State of
12 California, and is not in excess of the amount of Bonds
13 permitted to be issued under the Resolution.

14 This Bond shall not be entitled to any benefit under the
15 Resolution or become valid or obligatory for any purpose until
16 the Certificate of Authentication hereon has been signed
17 manually by the Paying Agent.
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IN WITNESS WHEREOF, the Alvord Unified School District, Riverside County, California has caused this Bond to be executed on behalf of the District and in their official capacities by the facsimile signature of the Chairman of the Board of Supervisors of the County and to be countersigned by the facsimile signature of the Clerk of the Board, all as of the Issue Date stated above.

**BOARD OF SUPERVISORS OF THE COUNTY
OF RIVERSIDE**

By _____
Chairman

ATTEST:

Clerk of the Board of
Supervisors

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CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution.

Authentication Date:

U.S. BANK NATIONAL ASSOCIATION,
as Paying Agent

Authorized Signatory

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FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

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

the within Bond and do(es) hereby irrevocably constitute and appoint _____,

attorney, to transfer the same on the registration books of the Paying Agent, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a qualified guarantor
NOTICE: The signature on this assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

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APPENDIX B

FORM OF CAPITAL APPRECIATION BOND

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

RIVERSIDE COUNTY

ALVORD UNIFIED SCHOOL DISTRICT

(Riverside County, California)

General Obligation Bonds

2012 Election, Series A

(GO Reauthorization Bonds™)

ACCRETION RATE MATURITY DATE: ISSUE DATE: CUSIP

REGISTERED OWNER:

DENOMINATIONAL AMOUNT: DOLLARS

MATURITY VALUE:

The ALVORD UNIFIED SCHOOL DISTRICT (the "District"), for value received, hereby promises to pay to the Registered Owner stated above, or registered assigns, the Maturity Value stated above on the Maturity Date stated above. The Accreted Value (as such

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2 term is defined in the within-mentioned Resolution) of this Bond
3 as of will be determined in accordance with the Table of
4 Accreted Values set forth hereon, representing the principal
5 amount per \$5,000 of Maturity Value together with interest
6 thereon from the Issue Date stated above, compounded
7 semiannually on February 1 and August 1 of each year, commencing
8 _____ (each, a "Compounding Date"), on the basis of a 360-
9 day year comprised of twelve 30-day months, at a rate equal to
10 the Accretion Rate per annum set forth above. The Accreted
11 Value hereof is payable upon presentation and surrender of this
12 Bond at the corporate trust office of the paying agent for the
13 Bonds (the "Paying Agent"), initially being U.S. Bank National
14 Association. The Accreted Value hereof is payable in lawful
15 money of the United States of America to the person in whose
16 name this Bond is registered (the "Registered Owner") on the
17 Bond registration books maintained by the Paying Agent.

18 This Bond is one of a series of \$ _____ of bonds
19 issued for the purpose of raising money for the acquisition,
20 construction and rehabilitation of school facilities, and to pay
21 all necessary legal, financial, engineering and contingent costs
22 in connection therewith under authority of and under the laws of
23 the State of California, and the requisite 55% vote of the
24 electors of the District cast at a special bond election held on
25 November 6, 2012, upon the question of issuing Bonds in the
26 amount of \$79,000,000. This Bond and the issue of which this
27 Bond is a part are payable as to both principal and interest
28 from the proceeds of the levy of *ad valorem* taxes on all

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3 property subject to such taxes in the District, which taxes are
4 unlimited as to rate or amount. The Bonds have been issued
5 under the provisions of Article 4.5 of Chapter 3 of Part 1 of
6 Division 2 of Title 5 of the California Government Code (the
7 "Bond Law"), under a resolution of the Board of Education of the
8 District adopted on October 3, 2013, and under a resolution of
9 the Board of Supervisors of Riverside County adopted on November
10 5, 2013 (the "Resolution"), authorizing the issuance and sale of
11 the Bonds.

12 The Bonds are being issued in the form of Current Interest
13 Bonds in the aggregate principal amount of \$_____, as
14 Convertible Capital Appreciation Bonds in the aggregate
15 denominational amount of \$_____, and as Capital
16 Appreciation Bonds (of which this Bond is one) in the aggregate
17 denominational amount of \$_____, all subject to the terms
18 and conditions of the Resolution. All capitalized terms herein
19 shall have the same meaning as the capitalized terms in the
20 Resolution. Reference is hereby made to the Resolution (copies
21 of which are on file at the office of the District) and the Bond
22 Law for a description of the terms on which the Bonds are issued
23 and the rights thereunder of the owners of the Bonds and the
24 rights, duties and immunities of the Paying Agent and the rights
25 and obligations of the District thereunder, to all of the
26 provisions of which Resolution the Owner of this Bond, by
27 acceptance hereof, assents and agrees.

