

FORM APPROVED COUNTY COUNSEL
 BY: *GREGORY P. PRIAMOS* DATE: *6/3/15*

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

237
A



FROM: Don Kent, Treasurer/Tax Collector

SUBMITTAL DATE:
 June 4, 2015

SUBJECT: Resolution No. 2015-138 Murrieta Valley Unified School District General Obligation Bonds Election of 2014, Series 2015; 3rd Dist.; [\$0] (Vote on Separately)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and adopt Resolution No. 2015-138 authorizing and approving the issuance and sale of Murrieta Valley Unified School District Election of 2014 General Obligation Bonds, Series 2015 in a principal amount not to exceed \$38,405,000 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

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 6/4/15*
 Samuel Wong
 County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
 Nays: None
 Absent: None
 Date: June 16, 2015
 xc: Treasurer

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

Prev. Agn. Ref.: District: 3 Agenda Number:

3-61

- 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. 2015-138 Murrieta Valley Unified School District Election of 2014 General
Obligation Bonds, Series 2015; 2nd Dist.; [\$0] (Vote on Separately)

DATE: June 4, 2015

PAGE: Page 2 of 3

BACKGROUND:

Summary (continued).

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

An election was held on November 4, 2014 pursuant to Section 1 of Article XIII A of the California Constitution, Section 18 of Article XVI of the California Constitution, and Chapter 1 of Part 10 of Division 1 of Title 1 (Section 15266) of the Education Code, codifying, in part, Proposition 39. The measure, which was approved by more than fifty-five percent of the votes cast by eligible voters of the District, authorized the incurrence of general obligation bonded indebtedness in an aggregate principal amount not to exceed \$98,000,000.

Resolution No. 2015-138 authorizes the issuance and sale of Murrieta Valley Unified School District Election of 2014 General Obligation Bonds, Series 2015 (the "Series 2015 Bonds") in a principal amount not to exceed \$38,405,000. The proceeds of the Series 2015 Bonds will be used to finance specific construction, repair and improvement projects approved by the voters of the District.

The maximum permitted tax rate levy set forth in Proposition 39 for the District is \$60 per \$100,000 of assessed valuation. The District Board has requested the County to authorize the issuance of bonds in the District's name as Capital Appreciation Bonds and Convertible Capital Appreciation Bonds, which, by their terms, are subject to the compounding of interest. The District has determined that the issuance of Capital Appreciation Bonds and Convertible Capital Appreciation Bonds is necessary for the District to access the desired amount of project funds while staying within tax rate limitations.

Assembly Bill 182 amended the California Education Code and the California Government Code to authorize the issuance of capital appreciation bonds and convertible 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 and convertible 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 2015 Bonds will be no more than 2.94 times greater than the principal amount of the Series 2015 Bonds.

The Series 2015 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 2015 Bonds.

County Counsel has reviewed Resolution No. 2015-138 and has approved it as to form.

Impact on Citizens and Businesses

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

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

FORM 11: Resolution No. 2015-138 Murrieta Valley Unified School District Election of 2014 General Obligation Bonds, Series 2015; 2nd Dist.; [\$0] (Vote on Separately)

DATE: June 4, 2015

PAGE: Page 3 of 3

ATTACHMENTS (if needed, in this order):

District Map

Resolution No. 2015-138

District Resolution 14/15-30

Bond Purchase Agreement

Preliminary Official Statement

1 RESOLUTION NO. 2015-138

2 RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY
3 OF RIVERSIDE, STATE OF CALIFORNIA AUTHORIZING THE
4 ISSUANCE AND SALE OF BONDS ON BEHALF OF THE MURRIETA
5 VALLEY UNIFIED SCHOOL DISTRICT IN AN AGGREGATE
6 PRINCIPAL AMOUNT NOT TO EXCEED \$38,405,000, INCLUDING
7 BONDS THAT ALLOW FOR THE COMPOUNDING OF INTEREST, BY A
8 NEGOTIATED SALE PURSUANT TO A BOND PURCHASE
9 AGREEMENT, PRESCRIBING THE TERMS OF SALE, APPROVING
10 THE FORM OF AND AUTHORIZING THE EXECUTION AND
11 DELIVERY OF SAID BOND PURCHASE AGREEMENT AND A
12 CONTINUING DISCLOSURE CERTIFICATE, AND AUTHORIZING THE
13 EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES
14 AND RELATED ACTIONS

15 WHEREAS, an election was duly called and regularly held in the Murrieta Valley Unified
16 School District, County of Riverside, California (the "District"), on November 4, 2014, at which
17 the following proposition (as abbreviated pursuant to Section 13247 of the California Elections
18 Code) was submitted to the electors of the District (the "Bond Measure"):

19 "To upgrade outdated Murrieta K12 classrooms, labs, career-training
20 facilities, and education technology; rehabilitate deteriorated roofs,
21 plumbing, electrical, lighting, HVAC, flooring, buildings and grounds;
22 acquire/construct/equip sites, classrooms, and facilities; upgrade
23 safety/security systems; and improve science, technology, engineering,
24 and math instructional facilities; shall Murrieta Valley Unified School
25 District issue \$98,000,000 of bonds at legal rates, with independent citizen
26 oversight, no money for administrator salaries, and all funds benefitting
27 Murrieta Valley K12 schools?"

28 WHEREAS, at least 55% of the votes cast on the proposition were in favor of issuing the
bonds;

WHEREAS, pursuant to Sections 53506 and following of the California Government
Code (the "Government Code"), including Section 53508.7 thereof, and Sections 15140 and
15146 of the California Education Code (the "Education Code"), the Board of Education (the

FORM APPROVED COUNTY COUNSEL
BY: *Dale A. Gardner* DATE: 6/5/15
DALE A. GARDNER

1 "Board of Education") of the District has requested the Board of Supervisors (the "Board of
2 Supervisors") of the County of Riverside (the "County") to issue a portion of said bonds
3 designated the "Murrieta Valley Unified School District (County of Riverside, California)
4 General Obligation Bonds, Election of 2014, Series 2015" (the "Series 2015 Bonds"), with such
5 additional or other series or subseries designations as may be approved as herein provided, in an
6 aggregate initial principal amount not exceeding \$38,405,000, and to authorize the sale of the
7 bonds by a negotiated sale with Stifel, Nicolaus & Company, Incorporated, as underwriter (the
8 "Underwriter"), pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement"), a
9 form of which has been submitted to and is on file with the Clerk of this Board of Supervisors, all
10 according to the terms and in the manner set forth in a resolution duly adopted by the Board of
11 Education of the District on May 28, 2015 (the "District Resolution"), a certified copy of which
12 has been filed with the Clerk of this Board of Supervisors;

13 **WHEREAS**, due to tax levy rate constraints imposed on the issuance of the Series 2015
14 Bonds under Section 15270 of the Education Code, the Board of Education has requested the
15 Board of Supervisors to issue and sell the Series 2015 Bonds on behalf of the District, which
16 Series 2015 Bonds include bonds that allow for the compounding of interest;

17 **WHEREAS**, Assembly Bill 182 (Chapter 477 of the 2013-2014 Session of the California
18 Legislature) ("AB 182") requires the Board of Education to be presented with (i) an analysis
19 containing the total overall cost of any bonds that allow for the compounding of interest that are
20 proposed to be issued, (ii) a comparison to the overall cost of current interest bonds, (iii) the
21 reasons bonds that allow for the compounding of interest are being recommended, and (iv) a copy
22 of the disclosure made by the Underwriter of the Series 2015 Bonds in compliance with
23 Municipal Securities Rulemaking Board Rule G-17;

24 **WHEREAS**, the Board of Education has advised the Board of Supervisors that it has
25 complied in all respect with the provisions of AB 182 necessary in order to issue bonds that allow
26 for the compounding of interest, and has provided a summary of the requisite information
27 presented to the Board of Education, as reflected in Exhibit D to this County Resolution, which
28 information is incorporated herein by reference;

1 **WHEREAS**, this Board of Supervisors accepts the representations of the Board of
2 Education in the District Resolution that it is desirable for the Board of Supervisors to issue the
3 Series 2015 Bonds on behalf of the District and to sell the Series 2015 Bonds by a negotiated sale
4 for the purposes for which the Series 2015 Bonds have been authorized on the terms and
5 conditions set forth in the District Resolution and the Bond Purchase Agreement; and

6 **WHEREAS**, the Series 2015 Bonds will be issued by this Board of Supervisors on behalf
7 of the District, payable from *ad valorem* taxes to be levied on all taxable property in the District,
8 as herein provided;

9 **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS**
10 **OF THE COUNTY OF RIVERSIDE, AS FOLLOWS:**

11 **Section 1. Recitals.** All of the above recitals are true and correct.

