

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS
 DATE: 2/2/15

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

141
A



FROM: Don Kent, Treasurer/Tax Collector

SUBMITTAL DATE:
 January 29, 2015

SUBJECT: Resolution No. 2015-044 Val Verde Unified School District General Obligation Bonds 2012 Election, Series 2015B; 5th Dist.; [\$0] (Vote on Separately)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and adopt Resolution No. 2015-044 authorizing and approving the issuance and sale of Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2015B in a principal amount not to exceed \$45,000,000 some of which may provide for the compounding of interest and approving other related matters.

BACKGROUND:

Summary

Education Code Section 15140 requires that General Obligation Bonds of a school district be offered for sale by the Board of Supervisors of the County when the County's Superintendent of Schools has jurisdiction over the district and when the district wishes to offer its bonds via a negotiated sale. Although California law permits a board of supervisors to opt out of that requirement, this Board has not adopted the necessary enabling resolution. At the same time, the County Treasurer has taken the position that school districts should not be negotiating the sale of bonds without his participation. (Continued on Page 2.)

Don Kent
 Don Kent
 Treasurer/Tax Collector

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

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

C.E.O. RECOMMENDATION:

APPROVE

BY: *Samuel Wong* 2/3/15
 Samuel Wong

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Benoit and Ashley
 Nays: None
 Absent: None
 Date: February 10, 2015
 xc: Treasurer

Kecia Harper-Ihem
 Clerk of the Board
 By: *[Signature]*
 Deputy

Prev. Agn. Ref.: | District: 5 | Agenda Number:

3-32

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

Departmental Concurrence

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Resolution No. 2015-044 Val Verde Unified School District General Obligation Bonds 2012
Election, Series 2015B; 5th Dist.; [\$0] (Vote on Separately)
DATE: January 29, 2015
PAGE: Page 2 of 3

BACKGROUND:
Summary (continued).

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

An election was held on June 5, 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 \$178,000,000.

On February 5, 2013, the County previously issued and sold \$40,540,000 aggregate principal amount of the Val Verde Unified School District General Obligation Bonds, 2012 Election, 2013 Series A on behalf of the District.

In addition, in October 2013, the County, on behalf of the District, issued and sold \$28,770,000 Val Verde Unified School District 2013 General Obligation Bond Anticipation Notes (the "2013 Notes").

Resolution 2015-044 authorizes the issuance and sale of Val Verde Unified School District General Obligation Bonds 2012 Election, Series 2015B (the "Series 2015B Bonds") in a principal amount not to exceed \$45,000,000. The proceeds of the Series 2015B Bonds will be used to defease the 2013 Notes and finance the acquisition, construction and improvement of certain public school facilities within the District.

Due to constraints on the tax rate levy imposed on the issuance of the Series 2015B Bonds under the provisions of Proposition 39, the District has requested that some of the Series 2015B Bonds be issued as capital appreciation bonds which by their terms compound interest. The maximum permitted tax levy rate per \$100,000 of assessed valuation set forth in Proposition 39 is \$60.00 for the District. Without the use of capital appreciation bonds, the District has determined that it could not generate sufficient funds to complete pending projects for several years.

Assembly Bill 182 amended the California Education Code and the California Government Code to authorize the issuance of capital appreciation bonds when certain conditions are met. The District resolution reflects that the District has complied with all the requirements of AB 182. Specifically, AB 182 limits the amount of debt service that can be paid on bonds, including capital appreciation bonds, such that total debt service can be no more than 4 times greater than the principal amount of the bonds. The District estimates that total debt service on the Series 2015B Bonds will be no more than 2.5 times greater than the principal amount of the 2015B Bonds.

The Series 2015B Bonds represent a general obligation of the District and do not constitute a debt, liability, or obligation of the County. No part of any fund of the County is pledged or obligated to the payment of the Series 2015B Bonds.

County Counsel has reviewed Resolution No. 2015-044 and has approved it as to form.

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

FORM 11: Resolution No. 2015-044 Val Verde Unified School District General Obligation Bonds 2012

Election, Series 2015B; 5th Dist.; [\$0] (Vote on Separately)

DATE: January 29, 2015

PAGE: Page 3 of 3

Impact on Citizens and Businesses

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

ATTACHMENTS (if needed, in this order):

Resolution No. 2015-044

District Resolution

Bond Purchase Contract

Preliminary Official Statement

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**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY
OF RIVERSIDE, CALIFORNIA, AUTHORIZING THE ISSUANCE AND
SALE OF VAL VERDE UNIFIED SCHOOL DISTRICT GENERAL
OBLIGATION BONDS, 2012 ELECTION, SERIES 2015B, IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$45,000,000,
INCLUDING BONDS ALLOWING FOR THE COMPOUNDING OF
INTEREST, AND APPROVING CERTAIN OTHER MATTERS
RELATING TO THE BONDS**

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RESOLUTION NO. 2015-044

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, CALIFORNIA, AUTHORIZING THE ISSUANCE AND SALE OF VAL VERDE UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2012 ELECTION, SERIES 2015B, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$45,000,000, SOME OF WHICH MAY PROVIDE FOR THE COMPOUNDING OF INTEREST, AND APPROVING CERTAIN OTHER MATTERS RELATING TO THE BONDS

WHEREAS, a duly called election was conducted within Val Verde Unified School District, County of Riverside, California (the "District"), a unified school district duly organized and existing under the Constitution and laws of the State of California (the "State") on June 5, 2012 (the "Election"), pursuant to which the qualified voters of the District approved, by a vote of more than fifty-five percent (55%), of the issuance of not to exceed \$178,000,000 aggregate principal amount of the District's general obligation bonds (the "Authorization"), which was duly canvassed according to law; and

WHEREAS, Section 15140 of the Education Code of the State (the "Education Code") requires that general obligation bonds of a district shall be offered for sale by the board of supervisors of the applicable county, as soon as possible following receipt of a resolution adopted by the governing board of such district; and

WHEREAS, the Riverside County Superintendent of Schools has jurisdiction over the District, which is located within the County of Riverside, California (the "County"); and

WHEREAS, the County has previously issued and sold, on behalf of the District, \$40,540,000 aggregate principal amount of its General Obligation Bonds, 2012 Election, 2013

FORM APPROVED COUNTY COUNSEL
BY: Dale A. Gardner DATE: 2/2/15
DALE A. GARDNER

1 Series A, pursuant to a resolution of the Board of Education of the District (the "**District Board**")
2 adopted on February 5, 2013, under the Authorization; and

3 **WHEREAS**, the District has previously issued and sold \$28,770,000 aggregate principal
4 amount of its 2013 General Obligation Bond Anticipation Notes (the "**BANs**"), pursuant to a
5 resolution of the District Board adopted on October 1, 2013, under the Authorization; and

6 **WHEREAS**, the District has also determined the need to finance additional capital
7 projects authorized at the Election; and

8 **WHEREAS**, the Board of Supervisors of the County (the "**Board**") has received a
9 certified resolution of the District Board, adopted on February 3, 2015 (the "**District**
10 **Resolution**"), an executed electronic copy of which has been received by the Board, requesting
11 the Board issue the second series of the District's general obligation bonds under the
12 Authorization, in the maximum principal amount of not to exceed Forty-Five Million Dollars
13 (\$45,000,000) (the "**Bonds**") in order to defease the BANs and to provide for the funding of
14 certain additional capital improvements for the District's schools; and

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

21 **WHEREAS**, the BANs are subject to prepayment on August 1, 2016, and circumstances
22 in the current financial market make it advisable for the District to effect the defeasance of the
23 BANs at this time in accordance with their terms; and

24 **WHEREAS**, due to tax levy rates constraints imposed on the issuance of the Bonds under
25 the provisions of Proposition 39, implemented by Section 15270 of the Education Code, the
26 District Board has requested the County to issue Bonds in the District's name which, by their
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1 terms, are subject to the compounding of interest (as further defined below, the “**Capital**
2 **Appreciation Bonds**”); and

3 **WHEREAS**, pursuant to the provisions of Assembly Bill 182 (“**AB 182**”), implemented
4 by Section 15146(b) of the Education Code and Section 53508.6 of the Government Code,
5 Capital Appreciation Bonds may only be issued upon certain additional determinations and
6 considerations to be made by the District Board; and

7 **WHEREAS**, the District Board has advised the County that it has complied in all respects
8 with the provisions of AB 182 necessary in order to issue Capital Appreciation Bonds, and has
9 provided a summary of its determinations, as reflected in Exhibit D to this Resolution, which is
10 by this reference incorporated herein; and

11 **WHEREAS**, the District Board has determined that it is desirable to sell the Bonds
12 pursuant to a negotiated underwriting to Piper Jaffray & Co., as underwriter (the “**Underwriter**”)
13 pursuant to a Contract of Purchase (as defined herein), a form of which has been submitted to this
14 meeting of the Board and is appended hereto as Exhibit C, which is incorporated herein by this
15 reference (the “**Contract of Purchase**”); and

16 **WHEREAS**, a form of continuing disclosure undertaking (the “**Continuing Disclosure**
17 **Undertaking**”), attached as Appendix C to the Preliminary Official Statement, has been
18 submitted to this meeting of the Board and is on file with the Clerk; and

19 **WHEREAS**, the District Board has requested under the District Resolution that the
20 County should levy and collect an *ad valorem* property tax on all taxable property within the
21 District sufficient to provide for payment of the Bonds, so that the Auditor-Controller of the
22 County (the “**Auditor-Controller**”), the Treasurer and Tax Collector of the County (the
23 “**Treasurer**”) and other officials of the County should take such actions as shall be necessary to
24 provide for the levy and collection of such tax and payment of the Bonds; and

25 **WHEREAS**, all acts, conditions and other matters required by law to be done or
26 performed have been done and performed in strict conformity with the laws authorizing the
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1 issuance of general obligation bonds of the District, and the indebtedness of the District,
2 including this proposed issue of the Bonds, is within all limits prescribed by law;

3 **NOW THEREFORE, IT IS ORDERED** by the Board of Supervisors of the County of
4 Riverside as follows:

5 SECTION 1. Definitions. Capitalized terms used but not defined herein shall
6 have the meanings set forth in the Recitals hereto. Additionally, the following terms shall for all
7 purposes of this Resolution have the following meanings:

8 "Accreted Value" shall mean with respect to any Capital Appreciation Bond as of any
9 date of calculation, the sum of the Denominational Amount thereof and the interest accreted
10 thereon to such date of calculation, compounded from the Date of Delivery at the stated accretion
11 rate thereof on each February 1 and August 1, or as otherwise set forth in the Contract of
12 Purchase, assuming in any such semiannual period that such Accreted Value increases in equal
13 daily amounts on the basis of a 360-day year of twelve 30-day months.

14 "Authorized Denominations" shall mean, (a) as to Current Interest Bonds, \$5,000
15 Principal Amount or any integral multiple thereof, and (b) as to Capital Appreciation Bonds,
16 \$5,000 in Maturity Amount or any integral multiple thereof.

17 "Authorized Investments" shall mean the Riverside County Investment Pool (or other
18 investment pools of the County into which District funds may lawfully be invested), the Local
19 Agency Investment Fund of the State, any investment authorized pursuant to Section 16429.1 and
20 Section 53601 of the Government Code, or in shares in a California common law trust established
21 pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in
22 investments permitted by Section 53635 of the Government Code, or in guaranteed investment
23 contracts in general obligations of the United States of America (including State and Local
24 Government Securities of the Department of the Treasury) (provided that such investments
25 comply with the requirements of Section 148 of the Code and with the requirements of the Bond
26 Insurer, if any, as shall be applicable.

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1 “Authorized Officer of the County” shall mean the officers of the County, including the
2 Treasurer, the Deputy Treasurer and their authorized representatives, authorized to act with
3 regard to general obligation bond matters.

4 “Authorized Officer of the District” shall mean the officers of the District, including the
5 Superintendent, the Assistant Superintendent, Business Services and their authorized
6 representatives, and the President and Clerk of the District Board.

7 “Authorizing Law” shall mean, collectively, Article 4.5 of Chapter 3 of Part 1 of Division
8 2 of Title 5 of the California Government Code; and Article XIII A of the California Constitution.

9 “Bond Counsel” shall mean Nixon Peabody LLP or any other firm that is a nationally
10 recognized bond counsel firm.

11 “Bond Register” shall mean the books referred to in Section 17 of this Resolution.

12 “Building Fund” shall mean the Building Fund of the District, established at the direction
13 of the District.

14 “Business Day” shall mean a day which is not a Saturday, Sunday or a day on which
15 banking institutions in the State or the State of New York and the New York Stock Exchange are
16 authorized or required to be closed.

17 “Capital Appreciation Bonds” shall mean the Bonds accreting interest on the
18 Denominational Amount thereof, designated as such in Section 10 of this Resolution.

19 “Code” shall mean the Internal Revenue Code of 1986, as amended.

20 “Contract of Purchase” shall mean the Contract of Purchase by and among the County, the
21 District and the Underwriter relating to the Bonds.

22 “Costs of Issuance” shall mean all of the authorized costs of issuing the Bonds as
23 described in Section 15145(a) of the Education Code, including but not limited to, all printing and
24 document preparation expenses in connection with this Resolution, the Bonds and the Preliminary
25 Official Statement and the Official Statement pertaining to the Bonds and any and all other
26 agreements, instruments, certificates or other documents prepared in connection therewith; rating
27 agency fees; auditor’s fees; CUSIP service bureau charges; legal fees and expenses of counsel
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1 with respect to the financing, including the fees and expenses of Bond Counsel and Disclosure
2 Counsel; the fees and expenses of the Financial Advisor; the fees and expenses of the Paying
3 Agent, the Escrow Agent and Verification Agent; fees for credit enhancement (if any) relating to
4 the Bonds; the discount of the Underwriter; and other fees and expenses incurred in connection
5 with the issuance of the Bonds, to the extent such fees and expenses are approved by the District.

6 “Current Interest Bonds” shall mean the Bonds bearing interest payable semiannually,
7 designated as such in Section 9 of this Resolution.

8 “Date of Delivery” shall mean the date of issuance of the Bonds.

9 “Debt Service” shall have the meaning given to that term in Section 19 of this Resolution.

10 “Debt Service Fund” shall mean the Debt Service Fund established pursuant to Section 19
11 of this Resolution.

12 “Denominational Amount” shall mean, as to any Capital Appreciation Bond, the initial
13 issue amount thereof.

14 “Depository” shall mean DTC and its successors and assigns or if (a) the then-acting
15 Depository resigns from its functions as securities depository for the Bonds, or (b) the District
16 discontinues use of the Depository pursuant to this Resolution, any other securities depository
17 which agrees to follow procedures required to be followed by a securities depository in
18 connection with the Bonds.

19 “DTC” shall mean The Depository Trust Company, and its successors and assigns.

20 “Escrow Agent” shall mean U.S. Bank National Association, as escrow agent under the
21 Escrow Agreement.

22 “Escrow Agreement” shall mean that certain Escrow Agreement, by and between the
23 District and the Escrow Agent, providing for the defeasance of the BANs, approved as to form by
24 the District Resolution.

25 “Escrow Fund” shall mean the fund by that name established with the Escrow Agent
26 under the Escrow Agreement.

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1 “EMMA” shall mean the Electronic Municipal Market Access website of the MSRB,
2 currently located at <http://emma.msrb.org>.