28 The Bonds maturing on or before August 1, 20__, are not
subject to redemption prior to their respective stated

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2 maturities. The Bonds maturing on or after August 1, 20__, are
3 subject to redemption prior to maturity, at the option of the
4 District, in whole or in part among maturities on such basis as
5 designated by the District and by lot within a maturity, from
6 any available source of funds, on August 1, 20__, and on any
7 date thereafter, at a redemption price (expressed as a
8 percentage of the principal amount of Bonds to be redeemed) as
9 set forth in the following table, together with accrued interest
10 thereon to the date fixed for redemption.
11

12 Redemption Dates

Redemption Price

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16 [If applicable:] The Bonds maturing on August 1, 20__ (the
17 "Term Bonds") are also subject to mandatory sinking fund
18 redemption on August 1 in the years, and in the amounts, as set
19 forth in the following table, at a redemption price equal to
20 100% of the principal amount thereof to be redeemed (without
21 premium), together with interest accrued thereon to the date
22 fixed for redemption; *provided, however,* that if some but not
23 all of the Term Bonds have been redeemed under the preceding
24 paragraph, the aggregate principal amount of Term Bonds to be
25 redeemed under this paragraph shall be reduced on a pro rata
26 basis in integral multiples of \$5,000, as designated in written
27 notice filed by the District with the Paying Agent.
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Redemption Date Principal
(August 1) Amount

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

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the issue date, interest rate and stated maturity date. Such notice shall further state that on the specified

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3 date there shall become due and payable upon each Bond to be
4 redeemed, the portion of the principal amount of such Bond to be
5 redeemed, together with interest accrued to said date, the
6 redemption premium, if any, and that from and after such date
7 interest with respect thereto shall cease to accrue and be
8 payable.

9 Notice of redemption shall be by registered or otherwise
10 secured mail or delivery service, postage prepaid, to the
11 respective owners of any Bonds designated for redemption at
12 their addresses appearing on the Bond registration books, in
13 every case at least 30 days, but not more than 60 days, prior to
14 the redemption date; provided that neither failure to receive
15 such notice nor any defect in any notice so mailed affects the
16 sufficiency of the proceedings for the redemption of such Bonds.

17 The Bonds are issuable as fully registered Bonds, without
18 coupons, in Maturity Values of \$5,000 and any integral multiple
19 thereof. Subject to the limitations and conditions and upon
20 payment of the charges, if any, as provided in the Resolution,
21 Bonds may be exchanged for a like aggregate principal amount of
22 Bonds of other authorized denominations and of the same
23 maturity.

24 This Bond is transferable by the Owner hereof, in person or
25 by his attorney duly authorized in writing, at said office of
26 the Paying Agent in Los Angeles, California, but only in the
27 manner and subject to the limitations provided in the
28 Resolution, and upon surrender and cancellation of this Bond.
Upon registration of such transfer a new Bond or Bonds, of

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2 authorized denomination or denominations, for the same aggregate
3 principal amount and of the same maturity will be issued to the
4 transferee in exchange herefor.

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

9 The Resolution may be amended without the consent of the
10 Owners of the Bonds to the extent set forth in the Resolution.

11 The District has certified that all of the things,
12 conditions and acts required to exist, to have happened or to
13 have been performed precedent to and in the issuance of this
14 Bond do exist, have happened or have been performed in due and
15 regular time and manner as required by the laws of the State of
16 California, and that all things necessary to consummate the
17 lawful issuance and sale of the Bonds, the amount of this Bond,
18 together with all other indebtedness of the District, does not
19 exceed any limit prescribed by any laws of the State of
20 California, and is not in excess of the amount of Bonds
21 permitted to be issued under the Resolution.

22 This Bond shall not be entitled to any benefit under the
23 Resolution or become valid or obligatory for any purpose until
24 the Certificate of Authentication hereon has been signed
25 manually by the Paying Agent.
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IN WITNESS WHEREOF, the Alvord Unified School District, Riverside County, California has caused this Bond to be executed on behalf of the District and in their official capacities by the facsimile signature of the Chairman of the Board of Supervisors of the County and to be countersigned by the manual or facsimile signature of the Clerk of the Board, all as of the Issue Date stated above.

**BOARD OF SUPERVISORS OF THE COUNTY
OF RIVERSIDE**

By _____
Chairman

ATTEST:

Clerk of the Board of
Supervisors

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CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution.

Authentication Date:

U.S. BANK NATIONAL ASSOCIATION,
as Paying Agent

Authorized Signatory

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FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

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

the within Bond and do(es) hereby irrevocably constitute and appoint _____,

attorney, to transfer the same on the registration books of the Paying Agent, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a qualified guarantor

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

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APPENDIX C

FORM OF CONVERTIBLE CAPITAL APPRECIATION BOND)

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

RIVERSIDE COUNTY

ALVORD UNIFIED SCHOOL DISTRICT

(Riverside County, California)

General Obligation Bonds

2012 Election, Series A

(GO Reauthorization Bonds™)

INTEREST RATE

MATURITY DATE:

ISSUE DATE:

CUSIP

REGISTERED OWNER:

DENOMINATIONAL AMOUNT:

DOLLARS

CONVERSION DATE:

CONVERSION VALUE:

The ALVORD UNIFIED SCHOOL DISTRICT, a school district, duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), for value

1
2 received hereby promises to pay to the Registered Owner stated
3 above, or registered assigns (the "Owner"), on the Maturity Date
4 stated above, the Conversion Value stated above, in lawful money
5 of the United States of America. Interest on this Bond shall
6 compound on February 1 and August 1 in each year, commencing
7 _____ (each, an "Interest Payment Date"), to and including
8 the Conversion Date stated above, at the Interest Rate stated
9 above. Thereafter, interest on this Bond shall be payable on
10 each Interest Payment Date to and including the Maturity Date
11 stated above.