12 **Section 2. Definitions.** Unless the context clearly otherwise requires, the terms defined
13 in this Section shall, for all purposes of this County Resolution, have the meanings specified
14 herein, to be equally applicable to both the singular and plural forms of any of the terms herein
15 defined.

16 **“Auditor-Controller”** means the Auditor-Controller of the County or any authorized
17 deputy thereof.

18 **“Board of Education”** means the Board of Education of the District.

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

20 **“Bond Purchase Agreement”** means the Bond Purchase Agreement relating to the sale
21 of the Series 2015 Bonds by and between the District and the Underwriter in accordance with the
22 provisions hereof.

23 **“Capital Appreciation Bonds”** means the Series 2015 Bonds accreting interest
24 semiannually to the maturity date thereof payable in accordance with Section 6(e) hereof.

25 **“Cede & Co.”** means Cede & Co., the nominee of DTC, and any successor nominee of
26 DTC with respect to the Series 2015 Bonds.

27 **“Code”** means the Internal Revenue Code of 1986.

28

1 **“Continuing Disclosure Certificate”** means the Continuing Disclosure Certificate
2 executed and delivered by the District relating to the Series 2015 Bonds.

3 **“Conversion Date”** means the date a Convertible Capital Appreciation Bond converts to
4 a bond bearing interest payable semiannually on a current basis.

5 **“Convertible Capital Appreciation Bonds”** means those Series 2015 Bonds accreting
6 interest semiannually to the Conversion Date thereof and bearing interest payable semiannually
7 on a current basis from and after the Conversion Date thereof, all in accordance with Section 6(f)
8 hereof.

9 **“County”** means the County of Riverside.

10 **“County Resolution”** means this Resolution of the Board of Supervisors.

11 **“Current Interest Bonds”** means those Series 2015 Bonds bearing interest payable
12 semiannually on a current basis in accordance with Section 6(d) hereof.

13 **“District”** means the Murrieta Valley Unified School District.

14 **“District Resolution”** means the resolution of the District adopted on May 28, 2015,
15 relating to the Series 2015 Bonds.

16 **“DTC”** means The Depository Trust Company, a limited-purpose trust company
17 organized under the laws of the State of New York, and its successors as securities depository for
18 the Series 2015 Bonds, including any such successor thereto appointed pursuant to Section 10
19 hereof.

20 **“Interest Date”** means March 1 and September 1 of each year (a) commencing on
21 September 1, 2015, with respect to the Current Interest Bonds and, for purposes of compounding
22 interest on the Capital Appreciation Bonds and, to their Conversion Dates, Convertible Capital
23 Appreciation Bonds, commencing on September 1, 2015, or such other dates as may be set forth
24 in the Bond Purchase Agreement, and (b) with respect to Convertible Capital Appreciation
25 Bonds, from and after their Conversion Date, commencing on the March 1 or September 1
26 immediately following such Conversion Date, or such other dates as may be set forth in the Bond
27 Purchase Agreement.
28

1 **“Official Statement”** means the Official Statement of the District relating to the Series
2 2015 Bonds.

3 **“Owner”** means, with respect to any Series 2015 Bond, the person whose name appears
4 on the Registration Books as the registered Owner thereof.

5 **“Paying Agent”** means Zions First National Bank, or any bank, trust company, national
6 banking association or other financial institution appointed as Paying Agent to act as
7 authenticating agent, bond registrar, transfer agent and paying agent for the Series 2015 Bonds in
8 accordance with Section 9 hereof.

9 **“Record Date”** means, with respect to any Interest Date for the Series 2015 Bonds, the
10 15th day of the calendar month immediately preceding such Interest Date, whether or not such
11 day is a business day, or such other date or dates as may be set forth in the Bond Purchase
12 Agreement.

13 **“Registration Books”** means the books for the registration and transfer of the Series 2015
14 Bonds maintained by the Paying Agent in accordance with Section 9(d) hereof.

15 **“Series 2015 Bonds”** means the bonds authorized and issued pursuant to this County
16 Resolution, in one or more series or subseries, designated the “Murrieta Valley Unified School
17 District (County of Riverside, California) General Obligation Bonds, Election of 2014, Series
18 2015,” with such additional or other series or subseries designations as may be approved as herein
19 provided.

20 **“State”** means the State of California.

21 **“Tax Certificate”** means the Tax Certificate with respect to the Series 2015 Bonds,
22 executed by the District, dated the date of issuance of the Series 2015 Bonds.

23 **“Tax-Exempt”** means, with respect to interest on any obligations of a state or local
24 government, that such interest is excluded from the gross income of the holders thereof for
25 federal income tax purposes, whether or not such interest is includable as an item of tax
26 preference or otherwise includable directly or indirectly for purposes of calculating other tax
27 liabilities, including any alternative minimum tax or environmental tax under the Internal
28 Revenue Code of 1986 (the “Code”).

1 **“Taxable Bonds”** means those Series 2015 Bonds the interest on which is not Tax-
2 Exempt.

3 **“Treasurer”** means the Treasurer-Tax Collector of the County or any authorized deputy
4 thereof.

5 **“Underwriter”** means Stifel, Nicolaus & Company, Incorporated, as underwriter of the
6 Series 2015 Bonds.

7 **Section 3. District Resolution Incorporated.** This Board of Supervisors hereby
8 acknowledges receipt of the District Resolution. The District Resolution is incorporated herein
9 by reference and all of the provisions thereof are made a part hereof and shall be applicable to the
10 Series 2015 Bonds herein provided for, except as herein otherwise expressly provided.
11 Notwithstanding the foregoing, the County (a) assumes no liability or responsibility for any of the
12 District’s findings, determinations, representations or warranties as set forth in the District
13 Resolution, (b) assumes all such findings, determinations, representations and warranties to be
14 true and correct, and (c) shall be entitled to rely on such findings, determinations, representations
15 and warranties.

16 **Section 4. Authorization and Designation of Bonds.** (a) This Board of Supervisors
17 hereby authorizes, on behalf of the District, the issuance and sale, by a negotiated sale, of not to
18 exceed \$38,405,000 aggregate principal amount of Series 2015 Bonds. The Series 2015 Bonds
19 may be issued in one or more series or subseries and shall be designated “Murrieta Valley Unified
20 School District (County of Riverside, California) General Obligation Bonds, Election of 2014,
21 Series 2015,” with appropriate additional or other series or subseries designations on the terms
22 and conditions set forth in, and subject to the limitations specified in, this County Resolution.
23 The Series 2015 Bonds may be issued such that the interest on such Series 2015 Bonds is Tax-
24 Exempt or such that the interest on such Series 2015 Bonds is not Tax-Exempt, and the Series
25 2015 Bonds may be issued as Current Interest Bonds, Capital Appreciation Bonds and/or
26 Convertible Capital Appreciation Bonds, or any combination thereof, all as provided in Section 6
27 hereof.
28

1 (b) Pursuant to AB 182 (implemented by Section 15146(b) and Section 15146(c) of
2 the Education Code), the Board of Education was presented with (i) an analysis containing the
3 total overall cost of any bonds that allow for the compounding of interest that are proposed to be
4 issued, (ii) a comparison to the overall cost of current interest bonds, (iii) the reasons bonds that
5 allow for the compounding of interest are being recommended, and (iv) a copy of the disclosure
6 made by the Underwriter of the Series 2015 Bonds in compliance with Municipal Securities
7 Rulemaking Board Rule G-17. The information provided in Exhibit D to this County Resolution
8 summarizes such information presented to the Board of Education prior to its adoption of the
9 District Resolution. The District Resolution requires that the ratio of total debt service to
10 principal of the Series 2015 Bonds not exceed four to one, as mandated by Section 15144.1 of the
11 Education Code.

12 **Section 5. Form of Bonds; Execution.** (a) *Form of Series 2015 Bonds.* The Series
13 2015 Bonds shall be issued in fully registered form without coupons. The Current Interest Bonds,
14 the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds, and the
15 certificate of authentication and registration and the forms of assignment to appear on each of
16 them, shall be in substantially the forms attached hereto as Exhibit A, Exhibit B and Exhibit C,
17 respectively, with necessary or appropriate variations, omissions and insertions as permitted or
18 required by this County Resolution.