3 “Excess Earnings Fund” shall mean the Excess Earnings Fund established pursuant to
4 Section 21 of this Resolution.

5 “Financial Advisor” shall mean Fieldman Rolapp & Associates, as Financial Advisor to
6 the District.

7 “Fiscal Year” shall mean the twelve-month period commencing on July 1 of each year and
8 ending on the following June 30 or any other fiscal year selected by the District.

9 “Government Code” shall mean the Government Code of the State.

10 “Information Services” shall mean EMMA and, in accordance with then-current
11 guidelines of the Securities and Exchange Commission, such other addresses and/or such other
12 services providing information with respect to called bonds as the District may designate in a
13 certificate of the District, delivered to the Paying Agent.

14 “Interest Payment Date” shall mean with respect to (i) any Current Interest Bond,
15 February 1 and August 1 in each year, commencing on August 1, 2015, or as otherwise specified
16 in the Contract of Purchase, and (ii) any Capital Appreciation Bond, the maturity or prior
17 redemption date thereof.

18 “Maturity Amount” shall mean the Accreted Value of any Capital Appreciation Bond on
19 its maturity date.

20 “Moody’s” shall mean Moody’s Investors Service, its successors and assigns, except that
21 if such corporation shall no longer perform the functions of a securities rating agency for any
22 reason, the term “Moody’s” shall be deemed to refer to any other nationally recognized securities
23 rating agency selected by the District.

24 “MSRB” means the Municipal Securities Rulemaking Board or any other entity
25 designated or authorized by the Securities and Exchange Commission to receive the reports
26 described in the Continuing Disclosure Undertaking. Until otherwise designated by the MSRB or
27 the Securities and Exchange Commission, filings with the MSRB are to be made through EMMA.
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1 “Nominee” shall mean the nominee of the Depository which may be the Depository, as
2 determined from time to time by the Depository.

3 “Official Statement” shall mean the final official statement of the District describing the
4 Bonds.

5 “Outstanding” when used with reference to the Bonds, shall mean, as of any date, Bonds
6 theretofore issued or thereupon being issued under this Resolution except:

- 7 (i) Bonds canceled at or prior to such date;
- 8 (ii) Bonds in lieu of or in substitution for which other Bonds shall have
9 been delivered pursuant to Section 15 or Section 16 hereof;
- 10 (iii) Bonds for the payment or redemption of which funds or eligible
11 securities in the necessary amount shall have been set aside
12 (whether on or prior to the maturity or redemption date of such
13 Bonds), in accordance with Section 44 of this Resolution.

14 “Owner” shall mean the registered owner, as indicated in the Bond Register, of any Bond.

15 “Participant” shall mean a member of or participant in the Depository.

16 “Paying Agent” shall mean the paying agent designated pursuant to Section 33 hereof.

17 “Pledged Moneys” shall have the meaning given to that term in Section 20 of this
18 Resolution.

19 “Preliminary Official Statement” shall mean the Preliminary Official Statement of the
20 District, the form of which was submitted to and approved by the District Board pursuant to the
21 District Resolution.

22 “Principal” or “Principal Amount” shall mean, as of any date of calculation, with respect
23 to (i) any Current Interest Bond, the principal amount thereof, and (ii) any Capital Appreciation
24 Bond, the Denominational Amount thereof.

25 “Projects” shall include the capital improvements further described in Section 7 of this
26 Resolution and delineated in the ballot presented to and approved by the voters of the District at
27 the Election.

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1 “Project Costs” shall mean all of the expenses of and incidental to the construction,
2 acquisition, equipping or furnishing of the Projects to be funded with the proceeds of the Bonds.

3 “Record Date” shall mean the close of business on the fifteenth calendar day of the month
4 next preceding an Interest Payment Date.

5 “Regulations” shall mean the regulations of the United States Department of the Treasury
6 proposed or promulgated under Sections 103 and 141 through 150 of the Code which by their
7 terms are effective with respect to the Bonds and similar Treasury Regulations to the extent not
8 inconsistent with Sections 103 and 141 through 150 of the Code, including regulations
9 promulgated under Section 103 of the Code.

10 “S&P” shall mean Standard & Poor’s Ratings Services, a Standard & Poor’s Financial
11 Services LLC business, its successors and assigns, except that if such corporation shall no longer
12 perform the functions of a securities rating agency for any reason, the term “S&P” shall be
13 deemed to refer to any other nationally recognized securities rating agency selected by the
14 District.

15 “Securities Depositories” shall mean The Depository Trust Company, 55 Water Street,
16 New York, New York 10041, Facsimile transmission: (212) 785-9681, (212) 855-3215, and, in
17 accordance with then-current guidelines of the Securities and Exchange Commission, such other
18 addresses and/or such other securities depositories as the District may designate in a certificate
19 delivered to the Paying Agent.

20 “State” shall mean the State of California.

21 “Supplemental Resolution” shall mean any resolution supplemental to or amendatory of
22 this Resolution, adopted by the District in accordance with Section 41 or Section 42 hereof.

23 “Tax Exemption Certificate” shall mean the Tax Exemption Certificate of the District
24 delivered in connection with the issuance of the Bonds.

25 “Transfer Amount” shall mean, with respect to (i) any Current Interest Bond, the
26 aggregate Principal amount thereof, and (ii) any Capital Appreciation Bond, the Accreted Value
27 thereof.

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1 “Treasurer” shall mean the Treasurer and Tax Collector of the County, or any designated
2 deputy thereof.

3 SECTION 2. Rules of Construction. Words of the masculine gender shall be
4 deemed and construed to include correlative words of the feminine and neuter genders, and vice
5 versa. Except where the context otherwise requires, words importing the singular shall include
6 the plural and vice versa, and words importing persons shall include firms, associations and
7 corporations, including public bodies, as well as natural persons.

8 SECTION 3. Authority for this Resolution. The Bonds are authorized to be
9 issued and sold by the County in the name and on behalf of the District pursuant to the California
10 Constitution, the Election, the Authorization, the District Resolution, this Resolution, the
11 provisions of Government Code sections 53506 *et seq.*, and to the extent applicable, Education
12 Code Sections 15100 *et seq.* and 15264 *et seq.*

13 SECTION 4. Resolution to Constitute Contract. In consideration of the
14 purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those
15 who shall own the same from time to time, this Resolution shall be deemed to be and shall
16 constitute a contract among the County, the District and the Owners from time to time of the
17 Bonds; and the pledge made in this Resolution shall be for the equal benefit, protection and
18 security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of
19 their issuance or maturity, shall be of equal rank without preference, priority or distinction of any
20 of the Bonds over any other thereof.

21 SECTION 5. Approval of Documents; Determination of Method of Sale and
22 Terms of Bonds.

23 (a) The Authorized Officers of the County, in consultation with Bond Counsel
24 and the Authorized Officers of the District are, and each of them acting alone is, hereby
25 authorized and directed to issue and deliver the Bonds and to establish the initial aggregate
26 principal amount thereof; provided, however, that such initial aggregate principal amount shall
27 not exceed \$45,000,000.

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1 (b) The form of the Contract of Purchase is hereby approved. The Treasurer is
2 authorized and directed to execute and deliver the Contract of Purchase to the Underwriter for and
3 in the name and on behalf of the District, with such additions, changes or corrections therein as
4 the Treasurer may approve in his or her discretion as being in the best interests of the District,
5 including, without limitation (i) such changes as are necessary to reflect the final terms of the
6 Bonds to the extent such terms differ from those set forth in this Resolution, such approval to be
7 conclusively evidenced by the Treasurer's execution thereof and (ii) any other documents
8 required to be executed thereunder. The Treasurer is hereby authorized to negotiate with the
9 Underwriter the terms, maturities, interest rates and series of the Bonds and the purchase price of
10 the Bonds to be paid by the Underwriter, which purchase price shall reflect an Underwriter's
11 discount of not more than 1.00% (not including original issue discount) of the Principal Amount
12 thereof, if the conditions set forth in this Resolution are met. The interest rate on the Bonds shall
13 not exceed the maximum allowed under law. All Principal of the Current Interest Bonds shall be
14 payable within 30 years of the date of issuance of the Bonds. All Principal of the Capital
15 Appreciation Bonds shall be payable within 25 years of the date of issuance of the Bonds.

16 (c) This Board also hereby authorizes the preparation of a paying agent
17 agreement in connection with the Bonds, in such form as shall be determined by an Authorized
18 Officer of the County, such determination to be conclusively evidenced by the execution and
19 delivery of the paying agent agreement by such Authorized Officer of the County.

20 SECTION 6. Authorization of Officers. The Authorized Officers of the
21 County are, and each of them acting alone is, hereby authorized to execute any and all documents
22 and do and perform any and all acts and things, from time to time, consistent with this Resolution
23 and necessary or appropriate to carry the same into effect and to carry out its purposes.

24 SECTION 7. Use of Bond Proceeds. The proceeds of the Bonds shall be used
25 for (a) the refunding and defeasance of the BANs, (b) the financing of the acquisition,
26 construction, furnishing and equipping of facilities for certain of the Projects authorized at the
27 Election, the bond proposition and Project List approved at the Election which shall be
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1 incorporated herein by this reference as though fully set forth in this Resolution; and (c) the
2 payment of the Costs of Issuance of the Bonds.

3 SECTION 8. Designation and Form; Payment.

4 (a) An issue of Bonds in one or more series entitled to the benefit, protection
5 and security of this Resolution is hereby authorized in an aggregate principal amount not to
6 exceed \$45,000,000. Such Bonds shall be general obligations of the District, payable as to
7 Principal, premium, if any, and interest from *ad valorem* taxes to be levied upon all of the taxable
8 property in the District. The Bonds shall be designated the "Val Verde Unified School District
9 General Obligation Bonds, 2012 Election, Series 2015B." The Bonds may be issued as Current
10 Interest Bonds or Capital Appreciation Bonds, or a combination of both, may be issued as serial
11 bonds or term bonds, and shall be subject to redemption as set forth in the Contract of Purchase,
12 subject to the provisions of this Resolution.

13 (b) The forms of the Bonds shall be substantially in conformity with the
14 standard form of registered bonds, copies of which are attached hereto as Exhibits A and B hereto
15 and incorporated herein by this reference, with such changes as are necessary to reflect the final
16 terms of the Bonds.

17 (c) Principal of and, premium, if any, and interest on any Bond shall be
18 payable in lawful money of the United States of America. Principal and premium, if any, shall be
19 payable upon surrender thereof at maturity or earlier redemption at the office designated by the
20 Paying Agent.

21 SECTION 9. Description of Current Interest Bonds.

22 (a) The Bonds issued as Current Interest Bonds shall be issued in fully
23 registered form, in Authorized Denominations of \$5,000 or any integral multiple thereof. The
24 Current Interest Bonds shall be dated and shall mature on the dates, in the years and in the
25 Principal Amounts, and interest shall be computed at the rates, as set forth in the Contract of
26 Purchase.

1 (b) Interest on each Current Interest Bond shall accrue from its dated date as
2 set forth in the Contract of Purchase. Interest on the Current Interest Bonds shall be computed
3 using a year of 360 days comprised of twelve 30-day months and shall be payable on each
4 Interest Payment Date to the Owner thereof as of the close of business on the Record Date.
5 Interest on each Current Interest Bond will be payable from the Interest Payment Date next
6 preceding the date of registration thereof, unless (i) it is registered after the close of business on
7 any Record Date and before the close of business on the immediately following Interest Payment
8 Date, in which event interest thereon shall be payable from such following Interest Payment Date;
9 or (ii) it is registered prior to the close of business on the first Record Date, in which event
10 interest shall be payable from its dated date; provided, however, that if at the time of registration
11 of any Current Interest Bond, interest with respect thereto is in default, interest thereon shall be
12 payable from the Interest Payment Date to which interest has previously been paid or made
13 available for payment. Payments of interest on the Current Interest Bonds will be made on each
14 Interest Payment Date by check or draft of the Paying Agent sent by first-class mail, postage
15 prepaid, to the Owner thereof on the Record Date, or by wire transfer to any Owner of \$1,000,000
16 aggregate Principal Amount or more of such Current Interest Bonds, to the account specified by
17 such Owner in a written request delivered to the Paying Agent on or prior to the Record Date for
18 such Interest Payment Date; provided, however, that payments of defaulted interest shall be
19 payable to the person in whose name such Current Interest Bond is registered at the close of
20 business on a special record date fixed therefor by the Paying Agent which shall not be more than
21 fifteen days and not less than ten days prior to the date of the proposed payment of defaulted
22 interest.

23 SECTION 10. Description of the Capital Appreciation Bonds.

24 (a) The Bonds issued as Capital Appreciation Bonds shall be issued in fully
25 registered form in any Denominational Amount but shall reflect denominations of \$5,000
26 Maturity Amount or any integral multiple thereof, shall mature on the dates, in the years and in
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1 the Maturity Amounts and shall accrete interest at the accretion rates, all as set forth in the
2 Contract of Purchase.

3 (b) Interest on each Capital Appreciation Bond shall be compounded
4 semiannually on February 1 and August 1 of each year until maturity, or as otherwise set forth in
5 the Contract of Purchase, commencing on the date set forth therein, computed using a year of 360
6 days comprised of twelve 30-day months, and shall be payable only at maturity as part of the
7 Maturity Amount.

8 SECTION 11. Required Information Regarding Capital Appreciation Bonds
9 under AB 182. Pursuant to Government Code Section 53508.5 and Education Code Section
10 15146(b) and (c), the District Board was presented with information related to the Capital
11 Appreciation Bonds regarding: (i) their proposed financing term and time of maturity; (ii) their
12 repayment ratio; and (iii) the estimated change in assessed valuation of taxable property in the
13 District over the term of the Bonds. Items described in Exhibit D summarize the information
14 provided to the District Board prior to its adoption of the District Resolution. The District has
15 covenanted in the District Resolution that the issuance of the Bonds will not result in a ratio of
16 total Debt Service (as defined on pg. 6) on the Bonds to the Principal Amount of more than
17 4.0:1.0 as mandated by Section 15144.1 of the Education Code. The Underwriter's Rule G-17
18 submission was provided to the District Board.

19 SECTION 12. Tax Covenants. In order to maintain the exclusion from gross
20 income for federal income tax purposes of interest on the Bonds, the District has, pursuant to the
21 District Resolution, covenanted to comply with each applicable requirement of Section 103 and
22 Sections 141 through 150 of the Code. The District has agreed to deliver instructions to
23 the Paying Agent as may be necessary in order to comply with the Nonarbitrage Certificate.

24 SECTION 13. Book-Entry System.

25 (a) The Bonds shall be initially issued in the form of a separate single fully
26 registered Bond for each of the maturities of the Bonds. Separate Bonds may be issued to
27 represent Bonds maturing in the same years, if any.

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1 Upon initial issuance, the ownership of each such global Bond shall be registered in the
2 Bond Register in the name of the Nominee as nominee of the Depository. Except as provided in
3 subsection (c) hereof, all of the Outstanding Bonds shall be registered in the Bond Register in the
4 name of the Nominee and the Bonds may be transferred, in whole but not in part, only to the
5 Depository, to a successor Depository or to another nominee of the Depository or of a successor
6 Depository. Each Bond shall bear a legend describing restrictions on transfer, as may be
7 prescribed by the Depository.