12 Interest hereon is payable in like lawful money from the
13 Interest Payment Date next preceding the date of authentication
14 of this Bond (unless (i) this Bond is authenticated on an
15 Interest Payment Date, in which event it shall bear interest
16 from such date of authentication, or (ii) this Bond is
17 authenticated prior to an Interest Payment Date and after the
18 close of business on the 15th day of the month preceding such
19 Interest Payment Date, in which event it shall bear interest
20 from such interest payment date, or (iii) this Bond is
21 authenticated on or prior to _____, in which event it
22 shall bear interest from the Issue Date stated above; *provided*
23 *however*, that if at the time of authentication of this Bond,
24 interest is in default on this Bond, this Bond shall bear
25 interest from the Interest Payment Date to which interest has
26 previously been paid or made available for payment on this Bond)
27 until payment of such Maturity Value in full, at the Interest
28 Rate per annum stated above, calculated on the basis of a 360-

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2 day year comprised of twelve 30-day months. The principal
3 hereof and interest hereon are payable upon presentation and
4 surrender of this Bond at the office of U.S. Bank National
5 Association, as paying agent (the "Paying Agent"), in Los
6 Angeles, California.

7 This Bond is one of a series of \$ _____ of bonds
8 issued for the purpose of raising money for the acquisition,
9 construction and rehabilitation of school facilities, and to pay
10 all necessary legal, financial, engineering and contingent costs
11 in connection therewith under authority of and under the laws of
12 the State of California, and the requisite 55% vote of the
13 electors of the District cast at a special bond election held on
14 November 6, 2012, upon the question of issuing Bonds in the
15 amount of \$79,000,000. This Bond and the issue of which this
16 Bond is a part are payable as to both principal and interest
17 from the proceeds of the levy of *ad valorem* taxes on all
18 property subject to such taxes in the District, which taxes are
19 unlimited as to rate or amount. The Bonds have been issued
20 under the provisions of Article 4.5 of Chapter 3 of Part 1 of
21 Division 2 of Title 5 of the California Government Code (the
22 "Bond Law"), under a resolution of the Board of Education of the
23 District adopted on October 3, 2013, and under a resolution of
24 the Board of Supervisors of Riverside County adopted on November
25 5, 2013 (the "Resolution"), authorizing the issuance and sale of
26 the Bonds.

27 The Bonds are being issued in the form of Current Interest
28 Bonds in the aggregate principal amount of \$ _____ as

1
2 Convertible Capital Appreciation Bonds (of which this Bond is
3 one) in the aggregate denominational amount of \$_____, and
4 as Capital Appreciation Bonds in the aggregate denominational
5 amount of \$_____, all subject to the terms and conditions
6 of the Resolution. All capitalized terms herein shall have the
7 same meaning as the capitalized terms in the Resolution.
8 Reference is hereby made to the Resolution (copies of which are
9 on file at the office of the District) and the Bond Law for a
10 description of the terms on which the Bonds are issued and the
11 rights thereunder of the owners of the Bonds and the rights,
12 duties and immunities of the Paying Agent and the rights and
13 obligations of the District thereunder, to all of the provisions
14 of which Resolution the Owner of this Bond, by acceptance
15 hereof, assents and agrees.

16 The Bonds maturing on or before August 1, 20__, are not
17 subject to redemption prior to their respective stated
18 maturities. The Bonds maturing on or after August 1, 20__, are
19 subject to redemption prior to maturity, at the option of the
20 District, in whole or in part among maturities on such basis as
21 designated by the District and by lot within a maturity, from
22 any available source of funds, on August 1, 20__, and on any
23 date thereafter, at a redemption price (expressed as a
24 percentage of the principal amount of Bonds to be redeemed) as
25 set forth in the following table, together with accrued interest
26 thereon to the date fixed for redemption.
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2 Redemption Dates

3 Redemption Price
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6 [If applicable:] The Bonds maturing on August 1, 20__ (the
7 "Term Bonds") are also subject to mandatory sinking fund
8 redemption on August 1 in the years, and in the amounts, as set
9 forth in the following table, at a redemption price equal to
10 100% of the principal amount thereof to be redeemed (without
11 premium), together with interest accrued thereon to the date
12 fixed for redemption; *provided, however,* that if some but not
13 all of the Term Bonds have been redeemed under the preceding
14 paragraph, the aggregate principal amount of Term Bonds to be
15 redeemed under this paragraph shall be reduced on a pro rata
16 basis in integral multiples of \$5,000 Conversion Value, as
17 designated in written notice filed by the District with the
18 Paying Agent.
19

20 Redemption Date Conversion
21 (August 1) Value
22

23 \$
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25 If less than all of the Bonds of any one maturity shall be
26 called for redemption, the particular Bonds or portions of Bonds
27 of such maturity to be redeemed shall be selected by lot by the
28 District in such manner as the District in its discretion may

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2 determine; *provided, however,* that the portion of any Bond to be
3 redeemed shall be in the principal amount of \$5,000 or some
4 multiple thereof and that, in selecting Bonds for redemption,
5 the Paying Agent shall treat each Bond as representing that
6 number of Bonds which is obtained by dividing the Conversion
7 Value of such Bond by \$5,000. If less than all of the Bonds
8 shall be called for redemption, the particular Bonds or portions
9 thereof to be redeemed among maturities as designated by the
10 District.