19 (b) *Execution of Bonds.* The Series 2015 Bonds shall be signed by the manual or
20 facsimile signatures of the Chairperson of the Board of Supervisors and of the Treasurer or the
21 Treasurer's designee, and countersigned by the manual or facsimile signature of the Clerk of the
22 Board of Supervisors. The Series 2015 Bonds shall be authenticated by a manual signature of a
23 duly authorized signatory of the Paying Agent.

24 (c) *Valid Authentication.* Only such of the Series 2015 Bonds as shall bear thereon a
25 certificate of authentication and registration as described in subsection (a) of this Section,
26 executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the
27 benefits of this County Resolution, and such certificate of authentication and registration shall be
28

1 conclusive evidence that the Series 2015 Bonds so authenticated have been duly authenticated
2 and delivered hereunder and are entitled to the benefits of this County Resolution.

3 (d) *Identifying Number.* The Paying Agent shall assign each Series 2015 Bond
4 authenticated and registered by it a distinctive letter, or number, or letter and number, and shall
5 maintain a record thereof at its principal office, which record shall be available to the District and
6 the County for inspection.

7 **Section 6. Terms of Bonds.** (a) *Date of Series 2015 Bonds.* The Current Interest Bonds
8 shall be dated the date of their delivery, or such other date as shall be set forth in the Bond
9 Purchase Agreement. The Capital Appreciation Bonds shall be dated the date of their delivery, or
10 such other date as shall be set forth in the Bond Purchase Agreement. The Convertible Capital
11 Appreciation Bonds shall be dated the date of their delivery, or such other date as shall be set
12 forth in the Bond Purchase Agreement.

13 (b) *Denominations.* The Current Interest Bonds shall be issued in denominations of
14 \$5,000 principal amount or any integral multiple thereof. The Capital Appreciation Bonds shall
15 be issued in denominations of \$5,000 accreted value at maturity (“maturity value”) or any integral
16 multiple thereof, except that the first numbered Capital Appreciation Bond may be issued in a
17 denomination such that the maturity value of such Capital Appreciation Bond shall not be an
18 integral multiple of \$5,000. The Convertible Capital Appreciation Bonds shall be issued in
19 denominations of \$5,000 accreted value at their Conversion Date or any integral multiple thereof.

20 (c) *Maturity.* The Current Interest Bonds shall mature on the date or dates, in each of
21 the years, in the principal amounts and in the aggregate principal amount as shall be set forth in
22 the Bond Purchase Agreement. No Current Interest Bond shall mature later than the date which is
23 30 years from the date of the Current Interest Bonds, to be determined as provided in subsection
24 (a) of this Section. No Current Interest Bond shall have principal maturing on more than one
25 principal maturity date. The Bond Purchase Agreement may provide that no Current Interest
26 Bonds shall be issued.

27 The Capital Appreciation Bonds shall mature on the date or dates, in each of the years,
28 and in such maturity values as shall be set forth in the Bond Purchase Agreement. No Capital

1 Appreciation Bond shall mature later than the date which is 25 years from the date of the Capital
2 Appreciation Bonds, to be determined as provided in subsection (a) of this Section. No Capital
3 Appreciation Bond shall have principal maturing on more than one principal maturity date. The
4 Bond Purchase Agreement may provide that no Capital Appreciation Bonds shall be issued.

5 The Convertible Capital Appreciation Bonds shall have Conversion Dates of and mature
6 on the date or dates, in each of the years, in the accreted amounts and in the stated values at their
7 Conversion Date as shall be set forth in the Bond Purchase Agreement. No Convertible Capital
8 Appreciation Bond shall mature later than the date which is 25 years from the date of the
9 Convertible Capital Appreciation Bonds, to be determined as provided in subsection (a) of this
10 Section. No Convertible Capital Appreciation Bond shall have principal maturing on more than
11 one principal maturity date. The Bond Purchase Agreement may provide that no Convertible
12 Capital Appreciation Bonds shall be issued.

13 The Current Interest Bonds, the Capital Appreciation Bonds and the Convertible Capital
14 Appreciation Bonds may mature in the same year or years as any other Current Interest Bonds,
15 Capital Appreciation Bonds or Convertible Capital Appreciation Bonds, without limitation. The
16 aggregate principal amount of the Series 2015 Bonds issued as Current Interest Bonds, Capital
17 Appreciation Bonds or Convertible Capital Appreciation Bonds shall not exceed \$38,405,000.

18 (d) *Interest; Current Interest Bonds.* The Current Interest Bonds shall bear interest at
19 an interest rate not to exceed 8.00% per annum, payable on the Interest Dates in each year
20 computed on the basis of a 360-day year of twelve 30-day months. Each Current Interest Bond
21 shall bear interest from the Interest Date next preceding the date of authentication thereof, unless
22 it is authenticated after the close of business on a Record Date and on or prior to the succeeding
23 Interest Date, in which event it shall bear interest from such Interest Date, or unless it is
24 authenticated on or before the Record Date preceding the first Interest Date, in which event it
25 shall bear interest from its dated date; provided, however, that if, at the time of authentication of
26 any Current Interest Bond, interest is in default on any outstanding Current Interest Bonds, such
27 Current Interest Bond shall bear interest from the Interest Date to which interest has previously
28 been paid or made available for payment on the outstanding Current Interest Bonds.

1 (e) *Interest; Capital Appreciation Bonds.* The Capital Appreciation Bonds shall not
2 bear current interest; each Capital Appreciation Bond shall accrete in value daily over the term to
3 its maturity (on the basis of a 360-day year consisting of twelve 30-day months), from its initial
4 principal (denominational) amount on the date of issuance thereof to its stated maturity value at
5 maturity thereof, on the basis of a constant interest rate (which shall not exceed 8.00% per
6 annum) compounded semiannually on each Interest Date (with straight-line interpolations
7 between Interest Dates). The accreted value per \$5,000 maturity value of the Capital
8 Appreciation Bonds on each Interest Date shall be given for reference in a table of accreted
9 values to appear in the Capital Appreciation Bonds; provided, however, that the accreted value
10 determined in accordance with this Section shall prevail over any different accreted value given
11 in such table. Interest on the Capital Appreciation Bonds shall be payable only upon maturity or
12 prior redemption thereof.

13 (f) *Interest; Convertible Capital Appreciation Bonds.* The Convertible Capital
14 Appreciation Bonds shall not bear current interest prior to their respective Conversion Dates; each
15 Convertible Capital Appreciation Bond shall accrete in value daily from its initial principal
16 (denominational) amount on the date of issuance thereof to its stated value at the Conversion Date
17 thereof (on the basis of a 360-day year consisting of twelve 30-day months), on the basis of a
18 constant interest rate (which shall not exceed 8.00% per annum) compounded semiannually on
19 each Interest Date (with straight-line interpolations between Interest Dates). From and after the
20 respective Conversion Date of a Convertible Capital Appreciation Bond, such Convertible Capital
21 Appreciation Bonds shall bear current interest on the accreted value thereof at an interest rate not
22 to exceed 8.00% per annum, computed on the basis of a 360-day year of twelve 30-day months,
23 payable on the Interest Dates in each year following its Conversion Date. Following the
24 Conversion Date with respect thereto, each Convertible Capital Appreciation Bond shall bear
25 interest from the Interest Date next preceding the date of authentication thereof, unless it is
26 authenticated after the close of business on a Record Date and on or prior to the succeeding
27 Interest Date, in which event it shall bear interest from such Interest Date, or unless it is
28 authenticated on or before the Record Date preceding the first Interest Date following its

1 Conversion Date, in which event it shall bear interest from its Conversion Date; provided,
2 however, that if, at the time of authentication of any Convertible Capital Appreciation Bond,
3 interest is in default on any outstanding Convertible Capital Appreciation Bonds, such
4 Convertible Capital Appreciation Bond shall bear interest from the Interest Date to which interest
5 has previously been paid or made available for payment on the outstanding Convertible Capital
6 Appreciation Bonds.

7 **Section 7. Payment of Bonds.** (a) *Sources of Payment for the Bonds.* The money for
8 the payment of and accreted value, redemption premium, if any, and interest on the Series 2015
9 Bonds shall be raised by taxation upon all taxable property in the District and provision shall be
10 made for the levy and collection of such taxes in the manner provided by law and for such
11 payment out of the interest and sinking fund of the District. The Board of Supervisors hereby
12 covenants to annually levy *ad valorem* taxes for the payment of the Series 2015 Bonds on all
13 property in the District subject to taxation by the District without limitation as to rate or amount
14 (except certain personal property which is taxable at limited rates).