8 With respect to Bonds registered in the Bond Register in the name of the Nominee, the
9 County shall have no responsibility or obligation to any Participant or to any person on behalf of
10 which such a Participant holds a beneficial interest in the Bonds. Without limiting the
11 immediately preceding sentence, the District shall have no responsibility or obligation with
12 respect to (i) the accuracy of the records of the Depository, the Nominee or any Participant with
13 respect to any beneficial ownership interest in the Bonds, (ii) the delivery to any Participant,
14 beneficial owner or any other person, other than the Depository, of any notice with respect to the
15 Bonds, including any Redemption Notice (as defined in Section 29 below), (iii) the selection by
16 the Depository and the Participants of the beneficial interests in the Bonds to be redeemed in part,
17 or (iv) the payment to any Participant, beneficial owner or any other person, other than the
18 Depository, of any amount with respect to Principal of, premium, if any, and interest on the
19 Bonds. The District and the Paying Agent may treat and consider the person in whose name each
20 Bond is registered in the Bond Register as the holder and absolute Owner of such Bond for the
21 purpose of payment of Principal of, premium, if any, and interest on such Bond, for the purpose
22 of giving Redemption Notices and other notices with respect to such Bond, and for all other
23 purposes whatsoever, including, without limitation, registering transfers with respect to the
24 Bonds.

25 The Paying Agent shall pay all Principal of, premium, if any, and interest on the Bonds
26 only to the respective Owners, as shown in the Bond Register, and all such payments shall be
27 valid hereunder with respect to payment of Principal of, premium, if any, and interest on the
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1 Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the
2 Bond Register, shall receive a Bond evidencing the obligation to make payments of Principal of,
3 premium, if any, and interest, pursuant to this Resolution. Upon delivery by the Depository to the
4 Paying Agent and the County of written notice to the effect that the Depository has determined to
5 substitute a new nominee in place of the Nominee, and subject to the provisions hereof with
6 respect to Record Dates, the word "Nominee" in this Resolution shall refer to such new nominee
7 of the Depository.

8 (b) In order to qualify the Bonds for the Depository's book-entry system, the
9 District is hereby authorized to execute and deliver to such Depository a letter from the District
10 representing such matters as shall be necessary to so qualify the Bonds (the "**Representation**
11 **Letter**"). The execution and delivery of the Representation Letter shall not in any way limit the
12 provisions of subsection (a) hereof or in any other way impose upon the County any obligation
13 whatsoever with respect to persons having beneficial interests in the Bonds other than the
14 Owners, as shown in the Bond Register. In addition to the execution and delivery of the
15 Representation Letter, the District, the County and the Authorized Officers of each are hereby
16 authorized to take any other actions, not inconsistent with this Resolution, to qualify the Bonds
17 for the Depository's book-entry program.

18 (c) If at any time, the Depository notifies the County that it is unwilling or
19 unable to continue as Depository with respect to the Bonds or if at any time the Depository shall
20 no longer be registered or in good standing under the Securities Exchange Act or other applicable
21 statute or regulation and a successor Depository is not appointed by the District within 90 days
22 after the County receives notice or become aware of such condition, as the case may be,
23 subsection (a) hereof shall no longer be applicable and the County shall cause the issuance of
24 bonds representing the Bonds as provided below. In addition, the County may determine at any
25 time that the Bonds shall no longer be lodged with a Depository and that the provisions of
26 subsection (a) hereof shall no longer apply to the Bonds. In any such event, the County shall
27 cause the execution and delivery of certificated securities representing the Bonds as provided
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1 below. Bonds issued in exchange for global bonds pursuant to this Subsection (c) shall be
2 registered in such names and delivered in such denominations as the Depository shall instruct the
3 County. The County shall cause delivery of such certificated securities representing the Bonds to
4 the persons in whose names such Bonds are so registered.

5 If the County determines to replace the Depository with another qualified securities
6 depository, the County shall prepare or cause to be prepared a new fully registered global Bond
7 for each of the maturities of Bonds, registered in the name of such successor or substitute
8 securities depository or its nominee, or make such other arrangements as are acceptable to the
9 County and such securities depository and not inconsistent with the terms of this Resolution.

10 (d) Notwithstanding any other provision of this Resolution to the contrary, so
11 long as any Bond is registered in the name of the Nominee, all payments of Principal of,
12 premium, if any, and interest on such Bond and all notices with respect to such Bond shall be
13 made and given, respectively, as provided in the Representation Letter or as otherwise instructed
14 by the Depository.

15 (e) The initial Depository under this Resolution shall be DTC. The initial
16 Nominee shall be Cede & Co., as nominee of DTC.

17 (f) The County, the District and the Paying Agent shall have no responsibility
18 for transmitting payments to, communicating with, notifying, or otherwise dealing with any
19 beneficial owners of the Bonds, and neither the County, the District nor the Paying Agent shall
20 have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other
21 party, including the Depository or its Nominee, for any failure of the Depository or its Nominee
22 to provide notices, distribute payments on the Bonds nor take other actions concerning the
23 beneficial owners of the Bonds, which are the responsibility of the Depository and its Nominee.

24 SECTION 14. Execution of the Bonds.

25 (a) The Bonds shall be executed by the facsimile or manual signature of the
26 Chairperson of the Board, and countersigned by the facsimile or manual signature of the Clerk of
27 the Board. In case any one or more of the Authorized Officers of the County who shall have
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1 signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been
2 issued on behalf of the District, such Bonds may, nevertheless, be issued, as herein provided, as if
3 the Authorized Officers of the County who signed such Bonds had not ceased to hold such
4 offices. Any of the Bonds may be signed on behalf of the County by such persons as at the time
5 of the execution of such Bonds shall be duly authorized to hold or shall hold the proper offices in
6 the County, although at the date borne by the Bonds, such persons may not have been so
7 authorized or have held such offices.

8 (b) The Bonds shall bear thereon a certificate of authentication executed
9 manually by the Paying Agent. Only such Bonds as shall bear thereon such certificate of
10 authentication duly executed by the Paying Agent shall be entitled to any right or benefit under
11 this Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of
12 authentication shall have been duly executed by the Paying Agent, which shall be conclusive
13 evidence that the Bond so authorized has been duly authenticated and delivered under this
14 Resolution and that the Owner thereof is entitled to the benefit of this Resolution.

15 SECTION 15. Transfer and Exchange. The registration of any Bond may be
16 transferred upon the Bond Register upon surrender of such Bond to the Paying Agent. Such Bond
17 shall be endorsed or accompanied by delivery of the written instrument of transfer shown in one
18 of the Exhibits hereto, duly executed by the Owner or his duly authorized attorney, and payment
19 of such reasonable transfer fees as the Paying Agent may establish. Upon such registration of
20 transfer, a new Bond or Bonds, of like tenor and maturity in the same Principal Amount and in
21 Authorized Denominations will be executed and delivered to the transferee in exchange therefor.

22 The Paying Agent shall deem and treat the person in whose name any Outstanding Bond
23 shall be registered upon the Bond Register as the absolute owner of such Bond, whether the
24 Principal, premium, if any, or interest with respect to such Bond shall be overdue or not, for the
25 purpose of receiving payment of Principal of and, premium, if any, and interest on such Bond and
26 for all other purposes, and any such payments so made to any such Owner or upon his order shall
27 be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the
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1 sum or sums so paid, and the District or the Paying Agent shall not be affected by any notice to
2 the contrary.

3 Bonds may be exchanged at the office of the Paying Agent for Bonds of like tenor,
4 maturity and Principal Amount. All Bonds surrendered in any such exchange shall thereupon be
5 cancelled by the Paying Agent. The Paying Agent may charge the Owner a reasonable sum for
6 each new Bond executed and delivered upon any exchange (except in the case of the first
7 exchange of any Bond in the form in which it is originally delivered, for which no charge shall be
8 imposed) and the Paying Agent may require the payment by the Owner requesting such exchange
9 of any tax or other governmental charge required to be paid with respect to such exchange.

10 The Paying Agent shall not be required to register the transfer or exchange of any Bond
11 (i) during the period beginning at the close of business on any Record Date through the close of
12 business on the immediately following Interest Payment Date, or (ii) that has been called or is
13 subject to being called for redemption, during a period beginning at the opening of business 15
14 days before any selection of Bonds to be redeemed through the close of business on the
15 applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only
16 in part.

17 SECTION 16. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond
18 shall become mutilated, the Paying Agent, at the expense of the Owner, shall deliver a new Bond
19 of like date, interest rate, maturity, Transfer Amount and tenor as the Bond so mutilated in
20 exchange and substitution for such mutilated Bond, upon surrender and cancellation thereof. All
21 Bonds so surrendered shall be cancelled. If any Bond shall be destroyed, stolen or lost, evidence
22 of such destruction, theft or loss may be submitted to the Paying Agent and if such evidence is
23 satisfactory to the Paying Agent that such Bond has been destroyed, stolen or lost, and upon
24 furnishing the Paying Agent with indemnity satisfactory to the Paying Agent and complying with
25 such other reasonable regulations as the Paying Agent may prescribe and paying such expenses as
26 the Paying Agent may incur, the Paying Agent shall, at the expense of the Owner, execute and
27 deliver a new Bond of like date, interest rate, maturity, Transfer Amount and tenor in lieu of and
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1 in substitution for the Bond so destroyed, stolen or lost. Any new Bonds issued pursuant to this
2 Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original
3 additional contractual obligations on the part of the District, whether or not the Bonds so alleged
4 to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured
5 by and entitled to equal and proportionate benefits with all other Bonds issued under this
6 Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of
7 the Bonds.

8 SECTION 17. Bond Register. The Paying Agent shall keep or cause to be kept
9 at its office sufficient books for the registration and registration of transfer of the Bonds. Upon
10 presentation for registration of transfer, the Paying Agent shall, as above provided and under such
11 reasonable regulations as it may prescribe subject to the provisions hereof, register or register the
12 transfer of the Bonds, or cause the same to be registered or cause the registration of the same to
13 be transferred, on such books. While the Bonds are held in the book-entry system, the Paying
14 Agent is not required to keep the Bond Register.

15 SECTION 18. Unclaimed Money. All money which the Paying Agent shall
16 have received from any source and set aside for the purpose of paying or redeeming any of the
17 Bonds shall be held in trust for the respective Owners of such Bonds, but any money which shall
18 be so set aside or deposited by the Paying Agent and which shall remain unclaimed by the
19 Owners of such Bonds for a period of one year after the date on which any payment or
20 redemption with respect to such Bonds shall have become due and payable shall be transferred to
21 the General Fund of the District; provided, however, that the Paying Agent, before making such
22 payment, shall cause notice to be mailed to the Owners of such Bonds, by first-class mail, postage
23 prepaid, not less than 90 days prior to the date of such payment to the effect that said money has
24 not been claimed and that after a date named therein any unclaimed balance of said money then
25 remaining will be transferred to the General Fund of the District. Thereafter, the Owners of such
26 Bonds shall look only to the General Fund of the District for payment of such Bonds.

1 SECTION 19. Application of Proceeds.

2 (a) A portion of the proceeds of sale of the Bonds as designated by the District
3 shall be transferred to the Escrow Agent for deposit into an Escrow Fund established under the
4 Escrow Agreement in an amount necessary to defease the BANS through the first prepayment
5 date therefor.

6 (b) A portion of the proceeds of sale of the Bonds as designated by the District,
7 exclusive of any original issue premium, shall be deposited into the Building Fund. The District
8 shall, from time to time, disburse or cause to be disbursed amounts from the Building Fund to pay
9 Project Costs. Amounts in the Building Fund shall be invested so as to be available for the
10 aforementioned disbursements. The District shall keep a written record of disbursements from
11 the Building Fund.

12 (c) Except as shall otherwise be directed by the County in accordance with
13 applicable law, any original issue premium received by the District from the sale of the Bonds
14 shall be kept separate and apart in the fund hereby created and established and to be designated as
15 the "Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2015B
16 Debt Service Fund" (the "**Debt Service Fund**") and used only for payment of Principal of and
17 premium, if any, and interest on the Bonds. Any excess proceeds of the Bonds not needed for the
18 authorized purposes set forth herein for which the Bonds are being issued shall be transferred to
19 the Debt Service Fund and applied to the payment of the Principal of and interest on the Bonds.
20 The Treasurer is authorized to create any accounts and subaccounts in the Debt Service Fund as
21 may be necessary or advisable and as provided in the Nonarbitrage Certificate.

22 (d) All Pledged Moneys (defined below) shall be deposited upon collection by
23 the County into the Debt Service Fund and used for the payment of the Principal of, premium, if
24 any, and interest on the Bonds.

25 (e) On the Business Day immediately preceding each Interest Payment Date if
26 the Paying Agent is not the Treasurer, and on the Interest Payment Date if the Paying Agent is the
27 Treasurer, the District shall transfer or cause to be transferred from the Debt Service Fund to the
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1 Paying Agent, an amount, in immediately available funds, sufficient to pay all the Principal of,
2 premium, if any, and interest on the Bonds coming due (collectively, “Debt Service”) on such
3 payment date. Debt Service on the Bonds shall be paid by the Paying Agent in the manner
4 provided by law for the payment of Debt Service.

5 (f) The District shall cause moneys to be transferred to the Excess Earnings
6 Fund, to the extent needed to comply with the Nonarbitrage Certificate. Any amounts on deposit
7 in the Debt Service Fund when there are no longer any Bonds Outstanding shall be transferred to
8 the General Fund of the District subject to any conditions set forth in the Nonarbitrage Certificate.

9 (g) Certain proceeds of the Bonds may be applied to pay Costs of Issuance as
10 provided in Section 22 below.

11 (h) Except as required to satisfy the requirements of Section 148(f) of the Code
12 or to comply with the provisions of the Nonarbitrage Certificate, interest earned on the investment
13 of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used to
14 pay Principal of and premium, if any, and interest on the Bonds when due.

15 SECTION 20. Payment of and Security for the Bonds. There shall be levied
16 on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad*
17 *valorem* tax annually during the period the Bonds are outstanding in an amount sufficient to pay
18 the Principal of and interest on the Bonds when due, which monies when collected will be placed
19 in the Debt Service Fund of the District, which fund is irrevocably pledged for the payment of the
20 Principal of and interest on the Bonds when and as the same fall due (the “Pledged Moneys”).
21 The tax levy may include an allowance for a reasonably required reserve in accordance with the
22 Nonarbitrage Certificate, established for the purpose of ensuring that the tax or assessment
23 actually collected is sufficient to pay the annual debt service requirements on the Bonds due in
24 such fiscal year. The County shall take all actions necessary to levy such *ad valorem* tax in
25 accordance with this Section, Section 15140 of the Education Code and Section 53508.7 of the
26 Government Code.

1 Except as required below to satisfy the requirements of Section 148(f) of the Code,
2 interest earned on the investment of monies held in the Debt Service Fund shall be retained in the
3 Debt Service Fund and used to pay Principal of and premium, if any, and interest on the Bonds
4 when due.