11 The Paying Agent shall give notice of the redemption of the
12 Bonds at the expense of the District. Such notice shall
13 specify: (a) that the Bonds or a designated portion thereof are
14 to be redeemed, (b) the numbers and CUSIP numbers of the Bonds
15 to be redeemed, (c) the date of notice and the date of
16 redemption, (d) the place or places where the redemption will be
17 made, and (e) descriptive information regarding the Bonds
18 including the issue date, interest rate and stated maturity
19 date. Such notice shall further state that on the specified
20 date there shall become due and payable upon each Bond to be
21 redeemed, the portion of the principal amount of such Bond to be
22 redeemed, together with interest accrued to said date, the
23 redemption premium, if any, and that from and after such date
24 interest with respect thereto shall cease to accrue and be
25 payable.

26 Notice of redemption shall be by registered or otherwise
27 secured mail or delivery service, postage prepaid, to the
28 respective owners of any Bonds designated for redemption at

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2 their addresses appearing on the Bond registration books, in
3 every case at least 30 days, but not more than 60 days, prior to
4 the redemption date; provided that neither failure to receive
5 such notice nor any defect in any notice so mailed affects the
6 sufficiency of the proceedings for the redemption of such Bonds.

7 The Bonds are issuable as fully registered Bonds, without
8 coupons, in Conversion Values of \$5,000 and any integral
9 multiple thereof. Subject to the limitations and conditions and
10 upon payment of the charges, if any, as provided in the
11 Resolution, Bonds may be exchanged for a like aggregate
12 principal amount of Bonds of other authorized denominations and
13 of the same maturity.

14 This Bond is transferable by the Owner hereof, in person or
15 by his attorney duly authorized in writing, at said office of
16 the Paying Agent in Los Angeles, California, but only in the
17 manner and subject to the limitations provided in the
18 Resolution, and upon surrender and cancellation of this Bond.
19 Upon registration of such transfer a new Bond or Bonds, of
20 authorized denomination or denominations, for the same aggregate
21 principal amount and of the same maturity will be issued to the
22 transferee in exchange herefor.

23 The District and the Paying Agent may treat the Owner
24 hereof as the absolute owner hereof for all purposes, and the
25 County, District and the Paying Agent shall not be affected by
26 any notice to the contrary.
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The Resolution may be amended without the consent of the Owners of the Bonds to the extent set forth in the Resolution.

The District has certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California, and that all things necessary to consummate the lawful issuance and sale of the Bonds, the amount of this Bond, together with all other indebtedness of the District, does not exceed any limit prescribed by any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Resolution.

This Bond shall not be entitled to any benefit under the Resolution or become valid or obligatory for any purpose until the Certificate of Authentication hereon has been signed manually by the Paying Agent.

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IN WITNESS WHEREOF, the Alvord Unified School District, Riverside County, California has caused this Bond to be executed on behalf of the District and in their official capacities by the facsimile signature of the Chairman of the Board of Supervisors of the County and to be countersigned by the manual or facsimile signature of the Clerk of the Board, all as of the Issue Date stated above.

**BOARD OF SUPERVISORS OF THE COUNTY
OF RIVERSIDE**

By _____
Chairman

ATTEST:

Clerk of the Board of
Supervisors

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CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution.

Authentication Date:

U.S. BANK NATIONAL ASSOCIATION,
as Paying Agent

Authorized Signatory

1
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3 **FORM OF ASSIGNMENT**

4 For value received, the undersigned do(es) hereby sell, assign and
5 transfer unto

6 _____
7 _____
8 _____
9 _____

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

12 the within Bond and do(es) hereby irrevocably constitute and appoint _____
13 _____,

14 attorney, to transfer the same on the registration books of the Paying Agent,
15 with full power of substitution in the premises.
16

17 Dated: _____
18

19 Signature Guaranteed:
20 _____
21 _____
22

23 NOTICE: Signature(s) must be
24 guaranteed by a
25 qualified guarantor
26

23 NOTICE: The signature on this assignment must
24 correspond with the name(s) as written on the
25 face of the within Bond in every particular
26 without alteration or enlargement or any change
27 whatsoever.
28

LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT

Dated as of _____, 2013

Among

COUNTY OF RIVERSIDE,

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as the Bank

relating to

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION
VARIABLE RATE DEMAND LEASEHOLD REVENUE REFUNDING BONDS
SERIES 2008A
(SOUTHWEST JUSTICE CENTER REFUNDING)

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EXHIBIT A FORM OF LETTER OF CREDIT

This LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT, dated as of _____, 2013 (this "Agreement"), is by and among the COUNTY OF RIVERSIDE ASSET LEASING CORPORATION, a non-profit, public benefit corporation organized under the laws of the State of California (including its successors and assigns, the "Corporation"), the COUNTY OF RIVERSIDE, CALIFORNIA, a political subdivision duly organized and validly existing under the Constitution and the laws of the State of California (including its successors and assigns, the "County") and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association (including its successors and assigns, the "Bank").