15 (b) *Principal.* The principal of the Current Interest Bonds and the accreted value of
16 the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds shall be payable
17 in lawful money of the United States of America to the Owner thereof, upon the surrender thereof
18 at the principal corporate trust office of the Paying Agent.

19 (c) *Interest; Record Date.* The interest on the Current Interest Bonds and the
20 Convertible Capital Appreciation Bonds after the Conversion Date shall be payable on each
21 Interest Date in lawful money of the United States of America to the Owner thereof as of the
22 Record Date preceding such Interest Date, such interest to be paid by check or draft mailed on
23 such Interest Date (if a business day, or on the next business day if the Interest Date does not fall
24 on a business day) to such Owner at such Owner's address as it appears on the Registration Books
25 or at such address as the Owner may have filed with the Paying Agent for that purpose except that
26 the payment shall be made by wire transfer of immediately available funds to any Owner of at
27 least \$1,000,000 of outstanding Current Interest Bonds or Convertible Capital Appreciation
28 Bonds after the Conversion Date who shall have requested in writing such method of payment of

1 interest prior to the close of business on the Record Date immediately preceding any Interest
2 Date.

3 (d) *Interest and Sinking Fund.* Principal and interest due on the Series 2015 Bonds
4 shall be paid from the interest and sinking fund of the District as provided in Section 15146 of the
5 Education Code.

6 (e) *Obligation of the District.* The Series 2015 Bonds do not constitute a debt,
7 liability or obligation of the County and no part of any fund or account of the County is pledged
8 or obligated to the payment of the Series 2015 Bonds. The obligation for repayment of the Series
9 2015 Bonds is the sole obligation of the District payable from amounts on deposit in the interest
10 and sinking fund of the District as provided in Section 15146 of the Education Code.

11 (f) *Insurance.* The payment of principal and accreted value of and interest on all or a
12 portion of the Series 2015 Bonds may be secured by a municipal bond insurance policy as shall
13 be described in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that
14 no municipal bond insurance policy shall be obtained.

15 **Section 8. Redemption Provisions.** (a) *Optional Redemption.* The Series 2015 Bonds
16 may be subject to redemption, at the option of the District, on the dates and terms as shall be
17 designated in the Bond Purchase Agreement. Subject to the requirements of Section 15144.2 of
18 the Education Code, the Bond Purchase Agreement may provide that the Series 2015 Bonds shall
19 not be subject to optional redemption, and may provide separate and distinct redemption
20 provisions for the Current Interest Bonds, the Capital Appreciation Bonds and the Convertible
21 Capital Appreciation Bonds.

22 (b) *Selection.* If less than all of the Series 2015 Bonds (Current Interest Bonds,
23 Capital Appreciation Bonds or Convertible Capital Appreciation Bonds), if any, are subject to
24 such redemption and are called for redemption, such Series 2015 Bonds shall be redeemed in
25 inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the
26 Bond Purchase Agreement), and if less than all of the Series 2015 Bonds of any given maturity
27 are called for redemption, the portions of such bonds of a given maturity to be redeemed shall be
28 determined by lot (or as otherwise set forth in the Bond Purchase Agreement).

1 (c) *Mandatory Sinking Fund Redemption.* The Series 2015 Bonds, if any, which are
2 designated in the Bond Purchase Agreement as term bonds shall also be subject to redemption
3 prior to their stated maturity dates, without a redemption premium, in part by lot (or as otherwise
4 set forth in the Bond Purchase Agreement), from mandatory sinking fund payments in the
5 amounts and in accordance with the terms to be specified in the Bond Purchase Agreement.
6 Unless otherwise provided in the Bond Purchase Agreement, the principal amount of each
7 mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount
8 of any Series 2015 Bonds of that maturity redeemed in accordance with subsection (a) of this
9 Section prior to the mandatory sinking fund payment date. The Bond Purchase Agreement may
10 provide that the Series 2015 Bonds shall not be subject to mandatory sinking fund redemption.
11 The Auditor-Controller is hereby authorized to create such sinking funds or accounts for the term
12 Series 2015 Bonds as shall be necessary to accomplish the purposes of this Section.

13 (d) *Notice of Redemption.* Notice of any redemption of the Series 2015 Bonds shall be
14 mailed by the Paying Agent, postage prepaid, not less than 30 nor more than 60 days prior to the
15 redemption date (i) by first class mail to the County and the respective Owners thereof at the
16 addresses appearing on the Registration Books, and (ii) as may be further required in accordance
17 with the Continuing Disclosure Certificate.

18 Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Series
19 2015 Bonds and the date of issue of the Series 2015 Bonds; (iii) the redemption date; (iv) the
20 redemption price; (v) the series of Series 2015 Bonds and the dates of maturity or maturities of
21 Series 2015 Bonds to be redeemed; (vi) if less than all of the Series 2015 Bonds of a series of any
22 maturity are to be redeemed, the distinctive numbers of the Series 2015 Bonds of each maturity of
23 such series to be redeemed; (vii) in the case of Series 2015 Bonds of a series redeemed in part
24 only, the respective portions of the principal amount of the Series 2015 Bonds of each maturity of
25 such series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Series 2015
26 Bonds of a series to be redeemed; (ix) a statement that such Series 2015 Bonds must be
27 surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such
28 other place or places designated by the Paying Agent; (x) notice that further interest on such

1 Series 2015 Bonds will not accrue after the designated redemption date; and (xi) in the case of a
2 conditional notice, that such notice is conditioned upon certain circumstances and the manner of
3 rescinding such conditional notice.

4 (e) *Effect of Notice.* A certificate of the Paying Agent that notice of redemption has
5 been given to Owners as herein provided shall be conclusive as against all parties. Neither the
6 failure to receive the notice of redemption as provided in this Section, nor any defect in such
7 notice shall affect the sufficiency of the proceedings for the redemption of the Series 2015 Bonds
8 or the cessation of interest on the date fixed for redemption.

9 When notice of redemption has been given substantially as provided for herein, and when
10 the redemption price of the Series 2015 Bonds called for redemption is set aside for the purpose
11 as described in subsection (g) of this Section, the Series 2015 Bonds designated for redemption
12 shall become due and payable on the specified redemption date and interest shall cease to accrue
13 thereon as of the redemption date, and upon presentation and surrender of such Series 2015
14 Bonds at the place specified in the notice of redemption, such Series 2015 Bonds shall be
15 redeemed and paid at the redemption price thereof out of the money provided therefor. The
16 Owners of such Series 2015 Bonds so called for redemption after such redemption date shall be
17 entitled to payment thereof only from the interest and sinking fund or the trust fund established
18 for such purpose. All Series 2015 Bonds redeemed shall be cancelled forthwith by the Paying
19 Agent and shall not be reissued.

20 (f) *Right to Rescind Notice.* The District may rescind any optional redemption and
21 notice thereof for any reason on any date prior to the date fixed for redemption by causing written
22 notice of the rescission to be given to the owners of the Series 2015 Bonds so called for
23 redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on
24 the date fixed for redemption moneys are not available in the interest and sinking fund or
25 otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the
26 principal of, interest, and any premium due on the Series 2015 Bonds called for redemption.
27 Notice of rescission of redemption shall be given in the same manner in which notice of
28 redemption was originally given. The actual receipt by the owner of any Series 2015 Bond of

1 notice of such rescission shall not be a condition precedent to rescission, and failure to receive
2 such notice or any defect in such notice shall not affect the validity of the rescission.

3 (g) *Funds for Redemption.* Prior to or on the redemption date of any Series 2015
4 Bonds there shall be available in the interest and sinking fund of the District, or held in trust for
5 such purpose as provided by law, monies for the purpose and sufficient to redeem, at the
6 redemption prices as in this County Resolution provided, the Series 2015 Bonds designated in the
7 notice of redemption. Such monies shall be applied on or after the redemption date solely for
8 payment of principal of, interest and premium, if any, on the Series 2015 Bonds to be redeemed
9 upon presentation and surrender of such Series 2015 Bonds, provided that all monies in the
10 interest and sinking fund of the District shall be used for the purposes established and permitted
11 by law. Any interest due on or prior to the redemption date shall be paid from the interest and
12 sinking fund of the District, unless otherwise provided to be paid from such monies held in trust.
13 If, after all of the Series 2015 Bonds have been redeemed and cancelled or paid and cancelled,
14 there are monies remaining in the interest and sinking fund of the District or otherwise held in
15 trust for the payment of redemption price of the Series 2015 Bonds, the monies shall be held in or
16 returned or transferred to the interest and sinking fund of the District for payment of any
17 outstanding bonds of the District payable from such fund; provided, however, that if the monies
18 are part of the proceeds of bonds of the District, the monies shall be transferred to the fund
19 created for the payment of principal of and interest on such bonds. If no such bonds of the
20 District are at such time outstanding, the monies shall be transferred to the general fund of the
21 District as provided and permitted by law.