5 SECTION 21. Establishment and Application of Excess Earnings Fund. There
6 is hereby established in trust a special fund designated “Val Verde Unified School District
7 General Obligation Bonds, 2012 Election, Series 2015B Excess Earnings Fund” (the “**Excess**
8 **Earnings Fund**”) which shall be held by the Treasurer for the account of the District and which
9 shall be kept separate and apart from all other funds and accounts held hereunder. The District
10 shall have the obligation to manage the Excess Earnings Fund in accordance with the provisions
11 of the Nonarbitrage Certificate.

12 SECTION 22. Payment of Costs of Issuance. Proceeds of the sale of the
13 Bonds necessary to pay certain costs of issuing the Bonds shall be deposited in the fund of the
14 District known as the “Val Verde Unified School District General Obligation Bonds, 2012
15 Election, Series 2015B Costs of Issuance Fund” (the “**Costs of Issuance Fund**”) and shall be
16 kept separate and distinct from all other District funds, and those proceeds shall be used solely for
17 the purpose of paying Costs of Issuance of the Bonds. The Cost of Issuance Fund may be held
18 and administered by the Paying Agent. Any amounts remaining in the Costs of Issuance Fund
19 following payment of all Costs of Issuance shall be returned to the District and shall be
20 transferred to the Building Fund.

21 SECTION 23. Negotiated Sale/Method of Sale. Pursuant to the District
22 Resolution, the District has requested that the Bonds shall be sold by negotiated sale to the
23 Underwriter inasmuch as: (i) such a sale will allow the District to integrate the sale of the Bonds
24 with other public financings undertaken, or to be undertaken, by the District in order to fund its
25 public education facilities; (ii) such a sale will allow the District to utilize the services of
26 consultants who are familiar with the financial needs, status and plans of the District; and (iii)
27 such a sale will allow the District to control the timing of the sale of the Bonds to the municipal
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1 bond market and, potentially, take advantage of interest rate opportunities for favorable sale of
2 the Bonds to such market and the generation of savings to the taxpayers of the District, and to
3 effect the defeasance of the BANs in an efficient matter.

4 SECTION 24. Engagement of Consultants; Parameters of Sale. Pursuant to
5 the District Resolution, Nixon Peabody LLP has been selected as the District's Bond Counsel,
6 Nossaman LLP, as Disclosure Counsel, Piper Jaffray & Co. as Underwriter, and Fieldman,
7 Rolapp & Associates as Financial Advisor with respect to the authorization, sale and issuance of
8 the Bonds. The estimated Costs of Issuance associated with the sale of the Bonds are
9 approximately 0.7% of the initial Principal amount of the Bonds, which include those fees and
10 expenses described in the definition thereof and provided for under the Authorizing Law. In
11 addition, the Underwriter's discount, which is not included in the percentage above, shall not be
12 greater than 1.00% of the par amount. An estimate of the itemized fees and expenses is on file
13 with the Superintendent.

14 SECTION 25. Establishment of Additional Funds and Accounts. If at any
15 time it is deemed necessary or desirable by the District, the Treasurer, the County Office of
16 Education, or the Paying Agent, the District may request the Treasurer to establish additional
17 funds under this Resolution and/or accounts within any of the funds or accounts established
18 hereunder.

19 SECTION 26. Request for Necessary County Actions. The Auditor-
20 Controller, the Treasurer, and other officials of the County, are hereby directed to take and
21 authorize such actions as may be necessary pursuant to law to provide for the levy and collection
22 of a property tax on all taxable property of the District sufficient to provide for payment of all
23 Principal of, premium, if any, and interest on the Bonds as the same shall become due and
24 payable as necessary for the payment of the Bonds, and the Clerk of the Board is hereby
25 authorized and directed to deliver certified copies of this Resolution to the Clerk of the District
26 Board. The District has, pursuant to the District Resolution, agreed to reimburse the County for
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1 any costs associated with the levy and collection of said tax, upon such documentation of said
2 costs as the County shall reasonably request.

3 SECTION 27. Redemption. The Bonds shall be subject to redemption as
4 provided in the Contract of Purchase. All Capital Appreciation Bonds shall, pursuant to the
5 requirements of AB 182, be subject to redemption no later than ten (10) years following the Date
6 of Delivery.

7 SECTION 28. Selection of Bonds for Redemption.

8 (a) Whenever provision is made in this Resolution or in the Contract of
9 Purchase for the redemption of the Bonds and less than all Outstanding Bonds are to be
10 redeemed, the Paying Agent, upon written instruction from the District given at least 60 days
11 prior to the payment date designated for such redemption, shall select maturities of Bonds for
12 redemption in the manner directed by the District.

13 (b) Within a maturity, the Paying Agent shall select such Bonds for
14 redemption as directed by the District, or, in the absence of such direction, by lot. Redemption by
15 lot shall be in such manner as the Paying Agent shall determine; provided, however, that the
16 portion of any Bond to be redeemed in part shall be in the Principal Amount or Maturity Amount
17 of \$5,000 or any integral multiple thereof.

18 SECTION 29. Notice of Redemption. When redemption is authorized or
19 required pursuant to this Resolution or the Contract of Purchase, the Paying Agent, upon written
20 instruction from the District given at least 60 days prior to the payment date designated for such
21 redemption, shall give notice (each, a "**Redemption Notice**") of the redemption of the Bonds.
22 Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case
23 of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of
24 redemption, (c) the place or places where the redemption will be made, including the name and
25 address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to
26 the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part
27 and, in the case of any Bond to be redeemed in part only, the Principal Amount of such Bond to
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1 be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to
2 be redeemed in whole or in part. Such Redemption Notice shall further state (a) that on the
3 specified date there shall become due and payable upon each Bond or portion thereof being
4 redeemed the redemption price, together with the interest accrued to the redemption date, and (b)
5 that from and after such date interest with respect thereto shall cease to accrue and be payable.

6 The Paying Agent shall take the following actions with respect to such Redemption
7 Notice:

8 (a) At least 20 but not more than 45 days prior to the redemption date, such
9 Redemption Notice shall be given to the respective Owners of Bonds designated for redemption
10 by first class mail, postage prepaid, at their addresses appearing on the Bond Register, and to the
11 Information Services.

12 (b) In the event that the Bonds shall be no longer be held in book-entry-only
13 form, at least 35 but not more than 45 days before the redemption date, such Redemption Notice
14 shall be given (x) by (i) first-class mail, postage prepaid, (ii) telephonically confirmed facsimile
15 transmission, or (iii) overnight delivery service, to each of the Securities Depositories, and (y)
16 (i) first-class mail, postage prepaid, or (ii) overnight delivery service, to the Information Services.

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

22 SECTION 30. Partial Redemption of Bonds. Upon the surrender of any Bond
23 redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new
24 Bond or Bonds of like tenor and maturity and of authorized denominations equal in Transfer
25 Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be
26 valid upon payment of the amount required to be paid to such Owner, and the District shall be
27 released and discharged thereupon from all liability to the extent of such payment.

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1 SECTION 31. Conditional Notice of Redemption. Any Redemption Notice
2 given hereunder may be made conditional upon the satisfaction of certain conditions and may be
3 rescinded by the District at any time prior to the scheduled date of redemption by so notifying the
4 Owners of affected Bonds and the Information Services.

5 SECTION 32. Effect of Notice of Redemption. Notice having been given as
6 aforesaid, and the moneys for the redemption (including the interest to the applicable date of
7 redemption) having been set aside in the Debt Service Fund, or a suitable escrow fund established
8 pursuant to Section 19(a), the Bonds to be redeemed shall become due and payable on such date
9 of redemption.

10 If on such redemption date, money for the redemption of all the Bonds to be redeemed as
11 provided in this Resolution and the Contract of Purchase, together with interest to such
12 redemption date, shall be held by the Paying Agent so as to be available therefor on such
13 redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from
14 and after such redemption date, interest on the Bonds to be redeemed shall cease to accrue or
15 accrete and become payable. All money held by or on behalf of the Paying Agent for the
16 redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be
17 redeemed.

18 All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this
19 Resolution and the Contract of Purchase shall be cancelled upon surrender thereof and delivered
20 to or upon the order of the District. All or any portion of a Bond purchased by the District shall
21 be cancelled by the Paying Agent upon written notice by the District given to the Paying Agent.

22 SECTION 33. Paying Agent; Appointment and Acceptance of Duties.

23 (a) Zions First National Bank is hereby appointed as the initial authenticating
24 agent, bond registrar, transfer agent and paying agent (collectively, the “**Paying Agent**”) for the
25 Bonds. All fees and expenses incurred for services of the Paying Agent, including its third-party
26 agents, shall be the sole responsibility of the District. The Paying Agent shall keep accurate
27 records of all funds administered by it and all of the Bonds paid and discharged by it.
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1 (b) Unless otherwise provided, the office of the Paying Agent designated by
2 the Paying Agent shall be the place for the payment of Principal of, premium, if any, and interest
3 on the Bonds.

4 SECTION 34. Liability of Paying Agent. The Paying Agent makes no
5 representations as to the validity or sufficiency of this Resolution or of any Bonds issued
6 hereunder or as to the security afforded by this Resolution, and the Paying Agent shall incur no
7 liability in respect hereof or thereof.

8 SECTION 35. Evidence on Which Paying Agent May Act. The Paying Agent,
9 upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or
10 other paper or document furnished to it pursuant to any provision of this Resolution, shall
11 examine such instrument to determine whether it conforms to the requirements of this Resolution
12 and shall be protected in acting upon any such instrument believed by it to be genuine and to have
13 been signed or presented by the proper party or parties. The Paying Agent may consult with
14 counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be
15 full and complete authorization and protection in respect of any action taken or suffered by it
16 under this Resolution in good faith and in accordance therewith.

17 SECTION 36. Compensation. The District shall pay to the Paying Agent from
18 time to time reasonable compensation for all services rendered under this Resolution, and also all
19 reasonable expenses, charges, counsel fees and other disbursements, including those of its
20 attorneys, agents, and employees, incurred in and about the performance of their powers and
21 duties under this Resolution, all of which may, pursuant to Education Code Section 15232, be
22 paid from the County's annual levy of *ad valorem* taxes.

23 SECTION 37. Ownership of Bonds Permitted. The Paying Agent or the
24 Underwriter may become the Owner of any Bonds.

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SECTION 38. Resignation or Removal of Paying Agent and Appointment of Successor.

(a) The initially appointed Paying Agent may resign from service as Paying Agent at any time. Prior to such resignation a new Paying Agent shall be appointed by the District in accordance with applicable law, which shall be the Treasurer or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$50,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District a written acceptance thereof. Resignation of the initial or a successor Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(b) Any Paying Agent appointed may resign from service as Paying Agent and may be removed at any time by the District as provided in the Paying Agent's service agreement. If at any time the Paying Agent shall resign or be removed, a new Paying Agent shall be appointed in accordance with applicable law, which shall be either the Treasurer or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$50,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(c) In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor. The District shall promptly provide notice of the name and principal corporate trust office address of the Paying Agent appointed to replace any resigned or removed Paying Agent to the Owners of the Bonds by first-class mail, postage prepaid, at their addresses appearing on the Bond Register.

SECTION 39. Investment of Certain Funds. Moneys held in all funds and accounts established hereunder shall be invested and reinvested in Authorized Investments to the fullest extent practicable as shall be necessary to provide moneys when needed for payments to be

1 made from such funds and accounts, subject to any conditions in the Nonarbitrage Certificate.
2 Nothing in this Resolution shall prevent any investment securities acquired as investments of
3 funds held hereunder from being issued or held in book entry form on the books of the
4 Department of Treasury of the United States. All investment earnings on amounts on deposit in
5 the Debt Service Fund shall remain on deposit in such fund.

6 SECTION 40. Valuation and Sale of Investments. Obligations purchased as an
7 investment of moneys in any fund or account shall be deemed at all times to be a part of such
8 fund or account. Profits or losses attributable to any fund or account shall be credited or charged
9 to such fund or account. In computing the amount in any fund or account created under the
10 provisions of this Resolution for any purpose provided in this Resolution, obligations purchased
11 as an investment of moneys therein shall be valued at cost, plus, where applicable, accrued
12 interest.

13 SECTION 41. Supplemental Resolutions with Consent of Owners. This
14 Resolution, and the rights and obligations of the County, the District and of the Owners of the
15 Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution
16 adopted by the Board at the request of the District with the written consent of the Owners owning
17 at least 60% in aggregate Principal Amount of the Outstanding Bonds, exclusive of Bonds, if any,
18 owned by the District. Notwithstanding the foregoing, no such modification or amendment shall,
19 without the express consent of the Owner of each Bond affected, reduce the Principal Amount of
20 any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof,
21 extend its maturity or the times for paying interest thereon or change the monetary medium in
22 which Principal and interest is payable, nor shall any modification or amendment reduce the
23 percentage of consents required for amendment or modification. No such Supplemental
24 Resolution shall change or modify any of the rights or obligations of any Paying Agent without
25 its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall
26 be required if the Owners are not directly and adversely affected by such amendment or
27 modification.

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SECTION 42. Supplemental Resolutions Effective Without Consent of Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the County may be adopted, which, without the requirement of consent of the Owners, shall be fully effective in accordance with its terms:

(a) To add to the covenants and agreements to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

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

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

(d) To cure any ambiguity, supply any omission, or cure to correct any defect or inconsistent provision in this Resolution; or

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

SECTION 43. Effect of Supplemental Resolution. Any act done pursuant to a modification or amendment so consented to shall be binding upon the Owners of all the Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent relating to such specified matters has been given, no Owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the District or any officer or agent thereof from taking any action pursuant thereto.

SECTION 44. Discharge and Defeasance. If any or all Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

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(i) by paying or causing to be paid the Principal, premium, if any, and interest on such Bonds, and when the same become due and payable;

(ii) by depositing with the Paying Agent, in trust, at or before maturity, cash which together with the amounts then on deposit in the escrow fund, together with the interest to accrue thereon without the need for further investment, is fully sufficient to pay such Bonds at maturity or earlier redemption thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or

(iii) by depositing with an institution that meets the requirements of serving as successor Paying Agent pursuant to Section 38 selected by the District, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series) or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(b) of the Code and Regulations which, in the opinion of Bond Counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient to pay and discharge such Bonds at maturity or earlier redemption thereof, for which notice has been given or provided for, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the County, the District and the Paying Agent under this Resolution with respect to such Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the Owners of such Bonds all sums due thereon, and the obligation of the District to pay to the Paying Agent amounts owing to the Paying Agent under Section 36 hereof.

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SECTION 45. Approval of Actions; Miscellaneous.

(a) The Authorized Officers of the County are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds or otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The County, the Board, and their officers, agents, and employees shall not be responsible for any proceedings or the preparation or contents of any resolutions, certificates, statements, disclosures, notices, contracts, or other documents relating to the sale and issuance of the Bonds.

(c) The Principal Amount of and premium, if any, and interest on the Bonds shall not constitute debt or an obligation of the County, the Board or the officers, agents, or employees, and the County, the Board, and the officers, agents, and employees thereof shall not be liable thereon. In no event shall the Principal of or premium, if any, or interest on any Bond be payable out of any funds or property of the County.

SECTION 46. Conflicts. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Contract of Purchase, the Contract of Purchase prevails to the extent of the inconsistency or conflict. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Nonarbitrage Certificate, the Nonarbitrage Certificate prevails to the extent of the inconsistency or conflict.

SECTION 47. Effective Date. This Resolution shall take effect immediately upon its passage.