W I T N E S S E T H:

WHEREAS, the Corporation issued its County of Riverside Asset Leasing Corporation Variable Rate Demand Leasehold Revenue Refunding Bonds, Series 2008A (the "Bonds") in the aggregate principal amount of \$78,895,000 pursuant to an Indenture of Trust, dated as of December 1, 2008, by and among the Corporation, the County and U.S. Bank National Association (including its successors and assigns, the "Trustee"), as amended by the First Supplemental Indenture of Trust, dated as of October 1, 2011 (and as further supplemented and amended hereafter, the "Indenture"); and

WHEREAS, concurrently with the issuance of the Bonds, Assured Guaranty Corp. (the "Bond Insurer") issued and delivered to the Trustee its financial guaranty insurance policy (the "Bond Insurance Policy") insuring the scheduled payment of principal of and interest on the Bonds; and

WHEREAS, concurrently with the issuance of the Bonds, Union Bank, N.A. (formerly Union Bank of California, N.A.) issued and delivered to the Trustee its direct-pay letter of credit securing the payment of the principal of, interest on and purchase price of the Bonds (the "Existing Letter of Credit"); and

WHEREAS, the Corporation and the County have each requested the Bank to issue an irrevocable direct-pay letter of credit to replace the Existing Letter of Credit and to provide credit and liquidity support for the Bonds while the Bonds bear interest at the Daily Interest Rate or the Weekly Interest Rate (each as defined in the Indenture); and

WHEREAS, the Bank is willing to issue such a letter of credit upon the terms and conditions set forth in this Agreement;

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

NOW, THEREFORE, in consideration of the premises, in reliance on the representations, warranties, covenants, and other agreements hereinafter contained and referenced, and for other good, valuable, and fair considerations and reasonably equivalent value, the receipt and sufficiency of which are hereby recognized and acknowledged by all parties hereto, the Corporation, the County and the Bank hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions. The following terms shall have the following meanings as used herein:

“Additional Rental” has the meaning set forth in the Indenture.

“Additional Rights” means, in each case with respect to a Bank Agreement, representations of the County, covenants of the County, events of default and remedies (excluding immediate termination or suspension of the obligations of a liquidity provider without purchase of the underlying obligations) under such Bank Agreement, in each case that are in addition to, more restrictive than, or superior to the terms of this Agreement.

“Affiliate” means, as to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. A Person shall be deemed to be “controlled by” any other Person if such other Person possesses, directly or indirectly, power (a) to vote 10% or more of the securities (on a fully diluted basis) having ordinary voting power for the election of directors or managing general partners; or (b) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

“Alternate Letter of Credit” means any letter of credit, line of credit, bond insurance or other instrument which provides for payment when due of principal and interest evidenced by the Bonds delivered to the Trustee in accordance with Section 702 of the Indenture.

“Assignee” has the meaning set forth in Section 9.4(b) hereof.

“Assignment Agreement” means the Assignment Agreement, dated as of December 1, 2008, between the Trustee and the Corporation.

“Authorized Officer” has the meaning set forth in the Indenture.

“Availability Period” means the period commencing on the Date of Issuance and ending on the Termination Date.

“Bank” has the meaning set forth in the initial paragraph hereof.

“Bank Agreement” means any agreement (or any amendment, supplement or modification thereto) entered into by the County with any commercial bank or Affiliate thereof pursuant to which such commercial bank or Affiliate thereof provides (or agrees to provide) credit or liquidity to the County (whether directly or indirectly by means of enhancement of Debt securities of the County) or purchases for its own account (and not for resale) Debt securities of the County that contain a put provision, mandatory redemption provision or acceleration right on the part of the holder thereof, other than (i) equipment leases and equipment purchase agreements and (ii) Debt securities (other than commercial paper notes) with a maturity date that is not more than thirteen months from the date of issuance or purchase.

"Bank Book-Entry Account" has the meaning set forth in Section 2.10(b) hereof.

"Bank Bond CUSIP Number" means the CUSIP number assigned to the Bank Bonds by S&P's CUSIP Bureau.

"Bank Bonds" means any and all Bonds purchased by the Trustee with proceeds of a drawing under the Letter of Credit, which Bonds are then, pursuant to the terms of the Indenture, registered in the name of and owned by the Bank or its designee. Bank Bonds are sometimes referred to in the Indenture as "Purchased Bonds."

"Bank-Related Persons" means the Bank, its Affiliates and the officers, directors, employees, agents and attorneys-in-fact of the Bank and Affiliates.

"Base Rate" means, for any day, a rate of interest per annum equal to the highest of (a) the Prime Rate in effect for day such plus one percent (1%), (b) the Federal Funds Rate for such day plus two percent (2%) and (c) seven percent (7%). Each change in the Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate or the Federal Funds Rate, as the case may be.