22 (h) *Defeasance of Bonds.* If at any time the District shall pay or cause to be paid or
23 there shall otherwise be paid to the Owners of any or all of the outstanding Series 2015 Bonds all
24 or any part of the principal, interest and premium, if any, on the Series 2015 Bonds at the times
25 and in the manner provided herein and in the Series 2015 Bonds, or as provided in the following
26 paragraph, or as otherwise provided by law consistent herewith, then such Owners shall cease to
27 be entitled to the obligation of the District as provided in Section 7 hereof, and such obligation
28 and all agreements and covenants of the District and of the County to such Owners hereunder and

1 under the Series 2015 Bonds shall thereupon be satisfied and discharged and shall terminate,
2 except only that the District shall remain liable for payment of all principal, interest and premium,
3 if any, represented by the Series 2015 Bonds, but only out of monies on deposit in the interest and
4 sinking fund or otherwise held in trust for such payment; and provided further, however, that the
5 provisions of subsection (i) of this Section shall apply in all events.

6 For purposes of this Section, the District may pay and discharge any or all of the Series
7 2015 Bonds by depositing in trust with the Paying Agent or an escrow agent, selected by the
8 District with the approval of the County, at or before maturity, money or non-callable direct
9 obligations of the United States of America (including zero interest bearing State and Local
10 Government Series) or other non-callable obligations the payment of the principal of and interest
11 on which is guaranteed by a pledge of the full faith and credit of the United States of America, in
12 an amount which will, together with the interest to accrue thereon and available monies then on
13 deposit in the interest and sinking fund of the District, be fully sufficient to pay and discharge the
14 indebtedness on such Series 2015 Bonds (including all principal, interest and redemption
15 premiums) at or before their respective maturity dates.

16 (i) *Unclaimed Monies.* Any money held in any fund created pursuant to this County
17 Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal or
18 accreted value of, redemption premium, if any, or interest on the Series 2015 Bonds and
19 remaining unclaimed for two years after the principal or accreted value of all of the Series 2015
20 Bonds has become due and payable (whether by maturity or upon prior redemption) shall be
21 transferred to the interest and sinking fund of the District for payment of any outstanding bonds
22 of the District payable from the fund; or, if no such bonds of the District are at such time
23 outstanding, the monies shall be transferred to the general fund of the District as provided and
24 permitted by law.

25 **Section 9. Paying Agent.** (a) *Appointment; Payment of Fees and Expenses.* This Board
26 of Supervisors does hereby consent to and confirm the appointment of Zions First National Bank,
27 to act as the initial paying agent for the Series 2015 Bonds. All fees and expenses of the paying
28 agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds

1 of sale of the Series 2015 Bonds, or from the interest and sinking fund of the District, insofar as
2 permitted by law, including specifically by Section 15232 of the Education Code, such fees and
3 expenses shall be paid by the District.

4 (b) *Resignation, Removal and Replacement of Paying Agent.* The Paying Agent
5 initially appointed or any successor Paying Agent may resign from service as Paying Agent and
6 may be removed at any time by the District as provided in the Paying Agent's service agreement.
7 If at any time the Paying Agent shall resign or be removed, the District shall appoint a successor
8 Paying Agent, which shall be any bank, trust company, national banking association or other
9 financial institution doing business in and having a corporate trust office in California, with at
10 least \$100,000,000 in net assets.

11 (c) *Principal Corporate Trust Office.* The initial Paying Agent, and any successor
12 Paying Agent, shall designate each place or places where it will conduct the functions of transfer,
13 registration, exchange, payment, and surrender of the Bonds, and any reference herein to the
14 "principal corporate trust office" of the Paying Agent shall mean the office so designated for a
15 particular purpose. If no office is so designated for a particular purpose, such functions shall be
16 conducted at the office of Zions First National Bank in Los Angeles, California, or the principal
17 corporate trust office of any successor Paying Agent.

18 (d) *Registration Books.* The Paying Agent shall keep or cause to be kept at its
19 principal corporate trust office sufficient books for the registration and transfer of the Series 2015
20 Bonds, which shall at all times be open to inspection by the District and the County, and, upon
21 presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it
22 may prescribe, register or transfer or cause to be registered or transferred on the Registration
23 Books, Series 2015 Bonds as provided in Sections 10 and 11 hereof. The Paying Agent shall
24 keep accurate records of all funds administered by it and of all Series 2015 Bonds paid and
25 discharged by it. Such records shall be provided, upon reasonable request, to the County in a
26 format mutually agreeable to the Paying Agent and the County.

27 **Section 10. Transfer Under Book-Entry System; Discontinuation of Book-Entry**
28 **System.** (a) Unless otherwise specified in the Bond Purchase Agreement, DTC is hereby

1 appointed depository for each series of the Series 2015 Bonds and the Series 2015 Bonds shall be
2 issued in book-entry form only, and shall be initially registered in the name of "Cede & Co.," as
3 nominee of DTC. One bond certificate shall be issued for each maturity of each series or
4 subseries of the Current Interest Bonds, the Capital Appreciation Bonds and the Convertible
5 Capital Appreciation Bonds; provided, however, that if different CUSIP numbers are assigned to
6 Series 2015 Bonds of a series or subseries maturing in a single year or, if Series 2015 Bonds of
7 the same series or subseries maturing in a single year are issued with different interest rates,
8 additional bond certificates shall be prepared for each such maturity. Registered ownership of
9 such Series 2015 Bonds of each such maturity, or any portion thereof, may not thereafter be
10 transferred except as provided in this Section or Section 11 hereof:

11 (i) To any successor of DTC, or its nominee, or to any substitute depository
12 designated pursuant to clause (ii) of this Section (a "substitute depository"); provided,
13 however that any successor of DTC, as nominee of DTC or substitute depository, shall be
14 qualified under any applicable laws to provide the services proposed to be provided by it;

15 (ii) To any substitute depository not objected to by the District or the
16 County, upon (1) the resignation of DTC or its successor (or any substitute depository or
17 its successor) from its functions as depository, or (2) a determination by the County (upon
18 consultation with the District) to substitute another depository for DTC (or its successor)
19 because DTC or its successor (or any substitute depository or its successor) is no longer
20 able to carry out its functions as depository; provided, that any such substitute depository
21 shall be qualified under any applicable laws to provide the services proposed to be
22 provided by it; or

23 (iii) To any person as provided below, upon (1) the resignation of DTC or its
24 successor (or substitute depository or its successor) from its functions as depository;
25 provided that no substitute depository which is not objected to by the County can be
26 obtained, or (2) a determination by the County (upon consultation with the District) that it
27 is in the best interests of the County to remove DTC or its successor (or any substitute
28 depository or its successor) from its functions as depository.

1 (b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of
2 this Section, upon receipt of the outstanding Series 2015 Bonds by the Paying Agent, together
3 with a written request of the District or the County to the Paying Agent, a new Series 2015 Bond
4 for each maturity shall be executed and delivered (in the case of Current Interest Bonds, in the
5 aggregate principal amount of such Current Interest Bonds then outstanding, in the case of Capital
6 Appreciation Bonds, in the aggregate maturity value of such Capital Appreciation Bonds then
7 outstanding, and in the case of Convertible Capital Appreciation Bonds, in the aggregate accreted
8 value at the Conversion Date of such Convertible Capital Appreciation Bonds then outstanding),
9 registered in the name of such successor or such substitute depository, or their nominees, as the
10 case may be, all as specified in such written request of the District or the County. In the case of
11 any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the
12 outstanding Series 2015 Bonds by the Paying Agent together with a written request of the District
13 or the County to the Paying Agent, new Series 2015 Bonds shall be executed and delivered in
14 such denominations, numbered in the manner determined by the Paying Agent, and registered in
15 the names of such persons, as are requested in such written request of the District or the County,
16 subject to the limitations of Section 6 hereof and the receipt of such a written request of the
17 District or the County, and thereafter, the Series 2015 Bonds shall be transferred pursuant to the
18 provisions set forth in Section 11 hereof; provided, however, that the Paying Agent shall not be
19 required to deliver such new Series 2015 Bonds within a period of less than 60 days after the
20 receipt of any such written request of the District or the County.