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SECTION 48. Clerk's Certificate. The Clerk of the Board is hereby directed to provide certified copies of this Resolution to the Treasurer, the County Auditor and Controller and to Bond Counsel immediately following its adoption at the following address:

Nixon Peabody LLP
555 West 5th Street
Los Angeles, CA 90013
Attn: Lisalee Anne Wells

[Reminder of this page is blank.]

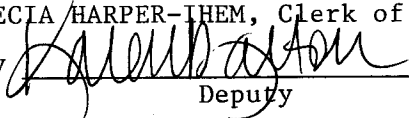
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The foregoing Resolution was on the 10th day of February, 2015, adopted by the Board of Supervisors of the County of Riverside.

ROLL CALL:

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

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 **EXHIBIT A**

2 **FORM OF CURRENT INTEREST BOND**

3
4 UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE
5 DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR FOR
6 REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED
7 IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS
8 REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND
9 ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS
10 REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY
11 TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR
12 TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF,
13 CEDE & CO., HAS AN INTEREST HEREIN.
14

15 STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

16 REGISTERED

REGISTERED

17 No. _____

18 **VAL VERDE UNIFIED SCHOOL DISTRICT**
19 **(COUNTY OF RIVERSIDE, CALIFORNIA)**
20 **GENERAL OBLIGATION BONDS**
21 **2012 ELECTION, SERIES 2015B**

22 Interest Rate

Maturity Date

Dated Date

CUSIP

23 _____%

August 1, 20__

Date of Delivery

24 REGISTERED OWNER: CEDE & CO.

25 PRINCIPAL AMOUNT:

26 The Val Verde Unified School District (the "District") of the County of Riverside (the
27 "County"), State of California, for value received, hereby acknowledges itself indebted and
28 promises to pay to the Registered Owner named above, or registered assigns, the Principal

1 Amount set forth above, on the Maturity Date set forth above, together with interest thereon from
2 the Dated Date set forth above until the Principal Amount hereof shall have been paid or provided
3 for, in accordance with the Resolution hereinafter referred to, at the Interest Rate set forth above.
4 Interest on this Bond is payable on August 1, 2015, and semiannually thereafter on the first day of
5 February and August (each, an "Interest Payment Date") in each year to the registered owner
6 hereof (the "Owner") from the Interest Payment Date next preceding the date on which this Bond
7 is registered (unless it is registered after the close of business on the fifteenth calendar day of the
8 month preceding any Interest Payment Date (a "Record Date") and before the close of business
9 on the immediately following Interest Payment Date, in which event it shall bear interest from
10 such following Interest Payment Date, or unless this Bond is registered prior to the close of
11 business on January 15, 2016, in which event it shall bear interest from its date; *provided,*
12 *however,* that if at the time of registration of this Bond, interest hereon is in default, interest
13 hereon shall be payable from the Interest Payment Date to which interest has previously been paid
14 or made available for payment. The Principal Amount hereof is payable at the office of Zions
15 First National Bank, as paying agent (the "Paying Agent"), in Los Angeles, California. The
16 interest hereon is payable by check or draft mailed by first-class mail to each Owner, at the
17 address as it appears on the registration books kept by the Paying Agent as of the Record Date, or
18 by wire transfer to any Owner of \$1,000,000 aggregate principal amount of Bonds, to the account
19 specified by such Owner in a written request delivered to the Paying Agent on or prior to the
20 Record Date for such Interest Payment Date.

21 This Bond is issued by the County on behalf of the District under and in accordance with
22 the provisions of (i) Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California
23 Government Code; (ii) applicable provisions of the Education Code of the State of California; and
24 (iii) Article XIII A of the California Constitution, and pursuant to the Resolution of the Board of
25 Education of the District approved on February 3, 2015 (the "District Resolution") and a
26 resolution of the Board of Supervisors of the County adopted on _____, 2015 (the "County
27 Resolution"). Reference is hereby made to the County Resolution, a copy of which is on file at
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1 the District, for a description of the terms on which the Bonds are delivered, and the rights
2 thereunder of the Owners of the Bonds and the rights and duties of the Paying Agent and the
3 District, to all of the provisions of which the Owner of this Bond, by acceptance hereof, assents
4 and agrees. All capitalized terms used but not otherwise defined herein shall have the respective
5 meanings set forth in the Resolution. The Bonds were authorized by a vote of more than 55% of
6 the qualified electors of the District voting on the proposition at a general election held therein to
7 determine whether such Bonds should be issued.

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

13 This Bond is a general obligation of the District, payable as to both principal and interest
14 from *ad valorem* taxes which, under the laws now in force, may be levied without limitation as to
15 rate or amount upon all of the taxable property in the District. Neither the payment of the
16 principal of this Bond, or any part thereof, nor any interest or premium hereon constitute a debt,
17 liability or obligation of the County.

18 The Bonds maturing on or before August 1, 20__ shall not be subject to redemption prior
19 to their maturity dates. The Bonds maturing on or after August 1, 20__ may be redeemed before
20 maturity at the option of the District, from any source of funds, on August 1, 20__ or on any date
21 thereafter as a whole, or in part. For the purposes of such selection, Bonds will be deemed to
22 consist of \$5,000 portions by principal amount, and any such portion may be separately
23 redeemed.

24 Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption on
25 August 1 of each year, commencing August 1, 20__, in the following principal amounts, at a
26 redemption price of par, plus accrued interest to the redemption date:

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Mandatory Sinking Fund
Payment Date
(August 1)

Mandatory Sinking
Fund Payment

20__
20__
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20__

\$

Whenever provision is made for the redemption of Bonds and less than all outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given at least 60 days prior to the date designated for such redemption, shall select Bonds for redemption in such order as the District may direct. Within a maturity, the Paying Agent shall select Bonds for redemption by lot. The portion of any Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

This Bond is issued in fully registered form. Registration of this Bond is transferable by the Owner hereof, in person or by his attorney duly authorized in writing, at the aforesaid offices of the Paying Agent, but only in the manner, subject to the limitations, and upon payment of the charges, provided in the Resolution and upon surrender and cancellation of this Bond. Upon such registration of transfer, a new Bond or Bonds of like tenor and maturity in the same Transfer Amount and in authorized denominations will be issued to the transferee in exchange herefor. The District and the Paying Agent may treat the Owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

The Paying Agent shall not be required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of business 15 days before any selection of Bonds to be redeemed through the close of business on the applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.

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

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

If this Bond is called for redemption and the Principal Amount of this Bond, plus premium, if any, and accrued interest due hereon are duly provided therefor as specified in the Resolution, then interest shall cease to accrue hereon from and after the date fixed for redemption.

This Bond shall not become valid or obligatory for any purpose until the Certificate of Authentication hereon endorsed shall have been dated and executed manually by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that an election was duly and legally called, held and conducted, and the notices thereof duly given, and the results thereof canvassed and declared in accordance with the provisions of the Authorizing Law and that all of the proceedings of the Board of Supervisors of the County in the matter of the issuance of this Bond were regular and in strict accordance with the provisions of the Authorizing Law, including the Constitution of the State of California, that the total bonded indebtedness of the District, including the issue of which this Bond is a part, does not exceed any limit prescribed by said Act, and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay Principal and interest when due.

[Reminder of this page is blank.]

1 IN WITNESS WHEREOF, the County of Riverside, California, has caused this Bond to
2 be executed on behalf of the Val Verde Unified School District and in their official capacities by
3 the manual or facsimile signatures of the Chairperson of the Riverside County Board of
4 Supervisors, and to be countersigned by the manual or facsimile signature of the Clerk of the
5 Riverside County Board of Supervisors, and has caused the seal of the County to be affixed
6 hereto, all as of the date stated above.

7
8 [SEAL]

RIVERSIDE COUNTY, CALIFORNIA

9
10 **-EXHIBIT-**

11 By: _____
12 Chairperson, Board of Supervisors

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16 COUNTERSIGNED:

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19 **-EXHIBIT-**

20 By: _____
21 Clerk of the Board of Supervisors

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The following Certificate of Authentication shall be printed on each Bond:

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution of the Board of Supervisors of the County of Riverside.

DATED: _____, 2015

ZIONS FIRST NATIONAL BANK, as Paying Agent

-EXHIBIT-
By: _____
Authorized Officer

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FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner hereby sells, assigns and transfers unto

Name of Transferee: _____

Address for Payment of Interest: _____

Social Security Number or other Tax Identification No.:

the within-mentioned Bond and hereby irrevocably constitutes and appoints attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

Registered Owner

Dated: _____

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

-EXHIBIT-

Signature _____

guaranteed

[Bank, Trust Company or Firm]

-EXHIBIT-

By _____

Authorized Officer

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

1 promises to pay to the Registered Owner, or registered assigns, the Maturity Amount set forth
2 above, on the Maturity Date set forth above. Interest on this Bond with respect to the
3 Denominational Amount hereof will accrue at the Accretion Rate per annum shown above from
4 the Dated Date shown above and will be compounded semiannually on August 1 and February 1
5 of each year, commencing August 1, 2015, until maturity, computed using a year of 360 days
6 comprised of twelve 30-day months and shall be payable only at maturity as part of the Maturity
7 Amount. The Maturity Amount hereof is payable at the corporate trust office of the paying agent
8 for the Bonds, initially, Zions First National Bank, in Los Angeles, California, as paying agent
9 (the "Paying Agent").

10 The bonds of this issue are comprised of \$ _____ Denominational Amount of
11 Capital Appreciation Bonds of which this Bond is a part (a "Capital Appreciation Bond") and
12 \$ _____ Principal Amount of Current Interest Bonds. This Bond is issued by the County
13 in the name and on behalf of the District under and in accordance with the provisions of
14 (i) Article 4.5 of Title 5, Division 2, Part 1, Chapter 3 of the California Government Code
15 (commencing with Section 15264); (ii) applicable provisions of the Education Code of the State
16 of California; and (iii) Article XIII A of the California Constitution, and pursuant to a resolution
17 of the Board of Education of the District adopted on February 3, 2015 (the "District Resolution")
18 and that certain Resolution of the Board of Supervisors of the County of Riverside (the "County")
19 adopted on _____, 2015 (the "County Resolution"). Reference is hereby made to the County
20 Resolution, a copy of which is on file at the County, for a description of the terms on which the
21 Bonds are delivered, and the rights thereunder of the Owners of the Bonds and the rights and
22 duties of the Paying Agent and the District, to all of the provisions of which the registered owner
23 of this Bond, by acceptance hereof, assents and agrees. All capitalized terms used but not
24 otherwise defined herein shall have the respective meanings set forth in the County Resolution.
25 The Bonds were authorized at an election conducted on June 5, 2012, by a vote of more than 55%
26 of the qualified electors of the District voting on the proposition at a general election held therein
27 to determine whether \$178,000,000 of the District's general obligation bonds should be issued.
28

1 Reference is made to the County Resolution for a more complete description of the
2 provisions, among others, with respect to the nature and extent of the security for the Bonds of
3 this series, the rights, duties and obligations of the District, the County, the Paying Agent and the
4 Owners, and the terms and conditions upon which the Bonds are issued and secured. The Owner
5 of this Bond assents, by acceptance hereof, to all of the provisions of the County Resolution.

6 This Bond is a general obligation of the District, payable as to Maturity Amount from *ad*
7 *valorem* taxes which, under the laws now in force, may be levied without limitation as to rate or
8 amount upon all of the taxable property in the District. Neither the payment of the Maturity
9 Amount of this Bond, or any part hereof, nor any premium hereon constitute a debt, liability or
10 obligation of the County.

11 The Capital Appreciation Bonds maturing on or before August 1, 20__ shall not be subject
12 to redemption prior to their maturity dates. The Capital Appreciation Bonds maturing on or after
13 August 1, 20__ may be redeemed before maturity at the option of the District, from any source of
14 funds, on August 1, 20__ or on any date thereafter as a whole, or in part. For the purposes of
15 such selection, Capital Appreciation Bonds will be deemed to consist of \$5,000 portions by
16 Maturity Amount, and any such portion may be separately redeemed.

17 Whenever provision is made for the redemption of Bonds and less than all outstanding
18 Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given at
19 least 60 days prior to the date designated for such redemption, shall select Bonds for redemption
20 in such order as the District may direct. Within a maturity, the Paying Agent shall select Bonds
21 for redemption by lot. The portion of any Bond to be redeemed in part shall be in the Maturity
22 Amount of \$5,000 or any integral multiple thereof.

23 This Bond is issued in fully registered form. Registration of this Bond is transferable by
24 the Owner hereof, in person or by his attorney duly authorized in writing, at the aforesaid offices
25 of the Paying Agent, but only in the manner, subject to the limitations, and upon payment of the
26 charges, provided in the County Resolution and upon surrender and cancellation of this Bond.
27 Upon such registration of transfer, a new Bond or Bonds, of like tenor and maturity in the same
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1 Transfer Amount and in authorized denominations will be issued to the transferee in exchange
2 herefor. The County, the District and the Paying Agent may treat the Owner hereof as the
3 absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not
4 be affected by any notice to the contrary.

5 The Paying Agent shall not be required to register the transfer or exchange of any Bond (i)
6 during the period beginning at the close of business on any Record Date through the close of
7 business on the immediately following Interest Payment Date, or (ii) that has been called or is
8 subject to being called for redemption, during a period beginning at the opening of business 15
9 days before any selection of Bonds to be redeemed through the close of business on the
10 applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only
11 in part.

12 The rights and obligations of the District and of the Owners of the Bonds may be modified
13 or amended at any time, and in certain cases, without the consent of the Owners to the extent and
14 upon the terms and conditions provided in the County Resolution.

15 The County Resolution contains provisions permitting the District to make provision for
16 the payment of the Principal Amount or Maturity Amount of, and the premium, if any, of any of
17 the Bonds so that the Bonds shall no longer be deemed to be outstanding under the terms of the
18 County Resolution.

19 Reference is made to the County Resolution for a more complete description of the
20 provisions, among others, with respect to the nature and extent of the security for the Bonds of
21 this series, the rights, duties and obligations of the District, the County, the Paying Agent and the
22 Owners, and the terms and conditions upon which the Bonds are issued and secured. The Owner
23 of this Bond assents, by acceptance hereof, to all of the provisions of the County Resolution.

24 If this Bond is called for redemption and the Maturity Amount of this Bond is duly
25 provided therefor as specified in the Resolution, then interest shall cease to accrue with respect
26 hereto from and after the date fixed for redemption.

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1 This Bond shall not become valid or obligatory for any purpose until the Certificate of
2 Authentication hereon endorsed shall have been dated and executed manually by the Paying
3 Agent.

4 IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that an election was duly
5 and legally called, held and conducted, and the notices thereof duly given, and the results thereof
6 canvassed and declared in accordance with the provisions of the Authorizing Law and that all of
7 the proceedings of the Board of Supervisors of the County in the matter of the issuance of this
8 Bond were regular and in strict accordance with the provisions of the Authorizing Law, including
9 the Constitution of the State of California, that the total bonded indebtedness of the District,
10 including the issue of which this Bond is a part, does not exceed any limit prescribed by said Act,
11 and that due provision has been made for levying and collecting *ad valorem* property taxes on all
12 of the taxable property within the District in an amount sufficient to pay Maturity Amount when
13 due.