"Base Rental" has the meaning set forth in the Indenture.

"Bond Insurance Cancellation Agreement" has the meaning set forth in Section 2.2(c) hereof.

"Bond Insurance Policy" has the meaning set forth in the recitals hereto.

"Bond Insurer" has the meaning set forth in the recitals hereto.

"Bond Insurer Event of Default" means the occurrence of any one or more of the following events: (a) the Bond Insurer becomes subject to conservation, liquidation or receivership proceedings under the Maryland insurance laws, (b) the failure of the Bond Insurer at any time to have one out of two of the following ratings (including, but not limited to, in the event of a withdrawal or suspension of any such ratings): (i) a claims-paying ability rating of "A-" or higher from S&P or (ii) a financial strength rating of "A3" or higher from Moody's, (c) the Bond Insurer fails to make payment when due under the terms and conditions set forth in the Bond Insurance Policy or the Swap Insurance Policy, (d) (i) any material provision of the Bond Insurance Policy or the Swap Insurance Policy is declared null and void or otherwise not valid and binding on the Bond Insurer by a court or other governmental agency of appropriate jurisdiction or (ii) the validity or enforceability thereof is contested by the Bond Insurer or any governmental agency or authority of appropriate jurisdiction, or the Bond Insurer denies in writing that it has any further liability or obligation under the Bond Insurance Policy or the Swap Insurance Policy.

"Bonds" has the meaning set forth in the recitals hereto.

"Business Day" means any day of the year other than (a) a Saturday, (b) a Sunday, (c) any day which shall be in Los Angeles, California or New York, New York a legal holiday or a day on which banking institutions are authorized or required to close, and (d) any day which

the Trustee advises the Bank in writing is a legal holiday or a day on which banking institutions are authorized or required to close in the city in which the corporate trust office of the Trustee is located. The corporate trust of the Trustee is presently located in Los Angeles, California.

“Change in Law” means the occurrence, after the Date of Issuance, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a *“Change in Law”*, regardless of the date enacted, adopted or issued.

“Corporation” has the meaning set forth in the initial paragraph hereof.

“Corporation Related Document” means any Related Document to which the Corporation is a party and “Corporation Related Documents” means all Related Documents to which the Corporation is a party.

“County” has the meaning set forth in the initial paragraph hereof.

“County Related Document” means any Related Document to which the County is a party and “County Related Documents” means all Related Documents to which the County is a party.

“Cumulative Excess Base Rental Amount” has the meaning set forth in the Facilities Lease.

“Custodian” has the meaning set forth in Section 2.10(c) hereof.

“Cut-Off Date” has the meaning set forth in Section 3.2(c) hereof.

“Daily Interest Rate” has the meaning set forth in the Indenture.

“Date of Issuance” means the date on which the Letter of Credit is issued by the Bank and delivered to the Trustee.

“Debt” means for any Person (without duplication) (i) all indebtedness created, assumed or incurred in any manner by such Person representing money borrowed (including by the issuance of debt securities), (ii) all obligations of such Person for the deferred purchase price of property or services (other than trade accounts payable arising in the ordinary course of business), (iii) all obligations secured by any Lien upon property of such Person, whether or not such Person has assumed or become liable for the payment of such indebtedness, (iv) all obligations of such Person as lessee under any lease of property which in accordance with generally accepted accounting principles would be required to be capitalized on the balance sheet

of such Person, (v) all obligations of such Person on or with respect to letters of credit, banker's acceptances and other evidences of indebtedness representing extensions of credit whether or not representing obligations for borrowed money, (vi) certificates of participation evidencing an undivided ownership interest in payments made by such Person (A) as lessee under any lease of property which in accordance with generally accepted accounting principles would be required to be capitalized on the balance sheet of such Person, (B) as purchaser under an installment sale agreement or (C) otherwise as an obligor in connection therewith, and (vii) all Debt of any other Person of the kind referred to in clauses (i) through (vi) above which is guaranteed (regardless of form) directly or indirectly in any manner by such Person; provided, however, that with respect to the County, Debt shall exclude conduit, enterprise and other Debt that have no claim on the general fund of the County.

“Default” means any condition or event which with the giving of notice or lapse of time or both could reasonably be expected to, unless cured or waived, become an Event of Default.

“Default Rate” means, as of any date of determination, a rate per annum equal to the Base Rate in effect on such date plus three percent (3%).

“Deferred Obligations” has the meaning set forth in Section 2.4(d) hereof.

“Differential Interest Amount” means, with respect to any Bank Bond, the excess of (i) interest which has accrued and could actually be paid on such Bank Bond at the Liquidity Rate or Term Loan Rate, up to but excluding the Business Day on which such Bank Bond is remarketed and ceases to be a Bank Bond, less (ii) the interest accrued on such Bank Bond and received by the holder thereof as part of the remarketing proceeds.

“Dodd-Frank Act” means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as enacted by the United States Congress, and signed into law on July 21, 2010, and all statutes, rules, guidelines or directives promulgated thereunder.

“Dollars” and the sign “\$” means lawful money of the United States of America.