21 (c) In the case of partial redemption or an advance refunding of the Series 2015 Bonds
22 evidencing all or a portion of the principal amount then outstanding, DTC shall make an
23 appropriate notation on the Series 2015 Bonds indicating the date and amounts of such reduction
24 in principal.

25 (d) The County, the District and the Paying Agent shall be entitled to treat the person
26 in whose name any Series 2015 Bond is registered as the owner thereof, notwithstanding any
27 notice to the contrary received by the County, the District or the Paying Agent; and the County,
28 the District and the Paying Agent shall have no responsibility for transmitting payments to,

1 communicating with, notifying, or otherwise dealing with any beneficial owners of the Series
2 2015 Bonds, and neither the County, the District nor the Paying Agent shall have any
3 responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party,
4 including DTC or its successor (or substitute depository or its successor), except for the Owner of
5 any Series 2015 Bonds.

6 (e) So long as the outstanding Series 2015 Bonds are registered in the name of Cede &
7 Co. or its registered assigns, the District, the County and the Paying Agent shall cooperate with
8 Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the
9 principal of and interest on the Series 2015 Bonds by arranging for payment in such manner that
10 funds for such payments are properly identified and are made immediately available on the date
11 they are due.

12 **Section 11. Transfer and Exchange.** (a) *Transfer.* Following the termination or
13 removal of DTC or successor depository pursuant to Section 10 hereof, any Series 2015 Bond
14 may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner
15 thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such
16 Series 2015 Bond to the Paying Agent for cancellation, accompanied by delivery of a duly
17 executed written instrument of transfer in a form approved by the Paying Agent.

18 Whenever any Series 2015 Bond or Series 2015 Bonds shall be surrendered for transfer,
19 the designated County officials shall execute and the Paying Agent shall authenticate and deliver,
20 as provided in Section 5 hereof, a new Series 2015 Bond or Series 2015 Bonds, of the same
21 maturity, Interest Date and interest rate (in the case of Current Interest Bonds, for a like aggregate
22 principal amount, in the case of Capital Appreciation Bonds, for a like aggregate maturity value,
23 and in the case of Convertible Capital Appreciation Bonds, for a like aggregate accreted value at
24 the Conversion Date). The Paying Agent may require the payment by any Owner of Series 2015
25 Bonds requesting any such transfer of any tax or other governmental charge required to be paid
26 with respect to such transfer.

1 No transfer of any Series 2015 Bond shall be required to be made by the Paying Agent (i)
2 during the period established by the Paying Agent for selection of the Series 2015 Bonds for
3 redemption, and (ii) after any Series 2015 Bond has been selected for redemption.

4 (b) *Exchange.* The Series 2015 Bonds may be exchanged for Series 2015 Bonds of
5 other authorized denominations of the same maturity, Interest Date and interest rate, by the
6 Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of
7 such Series 2015 Bond to the Paying Agent for cancellation, accompanied by delivery of a duly
8 executed request for exchange in a form approved by the Paying Agent.

9 Whenever any Series 2015 Bond or Series 2015 Bonds shall be surrendered for exchange,
10 the designated District officials shall execute and the Paying Agent shall authenticate and deliver,
11 as provided in Section 5 hereof, a new Series 2015 Bond or Series 2015 Bonds of the same
12 maturity and interest payment mode and interest rate (in the case of Current Interest Bonds, for a
13 like aggregate principal amount, in the case of Capital Appreciation Bonds, for a like aggregate
14 maturity value, and in the case of Convertible Capital Appreciation Bonds, for a like aggregate
15 accreted value at the Conversion Date). The Paying Agent may require the payment by the
16 Owner requesting such exchange of any tax or other governmental charge required to be paid
17 with respect to such exchange.

18 No exchange of any Series 2015 Bonds shall be required to be made by the Paying Agent
19 (i) during the period established by the Paying Agent for selection of the Series 2015 Bonds for
20 redemption, and (ii) after any Series 2015 Bond has been selected for redemption.

21 **Section 12. Bond Purchase Agreement; Sale of Bonds.** The form of Bond Purchase
22 Agreement submitted to and on file with the Clerk to this Board of Supervisors providing for the
23 sale by this Board of Supervisors and the purchase by the Underwriter of the Series 2015 Bonds
24 at a purchase price to be set forth therein (which purchase price shall be approved by the
25 Treasurer, this Board of Supervisors hereby expressly delegating to such officer, and its
26 authorized deputy or delegate, the authority to execute the Contract of Purchase on its behalf), is
27 hereby approved; provided, however, that (a) the true interest cost for the Series 2015 Bonds shall
28 not be in excess of 5.00%, (b) the interest rate on the Current Interest Bonds and, from and after

1 their Conversion Dates, the Convertible Capital Appreciation Bonds, shall not exceed 8.00% per
2 annum, (c) the Capital Appreciation Bonds and, to their Conversion Dates, the Convertible
3 Capital Appreciation Bond, shall accrete in value at a compounded interest rate not to exceed
4 8.00% per annum, (d) the ratio of total debt service to principal of the Series 2015 Bonds shall not
5 exceed four to one, (e) the estimated change in the assessed value of taxable property within the
6 District over the term of the Series 2015 Bonds assumed in the structuring of the Series 2015
7 Bonds shall not exceed 5.00%, (f) the Underwriter's discount for the sale of Series 2015 Bonds
8 shall not exceed 0.5% of the principal amount of such Series 2015 Bonds exclusive of any costs
9 of issuance the Underwriter contracts to pay, and (g) the Series 2015 Bonds shall otherwise
10 conform to the limitations specified herein.

11 The Bond Purchase Agreement shall recite the aggregate principal amount of the Series
12 2015 Bonds, and with respect to the Current Interest Bonds, shall recite the date thereof, the
13 maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial
14 and semiannual Interest Dates thereof, and the terms of optional and mandatory sinking fund
15 redemption thereof, if any, with respect to the Capital Appreciation Bonds, shall recite the date
16 thereof, the initial principal amounts, maturity dates, and maturity values of each maturity thereof,
17 the initial and semiannual Interest Dates thereof, and the terms of optional and mandatory sinking
18 fund redemption thereof, if any, and with respect to the Convertible Capital Appreciation Bonds,
19 shall recite the date thereof, the initial principal amounts, Conversion Dates, maturity dates, and
20 stated value at the Conversion Date of each maturity thereof, the initial and semiannual Interest
21 Dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any.

22 The Treasurer (or an authorized deputy or delegate of the Treasurer) is hereby authorized
23 and directed to accept the offer of the Underwriter when the offer is satisfactory to the Treasurer,
24 and to execute and deliver the Bond Purchase Agreement on behalf of the County in substantially
25 the form now on file with this Board of Supervisors, with such changes therein as shall be
26 approved by the authorized officer of the County executing the same, and such execution shall
27 constitute conclusive evidence of the Treasurer's approval and the Board of Supervisors'
28 approval of any change therein from the form of such Bond Purchase Agreement.

1 **Section 13. Investment of Proceeds.** (a) All funds held in the interest and sinking fund
2 of the District shall be invested at the discretion of the Treasurer. In the absence of written
3 request from the District, proceeds of the Series 2015 Bonds held in the building fund of the
4 District shall be invested at the sole discretion of the Treasurer pursuant to State law, including
5 Government Code Section 53601 et. seq., as the same may be amended or supplemented from
6 time to time, and the investment policy of the County.

7 (b) To the extent permitted by law (i) at the written request of an Authorized Officer,
8 each of whom is hereby expressly authorized to make such request, all or any portion of the
9 building fund of the District may be invested on behalf of the District in the Local Agency
10 Investment Fund in the treasury of the State, and (ii) at the written request of an Authorized
11 Officer, each of whom is hereby expressly authorized to make such request, all or any portion of
12 the building fund of the District may be invested on behalf of the District, in investment
13 agreements, including guaranteed investment contracts, float contracts or other investment
14 products (collectively, "Investment Agreements"), which comply with the requirements of each
15 rating agency then rating the Series 2015 Bonds necessary in order to maintain the then-current
16 rating on the Series 2015 Bonds.

17 **Section 14. Tax Covenants.** (a) The County acknowledges and relies upon the fact that
18 the District has represented and covenanted that it will not take any action, or fail to take any
19 action, if such action or failure to take such action would adversely affect the exclusion from
20 gross income of the interest payable on a Tax-Exempt series of Series 2015 Bonds under Section
21 103 of the Code, and that the County will comply with the written instructions of the District
22 which are necessary for the District to meet the requirements of the Tax Certificate to be executed
23 by the District on the date of issuance of each Tax-Exempt series of Series 2015 Bonds, and
24 further that such representation and covenant shall survive payment in full or defeasance of the
25 Series 2015 Bonds.