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15 [Reminder of this page is blank.]
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1 IN WITNESS WHEREOF, the County of Riverside, California, has caused this Bond to
2 be executed on behalf of the Val Verde Unified School District and in their official capacities by
3 the manual or facsimile signatures of the Chairperson of the Riverside County Board of
4 Supervisors and the Treasurer and Tax Collector of the County, and to be countersigned by the
5 manual or facsimile signature of the Clerk of the Riverside County Board of Supervisors, and has
6 caused the seal of the County to be affixed hereto, all as of the date stated above.

7
8 [SEAL]

RIVERSIDE COUNTY, CALIFORNIA

9
10 **-EXHIBIT-**

11 By: _____
12 Chairperson, Board of Supervisors

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14 COUNTERSIGNED:

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17 **-EXHIBIT-**

18 By: _____
19 Clerk of the Board of Supervisors
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The following Certificate of Authentication shall be printed on each Bond:

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution of the Board of Supervisors of the County of Riverside.

DATED: _____, 2015

ZIONS FIRST NATIONAL BANK, as Paying Agent

-EXHIBIT-

By: _____
Authorized Officer

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FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner hereby sells, assigns and transfers unto

Name of Transferee: _____
Address for Payment of Interest: _____
Social Security Number or other Tax Identification No.: _____

the within-mentioned Bond and hereby irrevocably constitutes and appoints attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

Registered Owner

Dated: _____

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

-EXHIBIT-

Signature _____

guaranteed

[Bank, Trust Company or Firm]

-EXHIBIT-

By _____

Authorized Officer

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

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EXHIBIT C
FORM OF CONTRACT OF PURCHASE

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EXHIBIT D
INFORMATION FOR CAPITAL APPRECIATION BONDS

These percentages, the aggregate amount to be issued and the payback ratio are all estimates and market conditions at the time of pricing will dictate the actual numbers. In no event will the payback ratio exceed 4.00:1.00, the maximum established under AB 182.

Part 1. Financing Term and Maturity

Final Maturity Date for Current Interest Bonds: August 1, 2044

Final Maturity Date for Capital Appreciation Bonds: August 1, 2039

Part 2. Repayment Ratio

2.50 to 1

Part 3. Estimated Change in Assessed Valuation

See 3.A. attached

Part 4. Analysis of Overall Costs

See 4.A. attached

Part 5. Reasons for Including Capital Appreciation Bonds

The maximum permitted tax levy rate per \$100,000 of assessed valuation set forth in Proposition 39 is \$60.00 for the District. Without the use of Capital Appreciation Bonds, the District could not generate sufficient funds for several years to complete pending projects.

**Part 6. Municipal Securities Rulemaking Board, Rule G-17 Letter
from Underwriter**

On file with the Superintendent.

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<u>Year</u>	<u>Historical AV Growth or Projections</u>
2003-04*	14.90%
2004-05*	34.36%
2005-06*	35.15%
2006-07*	37.93%
2007-08*	24.79%
2008-09*	2.34%
2009-10*	-17.03%
2010-11*	-6.88%
2011-12*	1.49%
2012-13*	-1.31%
2013-14*	4.05%
2014-15	14.16%
2015-16	4.00%
2017-29	4.00% (per annum)
Thereafter	4.00% (per annum)

* Actual

**Val Verde Unified School District
(County of Riverside, State of California)**

RESOLUTION NO. 14-15-25

**RESOLUTION AUTHORIZING ISSUANCE OF NOT TO EXCEED
\$45,000,000 OF VAL VERDE UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, 2012 ELECTION, SERIES 2015B, SOME OF
WHICH MAY PROVIDE FOR THE COMPOUNDING OF INTEREST,
AND ORDERING CERTAIN ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the issuance of not to exceed \$178,000,000 aggregate principal amount of general obligation bonds (the "Authorization") of the Val Verde Unified School District (the "District"), County of Riverside (the "County"), State of California, was authorized at an election (the "Election") held in said District on June 5, 2012, the proceeds of which are to be used for the financing and refinancing of construction, equipping, furnishing and improvement of certain specified capital facilities of the District; and

WHEREAS, the Registrar-Recorder of the County certified to the effect that the official canvass of returns for the Election reflected that more than fifty-five percent (55%) of the votes cast on the District's bond measure submitted to the voters at the Election (the "Measure") were cast in favor of the Measure, and such result has previously been entered in the minutes of this Board of Education (the "District Board"); and

WHEREAS, the County has previously issued and sold, on behalf of the District, \$40,540,000 aggregate principal amount of its General Obligation Bonds, 2012 Election, 2013 Series A, pursuant to a resolution of the District Board adopted on February 5, 2013, under the Authorization; and

WHEREAS, Section 15140 of the Education Code of the State of California (the "Education Code") authorizes the Board of Supervisors of the County (the "County Board") to borrow funds through the issuance of bonds in the name and on behalf of the District, following the adoption of a resolution of the District Board; and

WHEREAS, it now appears to this District Board that financial market conditions are favorable for the issuance and sale of not to exceed \$45,000,000 in one or more series of bonds under the Authorization (the "Bonds") to be used for (a) the refunding in full of the District's 2013 General Obligation Bond Anticipation Notes (the "BANs"), (b) the financing or reimbursement for construction, equipping, furnishing and improvement of certain capital facilities as permitted in the official Project List of the District approved at the Election (the "Project List"), and (c) payment of the costs of issuance; and

WHEREAS, this District Board hereby determines that such Bonds should be offered at this time, in one or more series, and requests the County Board to offer such Bonds for sale in the name and on behalf of the District; and

WHEREAS, in light of the limitations imposed pursuant to Proposition 39, as implemented in Education Code Section 15270 *et seq.*, on the tax levy rates applicable to real property within the District to pay debt service on the Bonds, in order to obtain sufficient bond proceeds to effect the purposes of this Resolution, it will be necessary for certain of the Bonds to be issued in the form of Bonds, the interest on which is compounded (the "Capital Appreciation Bonds"); and

WHEREAS, in order to provide for the issuance of Capital Appreciation Bonds, the District must comply with the provisions of Assembly Bill 182 ("AB 182"), as implemented by Section 15146(b)(1) of the Education Code; and

WHEREAS, in order to evidence compliance with AB 182, the District Board has considered the adoption of this Resolution at a regularly scheduled meeting held on January 13, 2015, for information purposes, including the materials described in Section 4 hereof; and

WHEREAS, there have been submitted to this meeting of the District Board:

(a) A form of Preliminary Official Statement respecting the Bonds (the "Preliminary Official Statement"), including as an Appendix thereto a form of Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"); and

(b) A form of Escrow Deposit and Trust Agreement, by and between the District and U.S. Bank National Association, as Escrow Agent (in such capacity, the "Escrow Agent"); and

(c) A form of Contract of Purchase (the "Contract of Purchase"), by and among the District, the County and Piper Jaffray & Co., as Underwriter (the "Underwriter"), providing for the sale and delivery of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Val Verde Unified School District as follows:

Section 1. The foregoing Recitals are true and correct.

Section 2. This District Board hereby determines that general obligation bonds of the District in the aggregate principal or issue amount of not to exceed \$45,000,000 (the "Bonds") be offered for sale, in one or more series, the proceeds of which are to be used for the purposes described in the Recitals hereof.

Section 3. For the above purposes, this District Board hereby requests the County Board to issue the Bonds and to order such Bonds to be sold to Piper Jaffray & Co., as the Underwriter, at a negotiated sale in accordance with the Contract of Purchase. The Bonds will be issued at a true interest cost not to exceed legal limits and may be issued either in the form of the Capital Appreciation Bonds, or current interest bonds, which pay interest on a current basis (the "Current Interest Bonds"), or both. The Capital Appreciation Bonds shall not exceed 25 years in maturity from their date of issuance and the Current Interest Bonds shall not exceed 30 years in maturity from their date of issuance. The form of Contract of Purchase on file with the District Board is hereby approved and the Superintendent of the District, its Assistant

Superintendent, Business Services or any designee of either thereof (each, an "Authorized Officer"), and each of them, is hereby authorized to execute the Contract of Purchase, with such changes therein, deletions therefrom and modifications thereto as such Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The District has instructed the Underwriter, in cooperation with the Financial Advisor (defined below), to establish the terms, series, interest structure and redemption provisions for the Bonds in order to take advantage of financial market conditions prevailing at the date of sale of the Bonds under the Contract of Purchase. The purchase price for the Bonds to be paid by the Underwriter shall reflect an Underwriter's discount of not more than 1.0% of the principal or issue amount of the Bonds on the date of delivery thereof, not including any original issue discount. Depending upon market conditions, the District may elect to purchase bond insurance to secure the payment of principal or maturity amount of and interest on or accreted value of the Bonds, or any portion thereof.

Section 4. Pursuant to Government Code Section 53508.5 and Education Code Section 15146(b) and (c), the District Board was presented with information related to the Capital Appreciation Bonds regarding: (i) their proposed financing term and time of maturity; (ii) their repayment ratio; and (iii) the estimated change in assessed valuation of taxable property in the District over the term of the Bonds. Items described in Exhibit A attached hereto summarize the information provided to the District Board prior to its adoption of this Resolution. The District has covenanted in the District Resolution that the issuance of the Bonds will not exceed the maximum ratio of total debt service to principal of 4.0:1.0 as mandated by Section 15144.1 of the Education Code. The Underwriter's Rule G-17 submission has been provided to the District Board.

Section 5. The District Board hereby approves the use by the Underwriter of the Preliminary Official Statement, substantially in the form submitted to and considered by this District Board (the "Preliminary Official Statement") and following pricing, an Official Statement in connection with the sale of the Bonds (the "Official Statement"), in each case with such changes as may be approved by the Authorized Officer and such other officers of the District as may be authorized by the District Board are, and each of them acting alone hereby is, authorized to deliver copies of the Preliminary Official Statement and the Official Statement with such changes therein as such Authorized Officer shall approve, in his or her discretion, as being in the best interests of the District. Upon the approval of such changes by such Authorized Officer, the Preliminary Official Statement shall be "deemed final" as of its date except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"). The Authorized Officer is hereby authorized and directed to execute such Official Statement with such changes therein, deletions therefrom and modifications thereto as such Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

The District Board understands and agrees that the County shall have no responsibility or obligation whatsoever in connection with the preparation and approval of the Preliminary Official Statement and the Official Statement, nor for satisfying any obligations of the District under the Rule.

Section 6. The Treasurer and Tax Collector of the County (the "Treasurer") has appointed Zions First National Bank as the paying agent (the "Paying Agent") in connection with the closing of the Bonds, the first annual fees for which shall be paid from proceeds of the Bonds; subsequent annual fees may be paid from *ad valorem* property tax levies within the District.

Section 7. The District Board hereby confirms the designation of Piper Jaffray & Co. as Underwriter, the firm of Fieldman Rolapp & Associates, as Financial Advisor to the District (the "Financial Advisor"), the law firm of Nixon Peabody LLP as Bond Counsel to the District ("Bond Counsel") and the law firm of Nossaman LLP as Disclosure Counsel in connection with the authorization, issuance and sale of the Bonds.

Section 8. The Bonds shall be sold by negotiated sale to the Underwriter inasmuch as: (i) such a sale will allow the District to integrate the sale of the Bonds with other public financings undertaken, or to be undertaken, by the District in order to fund its public education facilities; (ii) such a sale will allow the District to utilize the services of consultants who are familiar with the financial needs, status and plans of the District; and (iii) such a sale will allow the District to control the timing of the sale of the Bonds to the municipal bond market and, potentially, take advantage of interest rate opportunities for favorable sale of the Bonds to such market and the generation of savings to the taxpayers of the District and the orderly defeasance of the BANs.

Section 9. In order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, the District hereby covenants to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Internal Revenue Code of 1986, as amended. In furtherance of these covenants, the District agrees to comply with the covenants contained in the Tax and Nonarbitrage Certificate of the District to be delivered in connection with the issuance of the Bonds (the "Tax and Nonarbitrage Certificate"). The District hereby agrees to deliver instructions to the Paying Agent as may be necessary in order to comply with the Tax and Nonarbitrage Certificate.

Section 10. Proceeds of the sale of the Bonds necessary to pay certain costs of issuing the Bonds (the "Costs of Issuance") shall be deposited in the fund of the District known as the "Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2015B Costs of Issuance Fund" (the "Costs of Issuance Fund") and shall be kept separate and distinct from all other District funds, and those proceeds shall be used solely for the purpose of paying Costs of Issuance of the Bonds. The Costs of Issuance Fund may be held and administered by the Paying Agent. Notwithstanding the foregoing, all or a portion of the costs of issuance may be paid by the Underwriter, by the Paying Agent or by a fiscal agent designated for such purpose. Any amounts retained for payment of Costs of Issuance and returned to the District pursuant to the Contract of Purchase shall be transferred to the Building Fund of the District, established at the direction of the District.

Section 11. The District Board determines that all acts and conditions necessary to be performed by the District Board or to have been met precedent to and in the issuing and sale of the Bonds in order to make them the legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery

of the Bonds have been performed and met, in regular and due form as required by law; and that no statutory or Constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

Section 12. The form of Escrow Agreement on file with the District Board is hereby approved and the District Board hereby authorizes the Authorized Officers, each acting alone, to execute the Escrow Agreement in substantially the form submitted to this meeting of the District Board, with such changes therein, deletions therefrom and modifications thereto as such Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 13. The form of Continuing Disclosure Agreement required by the Rule and on file with the District Board, intended for the benefit of the registered owners from time to time of the Bonds (the "Owners") is hereby approved and the District Board hereby authorizes the Authorized Officers, each acting alone, to execute such Continuing Disclosure Agreement in substantially the form submitted to this meeting of the District Board, with such changes therein as may be approved by the Authorized Officer executing the same. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Agreement in order to assist the Underwriter to comply with the requirements of the Rule. Any Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the District to comply with its obligations under this Section; however, noncompliance with this Section shall not constitute a default under or cause the acceleration of the Bonds.

Section 14. Should the Authorized Officer, upon consultation and advice of the Financial Advisor and Bond Counsel, determine it is in the best interests of the District to obtain municipal bond insurance for the Bonds to improve their marketability, the Authorized Officer is hereby authorized and directed to sign documents to secure such credit enhancement on such terms and subject to such conditions as may be established by the Authorized Officer, in agreements relating to such credit enhancement.

Section 15. The County Board is hereby requested to assist the District in the issuance and sale of the Bonds; in order to meet the requirements of law and the procedures of the County with respect to such a request, the Clerk of the District Board is hereby directed to lodge a certified copy of this Resolution with the Clerk of the County Board and with the Superintendent of Schools of the County promptly following adoption hereof, and the District represents and warrants to the County that annual administrative expenses associated with the Bonds at the time outstanding shall be the sole responsibility of the District and the District shall reimburse the County's costs and expenses incurred in connection with the issuance and sale of the Bonds. The Bonds are the general obligations of the District secured by *ad valorem* tax levies and do not constitute an obligation of the County except as set forth in the resolution to be adopted by the County Board authorizing the issuance of the Bonds. The County shall bear no responsibility for the acquisition, construction or installation of the project, or any part thereof.

Section 16. Officers of the District Board and District officials and staff, their authorized deputies and designees, are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem

necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions as may have heretofore been taken by such officers, officials and staff are hereby ratified, confirmed and approved.