“Drawing” means a drawing made or permitted to be made pursuant to the terms of the Letter of Credit.

“DTC” means The Depository Trust Company and its successors and assigns.

“DTC Book-Entry Account” has the meaning set forth in Section 2.10(b) hereof.

“DTC Notice” has the meaning set forth in Section 2.10(b) hereof.

“EMMA” means the Electronic Municipal Market Access system and any successor thereto.

“Event of Default” has the meaning set forth in Section 8.1 hereof.

“Excess Interest” has the meaning set forth in Section 3.3(c) hereof.

“Facilities Lease” means the Facilities Lease, dated as of December 1, 2008, by and between the County and the Corporation, as from time to time amended or supplemented.

“Facilities Lease Obligations” means, at any time, all obligations and liabilities payable from Base Rental at such time.

“Fair Rental Value” has the meaning set forth in the Facilities Lease.

“FAST Eligible Bonds” has the meaning set forth in Section 2.10(b) hereof.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank on the Business Day next succeeding such day; provided that (i) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Bank on such day on such transactions as determined by the Bank.

“Fee Letter” means the letter, dated _____, 2013, from the Bank to the Corporation and the County regarding certain fees, costs and expenses, as the same may be amended from time to time thereafter.

“Fiscal Year” means each twelve month period commencing on July 1 of a calendar year and ending on June 30 of the following calendar year.

“Fitch” means Fitch, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency selected by the County.

“Government Acts” means any act or omission to act, whether rightful or wrongful, of any present or future de jure or de facto government or Governmental Authority.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, and any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing.

“Incorporated Provisions” has the meaning set forth in Section 7.27 hereof.

“Indenture” has the meaning set forth in the recitals hereto.

“Leased Premises” has the meaning set forth in the Facilities Lease.

“Letter of Credit” means an irrevocable direct-pay letter of credit in the form of Exhibit A hereto, with blanks appropriately completed, executed and issued by the Bank in favor of the Trustee for the benefit of the Owners of the Bonds.

“Lien” means, with respect to any property, tangible or intangible, real or personal, any mortgage, lien, pledge, charge, security interest or other encumbrance of any kind in respect of such property.

“Liquidity Advance” and “Liquidity Advances” have the meanings set forth in Section 2.4(a) hereof.

“Liquidity Advance Maturity Date” means, for a Liquidity Advance, the one hundred eighty first (181st) day following the date such Liquidity Advance was made.

“Liquidity Drawing” means a Drawing made under the Letter of Credit for the purpose of purchasing Bonds in connection with an Optional Tender or a Mandatory Tender.

“Liquidity Rate” means, with respect to any Liquidity Advance or any Bank Bond evidencing such Liquidity Advance, a fluctuating rate of interest equal to the Base Rate; provided, however, that (x) immediately and automatically upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuance of such Event of Default, “Liquidity Rate” shall mean a fluctuating rate of interest equal to the Default Rate or (y) if the rate of interest borne by Bonds other than Bank Bonds exceeds the interest rate borne by Bank Bonds, the “Liquidity Rate” shall equal the rate of interest borne by such non-Bank Bonds.

“Mandatory Tender” means a tender (or deemed tender) of a Bond for purchase by the Owner thereof pursuant to, and in accordance with, Sections 402 or 403 of the Indenture.

“Maximum Rate” means, notwithstanding the provisions of the Indenture, the lesser of (i) 12% or (ii) the maximum interest rate permitted by law.

“Moody’s” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the County.

“Most Favored Nations Provision” means one or more provisions, agreements or terms contained in a Bank Agreement or an amendment, modification or supplement thereto that provides any party thereto (other than the County) with the automatic right to receive, or the option to receive, Additional Rights upon execution by the County of another Bank Agreement or an amendment, modification or supplement thereto.

“Obligations” mean the Corporation’s, or the County’s on behalf of the Corporation, obligation to reimburse all Drawings, to repay all Liquidity Advances and Term Loans, to pay debt service on the Bank Bonds, to pay the principal, interest, fees, expenses, costs and other amounts owed to the Bank or the Parent pursuant to the terms of this Agreement, any Related

Document or any other document, instrument or agreement entered into by the County with or in favor of the Bank in connection herewith or therewith, together with all covenants and duties owing by the Corporation, or the County on behalf of the Corporation, to the Bank of any kind or description, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising.

“Optional Tender” means a tender of a Bond for purchase by the Owner thereof pursuant to, and in accordance with, Section 402 of the Indenture.

“Outstanding” has the meaning set forth in the Indenture.

“Owner” has the meaning set forth in the Indenture.

“Parent” means any Person controlling the Bank.

“Participant” has the meaning set forth in Section 9.4(b) hereof.

“Patriot Act” has the meaning set forth in Section 9.11 hereof.

“Person” means an individual, a corporation, a partnership, a limited liability company, an association, a joint venture, a trust, an unincorporated organization or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“Prime Rate” means for any day the rate of interest in effect for such day as publicly announced from time to time by the Bank as its “prime lending rate” or “reference rate.” Such prime lending rate or reference rate is a rate set by the Bank based upon various factors including the Bank’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such prime lending rate or reference rate announced by the Bank shall take effect at the opening of business on the day specified in the public announcement of such change.