26 **Section 15. Continuing Disclosure Certificate.** The County acknowledges and relies
27 upon the fact that the District has represented that it shall execute a Continuing Disclosure
28 Certificate containing such covenants of the District as shall be necessary to comply with the

1 requirements of Securities and Exchange Commission Rule 15c2-12. The County acknowledges
2 and relies upon the fact that the District has covenanted that it will comply with and carry out all
3 of the provisions of such Continuing Disclosure Certificate. The District shall function as or
4 cause the appointment of a dissemination agent, who shall perform all duties and obligations of
5 the Dissemination Agent as set forth in the Continuing Disclosure Certificate, and the County
6 shall have no responsibilities either for compliance with the Continuing Disclosure Certificate or
7 for the duties of the Dissemination Agent.

8 **Section 16. Limited Responsibility for Official Statement.** Neither this Board of
9 Supervisors nor any officer of the County has prepared or reviewed the Official Statement of the
10 District describing the Series 2015 Bonds, and the Board of Supervisors and the various officers
11 of the County take no responsibility for the contents or distribution thereof; provided, however,
12 that solely with respect to a section contained or to be contained therein describing the County's
13 investment policy, current portfolio holdings, and valuation procedures, as they may relate to
14 funds of the District, the Treasurer is hereby authorized and directed to prepare and review such
15 information for inclusion in the District's Official Statement and in a preliminary Official
16 Statement, and to certify to the District prior to or upon the issuance of the Series 2015 Bonds that
17 the information contained in such section does not contain any untrue statement of a material fact
18 or omit to state any material fact necessary in order to make the statements made therein, in the
19 light of the circumstances under which they are made, not misleading.

20 **Section 17. Approval of Actions.** The Chairperson of the Board of Supervisors, the
21 Clerk to the Board of Supervisors, the Auditor-Controller, the County Counsel, and the Treasurer
22 and the deputies and designees of any of them, are hereby authorized and directed to execute and
23 deliver any and all certificates and representations, as may be acceptable to County Counsel,
24 including signature certificates, no-litigation certificates, and other certificates proposed to be
25 distributed in connection with the sale of the Series 2015 Bonds, necessary and desirable to
26 accomplish the transactions authorized herein.

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Section 18. Effective Date. This County Resolution shall take effect from and after its date of adoption.

PASSED and ADOPTED by the Board of Supervisors of the County of Riverside on June 16, 2015.

ROLL CALL:

Ayes: Jeffries, Tavaglione, Washington, 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.

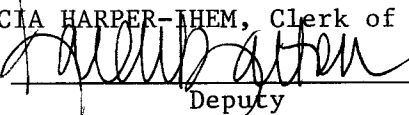
KECIA HARPER-IHEM, Clerk of said Board
By 
Deputy

EXHIBIT A

FORM OF CURRENT INTEREST BOND

Number **UNITED STATES OF AMERICA** **Amount**
R-__ **STATE OF CALIFORNIA** **\$ _____**
COUNTY OF RIVERSIDE

MURRIETA VALLEY UNIFIED SCHOOL DISTRICT
(COUNTY OF RIVERSIDE, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2014, SERIES 2015

CURRENT INTEREST BOND

Maturity Date **Interest Rate** **Dated as of** **CUSIP No.**
September 1, 20 ____% _____, 2015

Registered Owner: CEDE & CO.

Principal Amount: _____ **DOLLARS**

The Murrieta Valley Unified School District, County of Riverside, State of California (the "District"), acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns, on the Maturity Date set forth above or upon prior redemption hereof, the Principal Amount specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless this bond is authenticated after the close of business on a Record Date (as defined herein) and on or prior to the succeeding interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before _____ 15, 20__, in which event it shall bear interest from the date hereof) at the Interest Rate per annum stated above, payable commencing on _____ 1, 20__, and thereafter on March 1 and September 1 in each year, until payment of the Principal Amount. This Bond is issued by the County of Riverside (the "County") on behalf of the District pursuant to a Resolution adopted by the Board of Supervisors of the County on June 16, 2015 (the "Resolution") at the request of the District. Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The principal hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of Zions First National Bank, the paying agent/registrant and transfer agent of the District (the "Paying Agent"). The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such Registered Owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Current Interest Bonds aggregating at least \$1,000,000 in principal

amount, interest will be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate principal amount of \$ _____, and designated as "Murrieta Valley Unified School District (County of Riverside, California) General Obligation Bonds, Election of 2014, Series 2015" (the "Bonds"). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 4, 2014. The Bonds are issued and sold by the Board of Supervisors of the County pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated _____, 2015 (the "Bond Purchase Agreement"), by and among the County, the District and Stifel, Nicolaus & Company, Incorporated, as underwriter.

The Current Interest Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 principal amount or any integral multiple thereof, provided that no Current Interest Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same tenor, interest payment mode, and maturity of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office 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 transfer, a new Bond or Bonds of authorized denomination or denominations of the same tenor, interest payment mode, and same aggregate principal amount will be issued to the transferee in exchange herefor.

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

[The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Resolution and the Bond Purchase Agreement. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.]

In reliance upon the representations, certifications and declarations of the District, the Board of Supervisors of the County hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond; and that this Bond is in substantially the form prescribed

by order of the Board of Supervisors duly made and entered on its minutes. The Bonds are obligations of the District payable out of the interest and sinking fund of the District, and the money for the payment of principal of, premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District. The Bonds do not constitute a debt, liability or obligation of the County and no part of any fund or account of the County is pledged or obligated to the payment of the Bonds.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Paying Agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the County of Riverside has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chairperson of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk to the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

Chairperson of the Board of
Supervisors of the County of Riverside

[SEAL]

Treasurer-Tax Collector of
the County of Riverside

Countersigned:

Clerk to the Board of Supervisors of
the County of Riverside

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on _____.

**ZIONS FIRST NATIONAL BANK,
AS PAYING AGENT**

By: _____
Authorized Officer

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

I.D. Number

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

Dated: _____

Signature Guarantee: _____

Note: Signature must be guaranteed by an eligible guarantor institution.

EXHIBIT B

FORM OF CAPITAL APPRECIATION BOND

Number
CAB-___

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF RIVERSIDE**

**MURRIETA VALLEY UNIFIED SCHOOL DISTRICT
(COUNTY OF RIVERSIDE, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2014, SERIES 2015**

CAPITAL APPRECIATION BOND

Maturity Date Interest Rate Dated as of CUSIP No.
September 1, 20 ___% _____, 2015

Registered Owner: CEDE & CO.

Initial Principal Amount: _____ DOLLARS

Accreted Value at Maturity: _____ DOLLARS

The Murrieta Valley Unified School District of the County of Riverside, State of California (the "District"), acknowledges itself obligated to and promises to pay, to the Registered Owner identified above or registered assigns, on the Maturity Date specified above or upon prior redemption hereof, in lawful money of the United States of America, the accreted value hereof on such date, consisting of the Initial Principal Amount hereof plus interest accrued thereon to such date, commencing on the date hereof, compounded on March 1 and September 1 of each year commencing on _____ 1, 20__, at the Interest Rate specified above, assuming in any such semiannual period that such interest accretes in equal daily amounts on the basis of a 360-day year of twelve 30-day months, until the obligation represented hereby shall have been discharged, as provided in the Resolution adopted by the Board of Supervisors of the County on June 16, 2015 (the "Resolution") at the request of the District. The accreted value hereof shall be determined in accordance with the Resolution and as reflected in the Table of Accreted Values hereinafter set forth; provided, however, that any accreted value determined in accordance with the Resolution shall prevail over any accreted values given in the Table of Accreted Values. Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The accreted value hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of Zions First National Bank, the paying agent/registrant and transfer agent of the District (the "Paying Agent").

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying tenors, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate principal amount of \$ _____, and designated as "Murrieta Valley Unified School

District (County of Riverside, California) General Obligation Bonds, Election of 2014, Series 2015” (the “Bonds”). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 4, 2014. The Bonds are issued and sold by the Board of Supervisors of the County pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated _____, 2015 (the “Bond Purchase Agreement”), by and among the County, the District and Stifel, Nicolaus & Company, Incorporated, as underwriter.

The Capital Appreciation Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 accreted value at maturity (the “maturity value”) or any integral multiple thereof, except that the first numbered Bond may be issued in a denomination such that the maturity value of such Bond shall not be in an integral multiple of \$5,000, and provided that no Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution, Bonds may be exchanged for a like aggregate maturity value of Bonds of the same tenor, interest payment mode, and maturity of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office 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 transfer, a new Bond or Bonds of authorized denomination or denominations for the same tenor and interest payment mode and same aggregate maturity value will be issued to the transferee in exchange herefor.