Section 17. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 13th day of January, 2015, by the Board of Education of the Val Verde Unified School District, at a regularly scheduled meeting held in Perris, California, at a location freely accessible to the public and at which a quorum of said Board was present and acting throughout, by the following roll-call vote:

AYES: _____

NOES: _____

ABSENT: _____

This is to certify that this is a true and correct copy of the resolution as adopted and approved at a regular meeting of the Board of Education of the Val Verde Unified School District.

Clerk

EXHIBIT A

INFORMATION FOR CAPITAL APPRECIATION BONDS

These percentages, the aggregate amount to be issued and the payback ratio are all estimates and market conditions at the time of pricing will dictate the actual numbers. In no event will the payback ratio exceed 4.00:1.00, the maximum established under AB 182.

Part 1. Financing Term and Maturity

Final Maturity Date for Current Interest Bonds: August 1, 2044

Final Maturity Date for Capital Appreciation Bonds: August 1, 2039

Part 2. Repayment Ratio

2.50 to 1

Part 3. Estimated Change in Assessed Valuation

See 3.A. attached

Part 4. Analysis of Overall Costs

See 4.A. attached

Part 5. Reasons for Including Capital Appreciation Bonds

The maximum permitted tax levy rate per \$100,000 of assessed valuation set forth in Proposition 39 is \$60.00 for the District. Without the use of Capital Appreciation Bonds, the District could not generate sufficient funds for several years to complete pending projects.

Part 6. Municipal Securities Rulemaking Board, Rule G-17 Letter from Underwriter

On file with the Superintendent.

Attachment 3.A.

<u>Year</u>	<u>Historical AV Growth or Projections</u>
2003-04*	14.90%
2004-05*	34.36%
2005-06*	35.15%
2006-07*	37.93%
2007-08*	24.79%
2008-09*	2.34%
2009-10*	-17.03%
2010-11*	-6.88%
2011-12*	1.49%
2012-13*	-1.31%
2013-14*	4.05%
2014-15*	14.16%
2015-16	4.00%
2017-29	4.00% (per annum)
Thereafter	4.00% (per annum)

*Actual

Attachment 4.A.

Proposed Structure of Bonds

Estimated Issue Amount:	\$37,702,077.20
Estimated Percentage Current Interest Bonds:	72%
Estimated Percentage Capital Appreciation Bonds	28%

Debt Service Comparison

	Proposed Structure (CIBs and CABs)	Hypothetical Structure (CIBs Only)
% CIBs	72%	100%
% CABs	28%	0%
Principal	\$37,702,077.20	\$27,280,000.00
Interest	38,112,933.33	22,771,457.08
Total Debt Service	<u>88,537,933.33</u>	<u>\$50,051,457.08</u>
Repayment Ratio	2.50 to 1	1.83 to 1
Tax Rates:		
Maximum	\$48.73	\$48.73
Average	\$48.72	\$44.12

§ _____
VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)
General Obligation Bonds, 2012 Election, Series 2015B

CONTRACT OF PURCHASE

_____, 2015

Board of Supervisors
County of Riverside
4800 Lemon Street, 4th Floor
Riverside, California 92501

Board of Education
Val Verde Unified School District
975 West Morgan Street
Perris, California 92570

Ladies and Gentlemen:

The undersigned, Piper Jaffray & Co. (the "Underwriter"), acting on its own behalf and not as a fiduciary agent for you, offers to enter into this Contract of Purchase (the "Purchase Contract") with the County of Riverside (the "County") and the Val Verde Unified School District (the "District"), which, upon your acceptance hereof, will be binding upon the County, the District and the Underwriter. By execution of this Purchase Contract, the County, the District and the Underwriter acknowledge the terms hereof and recognize that they will be bound by certain of the provisions hereof, and to the extent binding thereupon, acknowledge and agree to such terms. This offer is made subject to the written acceptance of this Purchase Contract by the County and the District and delivery of such acceptance to us at or prior to 11:59 P.M., Pacific Standard Time, on the date hereof.

The District acknowledges and agrees that: (a) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction among the District, the County and the Underwriter; (b) the Underwriter is acting solely as underwriter and principal in connection with the matters contemplated by and all communications under this Purchase Agreement, and is not acting as the agent or fiduciary or Municipal Advisor (as defined in Section 15B of the Securities and Exchange Act of 1934) of the District and its advisors in connection with the matters contemplated by this Purchase Agreement; (c) the Underwriter has financial and other interests that differ from those of the District; and (d) in connection with the purchase and sale of the Bonds, the District has consulted its own financial and other advisors, including Fieldman, Rolapp & Associates, as financial advisor to the District (the "Financial Advisor") to the extent it has deemed appropriate. The District also acknowledges that it previously received from the Underwriter a letter regarding Municipal Securities Rulemaking Board ("MSRB") Rule G-17 Disclosures, and that it has provided to the Underwriter an acknowledgement of such letter.

1. **Purchase and Sale of the Bonds.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the County for reoffering to the public, and the County hereby agrees to sell in the name and on behalf of the District to the Underwriter for such purpose, all (but not less than all) of \$ _____ in aggregate principal or issue amount of the District's General Obligation Bonds, 2012 Election, Series 2015B (the "Bonds"). The Bonds will be issued as Current Interest Bonds and Capital Appreciation Bonds (each as defined in the County Resolution, as defined below), shall bear or accrete interest at the rates with the yields to maturity (or yields to the call date), shall mature in the years and shall be subject to redemption as shown on Exhibit A hereto, which is incorporated herein by this reference. The Bonds shall otherwise be as described in, and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on January __, 2015 (the "District Resolution"), the Resolution of the Board of Supervisors of the County adopted on _____, 2015 (the "County Resolution" and, collectively with the District Resolution, the "Resolutions"), and pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Resolutions.

The Underwriter shall purchase the Bonds at a price of \$ _____, consisting of the aggregate principal amount of the Bonds in the amount of \$ _____, plus original issue premium of \$ _____, and less an Underwriter's discount of \$ _____.

2. **The Bonds.** The Bonds shall be dated as of their date of delivery and shall mature on August 1 in the years shown on Exhibit A hereto, with a final maturity as set forth in Exhibit A. Interest on the Current Interest Bonds shall accrue from the date of delivery thereof and is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2015. The Current Interest Bonds will be issued in denominations of \$5,000 principal amount, or any integral multiple thereof. The Capital Appreciation Bonds will be dated their date of delivery and will accrete interest from such date, compounded semiannually on February 1 and August 1 of each year, commencing on _____ 1, 2015. The Capital Appreciation Notes will be issued in denominations of \$5,000 maturity value or any integral multiple thereof. The Bonds shall otherwise be as described in the Official Statement (defined herein), and shall be issued and secured pursuant to the provisions of the County Resolution, this Purchase Contract and the Act. The Paying Agent for the Bonds, as designated by the County Resolution, shall be Zions First National Bank, Los Angeles, California (the "Paying Agent").

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Contract and the Resolutions. The Bonds shall be in book-entry form, shall bear CUSIP numbers, shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC").

The proceeds of the sale of the Bonds are expected to be applied to (i) the payment of the District's outstanding 2013 Bond Anticipation Notes (the "Notes"), (ii) pay the costs of projects authorized at the June 5, 2012, election conducted within the District and (iii) pay the costs of issuance of the Bonds.

The District and U.S. Bank National Association, as escrow agent (the "Escrow Agent"), will enter into the Escrow Agreement, dated as of _____ 1, 2015 (the "Escrow Agreement"), relating to the Notes.

3. **Use of Documents.** The County and the District hereby authorize the Underwriter to use, in connection with the offering and sale of the Bonds, this Purchase Contract, the Official Statement (as defined below), the Resolutions and all information contained herein and therein and all of the documents, certificates or statements furnished by the County or the District to the Underwriter in connection with the transactions contemplated by this Purchase Contract.

4. **Public Offering of the Bonds.** The Underwriter agrees to make a *bona fide* public offering of all the Bonds at the initial public offering prices or yields to be set forth on the cover or inside cover page of the Official Statement (defined below) and may subsequently change such offering prices without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering prices stated in the Official Statement.

5. **Official Statement.** The District has caused to be drafted and consents to the use of a Preliminary Official Statement, dated _____, 2015 (the "Preliminary Official Statement"), including the cover page, the inside cover page and Appendices thereto, relating to the Bonds. The District represents that it deems the Preliminary Official Statement to be final as of its date, except for either revision or addition of the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities and Exchange Act of 1934, as amended ("Rule 15c2-12"). The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale and distribution of the Bonds.

The District hereby authorizes the preparation of a final Official Statement respecting the Bonds following the execution hereof (the "Official Statement") and the District hereby authorizes the use thereof by the Underwriter in connection with the public offering and sale of the Bonds. The District shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the District's acceptance of this Purchase Contract (but, in any event, not later than seven business days after the execution hereof, and in sufficient time to accompany any confirmation of a sale of Bonds) copies of the Official Statement, which is complete as of the date of its delivery to the Underwriter, in such reasonable quantities as the Underwriter shall request in order to comply with Section (b)(4) of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Underwriter hereby agrees to file the Official Statement with the MSRB.

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

During the period ending on the 25th day after the End of the Underwriting Period (as defined below) (or such other period as may be agreed to by the District and the Underwriter), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a

material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriter, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Purchase Agreement the "End of the Underwriting Period" is used as defined in Rule 15c2-12 and shall occur on the later of (a) the date of Closing or (b) when the Underwriter no longer retains an unsold balance of the Bonds; unless otherwise advised in writing by the Underwriter on or prior to the Closing Date, or otherwise agreed to by the District and the Underwriter, the County and the District may assume that the End of the Underwriting Period is the Closing Date.

6. **Closing.** At 9:00 a.m., Pacific Standard Time, on _____, 2015, or at such other time or on such other date as shall have been mutually agreed upon by the County, the District and the Underwriter (the "Closing"), the County shall deliver to the Underwriter, through the facilities of DTC, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Nixon Peabody LLP ("Bond Counsel"), in Los Angeles, California, the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds by wire transfer to an account or accounts within the United States designated by the County.

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

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

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

C. The Underwriter has, and has had, no financial advisory relationship, as such term is defined in California Government Code Section 53590(c) or MSRB Rule G-23 with the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

8. **Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriter that:

A. The District is a unified school district duly organized and validly existing under the laws of the State of California, with the full legal right, power and authority to (i) request the County to issue the Bonds pursuant to the Act; (ii) enter into,

execute and deliver this Purchase Contract and the Continuing Disclosure Agreement appended to the Official Statement (the "Continuing Disclosure Agreement"); (iii) to adopt the District Resolution; and (iv) construct, reconstruct, rehabilitate or replace school facilities, or acquire or lease real property for school facilities, subject to the limitations set forth in the full text of the projects list approved at the June 5, 2012 election.

B. (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has the legal right, power and authority to enter into this Purchase Contract, to adopt the District Resolution, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract and the District Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the Continuing Disclosure Agreement, the Escrow Agreement, the District Resolution and this Purchase Contract (collectively, the "District Documents") have been duly authorized and such authorization shall be in force and effect at the time of the Closing; (iv) the District Documents constitute valid and legally binding obligations of the District enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and to principles of equity relating to or affecting the enforcement of creditors' rights; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract and by the Official Statement.

C. No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any person, organization, court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions which may qualify the Bonds for offer and sale under Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

D. The District has complied with the requirements of the Internal Revenue Code of 1986, as amended, applicable to the Bonds.

E. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of the District Documents, and the compliance with the provisions thereof and hereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

F. As of the time of acceptance hereof no action, suit, hearing or investigation is pending or, to the best knowledge of the District, threatened: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the

several offices or the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection of *ad valorem* taxes available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract or the District Resolution or contesting the powers of the District or its authority with respect to the Bonds, this Purchase Contract or the District Resolution; or (iii) in which a final adverse decision could (a) materially adversely affect the operations of the District or the consummation of the transactions contemplated by this Purchase Contract or the Resolutions, (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes or the exemption of such interest on the Bonds from California personal income taxation.

G. Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District nor the County in the name and on behalf of the District, will have issued in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

H. Any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

I. In accordance with the requirements of Rule 15c2-12, the District will enter into the Continuing Disclosure Agreement, upon or prior to the sale of the Bonds, in which the District will undertake, for the benefit of the Owners of the Bonds, to provide certain information as set forth therein. Based on a review of its prior undertakings with respect to Rule 15c2-12, except as described in the Official Statement, in the five preceding years, the District has never failed to comply with any continuing disclosure obligation entered into pursuant to Rule 15c2-12.

J. The District will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request in order to qualify the Bonds for offering and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and to continue such qualifications in effect so long as may be required for the distribution of the Bonds (provided, however, that the District will not be required to qualify as a foreign corporation or to file any general or special consent to service of process under the laws of any jurisdiction).

K. The Preliminary Official Statement did not, and the Official Statement will not, as of its date (excluding therefrom information relating to The Depository Trust Company, and information provided by the Underwriter) contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances

under which they were made, not misleading. If the Official Statement is supplemented or amended, at all times subsequent thereto during the period up to and including the date of Closing, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which made, not misleading.

L. The financial statements of, and other financial information regarding the District, contained in the Official Statement fairly represent the financial position and operating results of the District as of the dates and for the periods set forth therein. Since the date of the Preliminary Official Statement, there has been no adverse change of a material nature in such financial position, results of operation or condition, financial or otherwise, of the District. The District is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the District, would have a materially adverse effect on the financial condition of the District.

9. **Representations, Warranties and Covenants of the County.** The County represents, warrants and covenants to the Underwriter that:

A. The County has the power under the Constitution and laws of the State to issue the Bonds in the name and on behalf of the District;

B. (i) At or prior to the Closing, the County will have taken all actions required to be taken by it in order to authorize the issuance and delivery of the Bonds; (ii) the County has full legal right, power and authority to enter into this Purchase Contract, to adopt the County Resolution, to issue and deliver the Bonds to the Underwriter on behalf of the District and to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract and the County Resolution; (iii) the execution and delivery or adoption of, and the performance by the County of its obligations contained in the Bonds, the County Resolution and this Purchase Contract have been duly authorized, and such authorization shall be in full force and effect at the time of the Closing; and (iv) this Purchase Contract constitutes a valid and legally binding obligation of the County, enforceable against the County in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and to principles of equity relating to or affecting the enforcement of creditors' rights;

C. To the best knowledge of the County, as of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending in which service of process has been completed against the County; (i) in any way affecting the existence of the County or in any way challenging the respective powers of the several offices or of the titles of the officials of the County to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract or the County Resolution or contesting the powers of the County or its authority with respect to the Bonds, the County Resolution or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the consummation of the transactions contemplated by this Purchase Contract

or the County Resolution or (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part;

D. Between the date hereof and the Closing, without the prior written consent of the Underwriter, the County will not have issued in the name and on behalf of the District any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement; and

E. Any certificates signed by an authorized officer of the County and delivered to the Underwriter shall be deemed a representation and warranty by the County to the Underwriter, but not by the person signing the same, as to the statements made therein

10. **Conditions to Closing.** The Underwriter has entered into this Purchase Contract in reliance upon the representations and warranties of the District and the County contained herein and the performance by the District and the County of their respective obligations hereunder and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the date of Closing. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds are and shall be conditioned upon the performance by the District and the County, respectively, of their obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject at the option of the Underwriter, to the following further conditions, including the delivery by the District and the County of such documents and instruments as are enumerated herein, in form and substance satisfactory to the Underwriter:

A. The representations and warranties of the District and the County contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing; and the District and the County shall be in compliance with each of the agreements made by them, individually, in this Purchase Contract;

B. At the time of the Closing, (i) the Official Statement, this Purchase Contract and the Resolutions shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of its obligations required under or specified in the Resolutions, this Purchase Contract or the Official Statement to be performed at or prior to the Closing;

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

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

(1) legislation enacted by the Congress of the United States, or passed by either House of the Congress, or favorably reported for passage to either House of the Congress by any Committee of such House to which such legislation has been referred for consideration, or by the legislature of the State of California (the "State"), or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court of the United States or the State or by the United States Tax Court, or an order, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service or other federal or State authority, which would have the purpose or effect of changing, directly or indirectly, the federal income tax consequences or State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof; or

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

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

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

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

increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, Underwriter such as, and including, the Underwriter;

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

(6) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information set forth in the Official Statement, or results in an omission to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(7) there shall have occurred since the date of this Purchase Contract any materially adverse change in the affairs or financial condition of the District;

(8) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Purchase Contract or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing, including the Securities Act, the Exchange Act and the Trust Indenture Act;

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

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

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

(12) there shall have occurred or any notice shall have been given of any downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service of any of the District's debt or lease obligations.