“Prior Agreement” means the Reimbursement Agreement, dated as of December 1, 2008, between the County and the Prior Bank.

“Prior Bank” means Union Bank, N.A. (formerly Union Bank of California, N.A.).

“Rating” means the long-term rating (without regard for any bond insurance or any other form of credit enhancement, including the Letter of Credit) assigned to any lease revenue debt that is payable from the County’s general fund.

“Rating Agency” means either of Moody’s or S&P and “Rating Agencies” means Moody’s and S&P.

“Refunding Bonds” has the meaning set forth in the Indenture.

“Related Documents” means the this Agreement, the Indenture, the Bonds, the Bond Insurance Policy, the Bond Insurance Cancellation Agreement, the Assignment Agreement, the Site Lease, the Facilities Lease, the Fee Letter and the Remarketing Agreement.

“Remarketing Agent” has the meaning set forth in the Indenture.

“Remarketing Agreement” has the meaning set forth in the Indenture.

“Remarketing Memorandum” means the Remarketing Memorandum for the Bonds, together with all amendments and supplements thereto.

“Rental Payments” means Base Rental and Additional Rental.

“S&P” means Standard & Poor’s Credit Market Services, a division of The McGraw-Hill Companies, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the County.

“Site Lease” means the Site Lease, dated as of December 1, 2008, by and between the County and the Corporation, and as from time to time amended or supplemented thereto.

“State” means the State of California.

“Stated Expiration Date” means, initially, December __, 2016 and, if the Letter of Credit is extended in accordance with its terms, the most recent scheduled expiration date to which the Letter of Credit has been extended.

“Swap Agreement” means that ISDA Master Agreement, Schedule (including the Credit Support Annex thereto) and Confirmation, each dated as of January __, 2012, between the Bank, as Party A, and the Corporation, as Party B, as from time to time amended or supplemented.

“Swap Insurance Policy” means the financial guaranty insurance policy issued by the Bond Insurer insuring scheduled payments of the Corporation under the Swap Agreement.

“Taxes” has the meaning set forth in Section 3.4(b) hereof.

“Term Loan” has the meaning set forth in Section 2.4(b) hereof.

“Term Loan Amortization End Date” means, notwithstanding Section 401(m) of the Indenture, with respect to any Term Loan, the first to occur of (a) the fourth (4th) anniversary of the Term Loan Commencement Date; (b) the fourth (4th) anniversary of the Termination Date; (c) the date on which any Bank Bond representing such Term Loan matures, is prepaid or cancelled pursuant to the Indenture; (d) the date on which any Bank Bond representing such Term Loan is remarketed pursuant to the Indenture and the Remarketing Agreement; (e) the date on which the Letter of Credit is replaced by an Alternate Letter of Credit pursuant to the terms of the Indenture; (f) the date on which the Bonds are converted to a Long-Term Interest Rate (as defined in the Indenture) to maturity; and (g) the date the Bank gives notice pursuant to Section 8.2(a)(ii) hereof.

“Term Loan Amortization Payment Date” means, with respect to any Term Loan, the related Term Loan Amortization Start Date and, thereafter, the first Business Day of each six (6) month thereafter with the final payment of principal being due and payable on the related Term Loan Amortization End Date.

“Term Loan Amortization Start Date” means the first ____ 1 or ____ 1, as the case may be, immediately following the Term Loan Commencement Date; provided that the Term Loan Amortization Start Date shall not occur within the first sixty (60) days immediately following the Term Loan Commencement Date.

“Term Loan Commencement Date” means, for a Term Loan, the one hundred eighty first (181st) day following the date the related Liquidity Advance was made.

“Term Loan Rate” means, with respect to any Term Loan or any Bank Bond evidencing such Term Loan, a fluctuating rate of interest equal to the Base Rate plus one percent (1%); provided, however, that (i) immediately and automatically upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuance of such Event of Default, “Term Loan Rate” shall mean a fluctuating rate of interest equal to the Default Rate.

“Termination Date” has the meaning set forth in the Letter of Credit.

“Trust Amounts” has the meaning set forth in Section 2.8 hereof.

“Trustee” has the meaning set forth in the recitals hereto.

“2012 CAFR” means the comprehensive annual financial report of the County dated as of June 30, 2012.

“Underlying Provisions” has the meaning set forth in Section 7.27 hereof.

“Weekly Interest Rate” has the meaning set forth in the Indenture.

Section 1.2 Incorporation of Certain Definitions by Reference. Each capitalized term used herein and not otherwise defined herein shall have the meaning provided therefor in the Indenture.

Section 1.3 Accounting Terms and Determinations. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles.

Section 1.4 Interpretation. The following rules shall apply to the construction of this Agreement unless the context requires otherwise: (a) the singular includes the plural, and the plural the singular; (b) words importing any gender include the other gender and the neuter gender; (c) references to statutes are to be construed as including all statutory provisions consolidating, and all regulations promulgated pursuant to, such statutes; (d) references to “writing” include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible form; (e) the words “including”, “includes” and “include” shall be deemed to