E. At or prior to the date of the Closing, the Underwriter shall receive the following documents, in each case dated as of the Closing Date and satisfactory in form and substance to the Underwriter:

(1) An approving opinion of Bond Counsel as to the validity and tax-exempt status of the Bonds, dated the date of Closing, addressed to the District;

(2) A reliance letter from Bond Counsel to the effect that the Underwriter may rely upon the approving opinion described in E(1) above;

(3) A supplemental opinion from Bond Counsel, addressed to the Underwriter and the District, to the effect that:

(a) this Purchase Contract, the Continuing Disclosure Agreement, and the Escrow Agreement have been duly authorized, executed and delivered by the District and, assuming due authorization, execution and delivery by the other respective parties thereto, constitute legally valid and binding agreements of the District, enforceable in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditors' rights or remedies, and is subject to general principles of equity (regardless of whether such enforcement is considered in equity or at law);

(b) the statements contained in the Official Statement in the sections thereof entitled "INTRODUCTION," "THE BONDS," "FINANCING PLAN," and "TAX MATTERS," insofar as such statements purport to summarize certain provisions of the Bonds, the Resolutions, and the Escrow Agreement and the form and content of Bond Counsel's final approving opinion as to the Bonds are accurate in all material respects, and present a fair and accurate summary of such documents and the matters discussed therein; and

(c) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(4) the opinion of Nossaman LLP, as disclosure counsel ("Disclosure Counsel"), dated the Closing Date and addressed to the Underwriter and the District, to the effect that (a) the statements and information contained in the Official Statement under the captions "CONTINUING DISCLOSURE" and in "Appendix C - FORM OF CONTINUING DISCLOSURE AGREEMENT," insofar as such statements and information expressly summarize certain provisions of the Continuing Disclosure Certificate, are accurate in all material respects, and (b) based on such counsel's participation

in conferences with representatives of the Underwriter, its counsel, the District, counsel to the District and the Corporation, Fieldman, Rolapp & Associates, as financial advisor to the District, and others, during which conferences the contents of the Official Statement and related matters were discussed, and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the Underwriter and the District that, during the course of its engagement no information came to the attention of such counsel's attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement as of its date and as of the Closing Date (except for any CUSIP numbers, financial, accounting, statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about feasibility, valuation, appraisals, absorption, real estate or environmental matters, or any information about [the Insurer, the Insurance Policy, the Reserve Insurer or the Surety Bond], DTC, the book-entry system or litigation, and Appendices B, D, E, F and G included or referred to therein, as to which such counsel need express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(5) A certificate signed by an appropriate official of the District to the effect that (a) such official is authorized to execute this Purchase Contract, (b) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (c) the District has taken all actions required to be taken by it in order to authorize the issuance and delivery of the Bonds and has complied with all the terms of the District Resolution and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect, (d) such official has reviewed the Official Statement and on such basis certifies that the Official Statement does not contain any untrue statements of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading and (e) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the Resolutions and (f) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or, to his or her knowledge, threatened against the District contesting in any way the completeness or accuracy of the Official Statement, the issuance of the Bonds by the County on behalf of the District or the due adoption of the District Resolution;

(6) A tax certificate of the District in form satisfactory to Bond Counsel;

(7) Evidence satisfactory to the Underwriter that the Bonds shall have been: (i) rated “___” by Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business (“S&P”) (or such other equivalent

rating as such rating agency may give) and that such ratings have not been revoked or downgraded;

(8) A certificate, together with a fully executed copy of the District Resolution, of the Secretary to the Board of Education to the effect that: (a) such copy is true and correct copy of the District Resolution; and (b) that the District Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect as of the Closing.

(9) An opinion of County Counsel, addressed to the County, to the District and the Underwriter, in substantially the form attached as Exhibit B hereto;

(10) A certificate, together with a fully executed copy of the County Resolution, of the Clerk of the Board of Supervisors to the effect that: (a) such copy is a true and correct copy of the County Resolution; and (b) that the County Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect as of the Closing;

(11) A "deemed final" certificate of the appropriate official of the District with respect to the Preliminary Official Statement in accordance with Rule 15c2-12;

(12) The Continuing Disclosure Agreement, in substantially the form appended to the Preliminary Official Statement, signed by an appropriate official of the District;

(13) A certificate of the Paying Agent, signed by a duly authorized officer of the Paying Agent, and in form and substance satisfactory to the Underwriter, to the effect that, to the best of the Paying Agent's knowledge, no litigation is pending or threatened (either in state or federal courts) (a) seeking to restrain or enjoin the delivery by the Paying Agent of any of the Bonds, or (b) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or any agreement with the Paying Agent;

(14) A receipt of the County for the net proceeds of the Bonds;

(15) A certificate signed by an appropriate official of the County to the effect that (a) such official is authorized to execute this Purchase Contract, (b) the representations, agreements and warranties of the County herein are true and correct in all material respects as of the date of Closing, (c) the County has taken all actions required to be taken by it in order to authorize the issuance and delivery of the Bonds; (d) the County has complied with all the terms of the County Resolution and this Purchase Contract to be complied with by the County prior to or concurrently with the Closing and such documents are in full force and effect; and (e) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract

substantially conform to the descriptions thereof contained in the County Resolution;

(16) An opinion of counsel to the Underwriter in form and substance satisfactory to the Underwriter;

(17) a certificate of the Escrow Agent dated the Closing Date, signed by a duly authorized officer of the Escrow Agent, to the effect that (a) the Escrow Agent is a national banking association organized and existing under and by virtue of the laws of the United States, having the full power and being qualified to enter into and perform its duties under the Escrow Agreement, (b) the execution and delivery of the Escrow Agreement and compliance with the provisions on the Escrow Agent's part contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Escrow Agent is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Escrow Agent pursuant to the lien created by the Escrow Agreement under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Escrow Agreement, and (c) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental or public entity pending or, to the best knowledge of the Escrow Agent, threatened against the Escrow Agent, affecting the existence of the Escrow Agent, or the titles of its officers to their respective offices or in any way contesting or affecting the validity or enforceability of the Escrow Agreement, or contesting the powers of the Escrow Agent or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Escrow Agreement or the ability of the Escrow Agent to perform its obligations thereunder;

(18) A report by Causey Demgen & Moore P.C., Denver, Colorado, verifying the arithmetical accuracy of the computation of projected receipts for and of payments to retire the Notes (the "Verification Report");

(19) the defeasance opinion of Bond Counsel, dated the Closing Date and addressed to the District and the Underwriter, to the effect that, upon the deposit of cash and certain proceeds of the Bonds into the Escrow Fund established under the Escrow Agreement as provided in the resolution of the District pursuant to which the Notes were issued, and the investment of money and securities in accordance with the provisions of the Escrow Agreement, the Notes will have been satisfied and discharged and are no longer outstanding under said resolution. In rendering this opinion, Bond Counsel may rely on the Verification Report as to the mathematical accuracy

of the schedules with respect to the sufficiency of the Escrow Fund established to pay the Notes; and

(20) Such additional legal opinions, certificates, proceedings, instruments, and other documents as the Underwriter may reasonably request in order to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained and of the Official Statement, and (iii) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

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

11. **Conditions to Obligations of the District.** The performance by the County and the District of their respective obligations under this Purchase Contract is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the County, the District and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than themselves.

12. **Expenses.** The District shall pay the costs of issuance associated with the Bonds, including the following: (i) the fees and disbursements of Bond Counsel and Disclosure Counsel; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fees, if any, for Bond ratings, including all expenses related to obtaining the ratings, such as meals, transportation and lodging, if any; (iv) the cost of the printing and distribution of the Official Statement; (v) the fees of the Paying Agent; (vi) the fees of the California Debt and Investment Advisory Commission, (vii) the fees and expenses of the Financial Advisor; and (viii) all other fees and expenses incident to the issuance and sale of Bonds. Any expenses owing following the depletion of said amount shall be paid from lawfully available funds of the District. The District hereby directs the Underwriter to wire a portion of the purchase price identified in Section 1 hereof, in an amount equal to \$ _____ to Zions First National Bank, for the payment of such costs.

Except as provided above, the Underwriter shall pay (i) the cost of preparation of this Purchase Contract; (ii) all advertising expenses in connection with the public offering of the Bonds; and (iii) all other expenses incurred by it in connection with the public offering of the Bonds, including the fees and disbursements of counsel retained by the Underwriter.

The District acknowledges that it has had the opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

13. **Notices.** Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the first paragraph hereof) may be given by

delivering the same in writing, if to the County, to the Treasurer-Tax Collector, County of Riverside, 4080 Lemon Street, 4th Floor, Riverside, California 92501, if to the District, to the Chief Business Official of Val Verde Unified School District, 975 West Morgan Street, Perris, California 92570, or if to the Underwriter, Piper Jaffray & Co., 50 California Street, Suite 3100, San Francisco, California 94111.

14. **Parties In Interest; Survival of Representations and Warranties.** This Purchase Contract when accepted by the County and the District in writing as heretofore specified shall constitute the entire agreement among the County, the District and the Underwriter. This Purchase Contract is made solely for the benefit of the County, the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the County or the District in this Purchase Contract shall survive regardless of (a) any investigation of any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Contract.

15. **Execution in Counterparts.** This Purchase Contract may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

16. **Integration.** This Purchase Contract, including the exhibits hereto, constitutes the entire agreement among the parties and between any of them, relating to the Bonds, and supersedes all prior agreements and understandings, whether oral or written, concerning the purchase, sale, delivery and terms of payment and redemption, of the Bonds.

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

Very truly yours,

PIPER JAFFRAY & CO., as Underwriter

By _____
Managing Director

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

VAL VERDE UNIFIED SCHOOL DISTRICT

By _____
Assistant Superintendent, Business Services

Accepted at _____ p.m. Pacific Standard Time on this _____ th day of _____, 2015.

COUNTY OF RIVERSIDE, CALIFORNIA

By _____
Treasurer-Tax Collector

Approved as to form:

COUNTY COUNSEL

By _____
Deputy County Counsel

EXHIBIT A

\$ _____
VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)
General Obligation Bonds, 2012 Election, Series 2015B

\$ _____ Serial Current Interest Bonds

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
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\$ _____ % Term Current Interest Bonds maturing August 1, 20 __, Yield: _____ %

\$ _____ % Term Current Interest Bonds maturing August 1, 20 __, Yield: _____ %

\$ _____ Serial Capital Appreciation Bonds

<u>Maturity</u> <u>(August 1)</u>	<u>Denominational</u> <u>Amount</u>	<u>Accretion</u> <u>Rate</u>	<u>Yield to</u> <u>Maturity</u>	<u>Maturity</u> <u>Amount</u>
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TERMS OF REDEMPTION

The Bonds are subject to redemption prior to their stated maturity dates as follows:

EXHIBIT B

OPINION OF COUNTY COUNSEL

[Closing Date]

County of Riverside
Treasurer-Tax Collector's Office
4080 Lemon Street, 4th Floor
Riverside, California 92501

Board of Education
Val Verde Unified School District
975 West Morgan Street
Perris, California 92570

Piper Jaffray & Co.
50 California Street, Suite 3100
San Francisco, California 94111

Re: \$_____ Val Verde Unified School District General Obligation Bonds, 2012
Election, Series 2015B

Ladies and Gentlemen:

This opinion is rendered and delivered in connection with the issuance by the Board of Supervisors of the County of Riverside (the "County") on behalf of the Val Verde Unified School District (the "District") of \$_____ aggregate principal or issue amount of the District's General Obligation Bonds, 2012 Election, Series 2015B (the "Bonds"). The Bonds are being issued pursuant to a resolution of the Board of Supervisors of the County adopted on _____, 2015 (the "County Resolution"), at the request of the District made pursuant to a resolution adopted by its Board of Education on January __, 2015 (the "District Resolution").

In rendering this opinion, we have examined the County Resolution, the Bond Contract of Purchase, dated _____, 2015 (the "Purchase Contract"), by and among the County, the District and Piper Jaffray & Co., as Underwriter, and such other documents, records and instruments and made such investigations of law and fact as we have deemed necessary to render the opinions expressed herein.

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

1. The County is a political subdivision duly organized and validly existing pursuant to the Constitution and the laws of the State.
2. The County Resolution approving and authorizing the execution, sale and delivery of the Purchase Contract and the issuance of the Bonds was duly adopted at a meeting of the governing body of the County, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption, has not been modified, amended, rescinded or revoked and is in full force and effect on the date hereof.

3. To the best of my knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public agency or body pending, in which service of process has been completed, or threatened against the County (a) affecting the existence of the County or the titles of its officers who have acted with respect to the proceedings for issuance and sale of the Bonds to their respective offices; (b) seeking to prohibit, restrain or enjoin the execution of the Purchase Contract or the issuance of the Bonds or in any way contesting or affecting the validity or enforceability of the Bonds, the Purchase Contract, or the County Resolution; (c) contesting the powers of the County or its authority to enter into, adopt or perform its obligations under the County Resolution or the Purchase Contract; or (d) seeking to restrain or enjoin the levy or collection of tax revenues pledged for payment of the Bonds.

4. The Purchase Contract has been duly authorized, executed and delivered by the County and the Bonds have been duly authorized by the County, executed by the County on behalf of the District and delivered by the County and, assuming due authorization, execution and delivery by the other parties thereto, the Purchase Contract will constitute the legal, valid and binding agreement of the County enforceable against the County in accordance with its terms.

With respect to the opinions we have expressed above, enforcement of the rights and obligations under the County Resolution, the Purchase Contract and the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally, by the application of equitable principles if equitable remedies are sought, and by limitations on legal remedies imposed in actions against public entities in the State. We express no opinion as to the availability of equitable remedies in connection with enforcement of the County Resolution, the Purchase Contract or the Bonds.

Very truly yours,

County Counsel

By: _____
Deputy County Counsel