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

[The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Resolution and the Bond Purchase Agreement. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.]

In reliance upon the representations, certifications and declarations of the District, the Board of Supervisors of the County hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law, that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond, and that this Bond is in substantially the form prescribed by order of this Board duly made and entered on its minutes. The Bonds are obligations of the District payable out of the interest and sinking fund of the District, and the money for the payment of the maturity value of this Bond (or redemption price hereof upon redemption prior to maturity), shall be raised by taxation upon the taxable property of the District. The Bonds do not constitute a debt, liability or obligation of the County and no part of any fund or account of the County is pledged or obligated to the payment of the Bonds.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Paying Agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the County of Riverside has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chairperson of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk to the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

Chairperson of the Board of
Supervisors of the County of Riverside

[SEAL]

Treasurer-Tax Collector of
the County of Riverside

Countersigned:

Clerk to the Board of Supervisors of
the County of Riverside

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on _____.

**ZIONS FIRST NATIONAL BANK,
AS PAYING AGENT**

By: _____
Authorized Officer

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

I.D. Number _____

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

Dated: _____

Signature Guarantee: _____

Note: Signature must be guaranteed by an eligible guarantor institution.

**CAPITAL APPRECIATION BOND
TABLE OF ACCRETED VALUES**

EXHIBIT C

FORM OF CONVERTIBLE CAPITAL APPRECIATION BOND

Number
CCAB-__

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

MURRIETA VALLEY UNIFIED SCHOOL DISTRICT
(COUNTY OF RIVERSIDE, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2014, SERIES 2015

CONVERTIBLE CAPITAL APPRECIATION BOND

Maturity Date Interest Rate Dated as of CUSIP No.
September 1, 20 ___% _____, 2015

Registered Owner: CEDE & CO.

Initial Principal Amount: _____ DOLLARS

Accreted Value at Conversion Date: _____ DOLLARS

The Murrieta Valley Unified School District of the County of Riverside, State of California (the "District"), acknowledges itself obligated to and promises to pay, to the Registered Owner identified above or registered assigns, on the Maturity Date specified above or upon prior redemption hereof, in lawful money of the United States of America, the accreted value hereof on such date, consisting of the Initial Principal Amount hereof plus interest accrued thereon to the Conversion Date specified above, commencing on the date hereof, compounded on March 1 and September 1 of each year commencing on _____ 1, 20__, at the Interest Rate per annum specified above, assuming in any such semiannual period that such interest accretes in equal daily amounts on the basis of a 360-day year of twelve 30-day months, and from and after said Conversion Date to pay interest on said accreted value as of said Conversion Date in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless this bond is authenticated after the close of business on a Record Date (as defined herein) and on or prior to the succeeding interest payment date, in which event it shall bear interest from such interest payment date) at the Interest Rate per annum stated above, payable commencing on the March 1 or September 1 first following said Conversion Date, and thereafter on March 1 and September 1 in each year, until the obligation represented hereby shall have been discharged, as provided in the Resolution adopted by the Board of Supervisors of the County on June 16, 2015 (the "Resolution") at the request of the District, upon the surrender hereof at the principal corporate trust office of Zions First National Bank, the paying agent/registrant and transfer agent of the District (the "Paying Agent"). The accreted value hereof shall be determined in accordance with the Resolution and as reflected in the Table of Accreted Values hereinafter set forth; provided, however, that any accreted value determined in accordance with the Resolution shall prevail over any accreted values given in the Table of

Accreted Values. Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The accreted value hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of the Paying Agent. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such Registered Owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Current Interest Bonds aggregating at least \$1,000,000 in accreted value as of the Conversion Date, interest will be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying tenors, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate principal amount of \$ _____, and designated as "Murrieta Valley Unified School District (County of Riverside, California) General Obligation Bonds, Election of 2014, Series 2015" (the "Bonds"). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 4, 2014. The Bonds are issued and sold by the Board of Supervisors of the County pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated _____, 2015 (the "Bond Purchase Agreement"), by and among the County, the District and Stifel, Nicolaus & Company, Incorporated, as underwriter.

The Convertible Capital Appreciation Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 accreted value at the Conversion Date or any integral multiple thereof, provided that no Convertible Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution, Bonds may be exchanged for a like aggregate maturity value of Bonds of the same tenor, interest payment mode, and maturity of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office 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 transfer, a new Bond or Bonds of authorized denomination or denominations for the same tenor and interest payment mode and same aggregate maturity value will be issued to the transferee in exchange herefor.

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

[The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Resolution and the Bond Purchase Agreement. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.]

In reliance upon the representations, certifications and declarations of the District, the Board of Supervisors of the County hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law, that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond, and that this Bond is in substantially the form prescribed by order of this Board duly made and entered on its minutes. The Bonds are obligations of the District payable out of the interest and sinking fund of the District, and the money for the payment of the maturity value of this Bond (or redemption price hereof upon redemption prior to maturity), shall be raised by taxation upon the taxable property of the District. The Bonds do not constitute a debt, liability or obligation of the County and no part of any fund or account of the County is pledged or obligated to the payment of the Bonds.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Paying Agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the County of Riverside has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chairperson of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk to the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

Chairperson of the Board of
Supervisors of the County of Riverside

[SEAL]

Treasurer-Tax Collector of
the County of Riverside

Countersigned:

Clerk to the Board of Supervisors of
the County of Riverside

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on _____.

**ZIONS FIRST NATIONAL BANK,
AS PAYING AGENT**

By: _____
Authorized Officer

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

I.D. Number

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

Dated: _____

Signature Guarantee: _____

Note: Signature must be guaranteed by an eligible guarantor institution.

CONVERTIBLE CAPITAL APPRECIATION BOND

TABLE OF ACCRETED VALUES

EXHIBIT D
SUMMARY OF AB 182 INFORMATION

The following represent a summary of certain determinations made by the Board of Education of the Murrieta Valley Unified School District and information presented to such Board of Education. Certain information presented below and in the attached exhibit (the "Exhibit") to this Exhibit D prepared by the District's financial advisor, including amounts to be issued and repayment ratios, are estimates and, based on market conditions at the time of pricing of the Series 2015 Bonds, are subject to change.

Part 1. Financing Terms and Maturity.

Current Interest Bonds: final maturity date not to exceed 30 years from the date of issuance. Capital Appreciation Bonds: final maturity date not to exceed 25 years from the date of issuance. Convertible Capital Appreciation Bonds: final maturity date not to exceed 25 years from the date of issuance.

Part 2. Repayment Ratio

Ratio of total debt service to principal of the Series 2015 Bonds shall not, in any case, exceed four to one. For estimated repayment ratios, see Item Nos. 2 and 4 in the attached Exhibit.

Part 3. Estimated Change in Assessed Valuation

See Item No. 3 in the attached Exhibit.

Part 4. Analysis of Overall Costs

See Item Nos. 1, 2 and 4 in the attached Exhibit.

Part 5. Reasons for Including Capital Appreciation Bonds.

To comply with due the tax levy rate constraints imposed on the issuance of the Series 2015 Bonds under Section 15270 of the Education Code. See Item No. 6 in the attached Exhibit.

Part 6. Form of disclosure made by the underwriter of the Series 2015 Bonds in compliance with Municipal Securities Rulemaking Board Rule G-17

On file with the Superintendent of the District.

[See attached Exhibit]

EXHIBIT

DISCLOSURE REQUIRED BY EDUCATION CODE SECTION 15146(b) and 15146(c)

1. Financing term and time of maturity of the bonds (the entire series of bonds). Illustrative Option 1 includes only current interest bonds (“CIBs”), while Illustrative Option 2 includes CIBs and convertible capital appreciation and capital appreciation bonds (“CABs”).

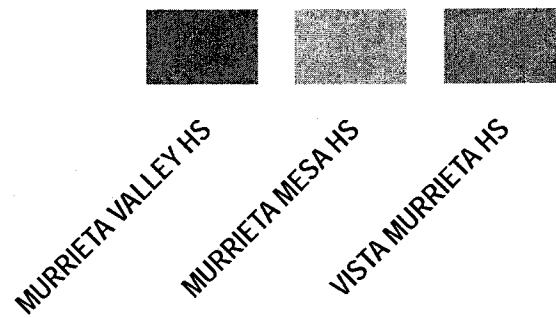
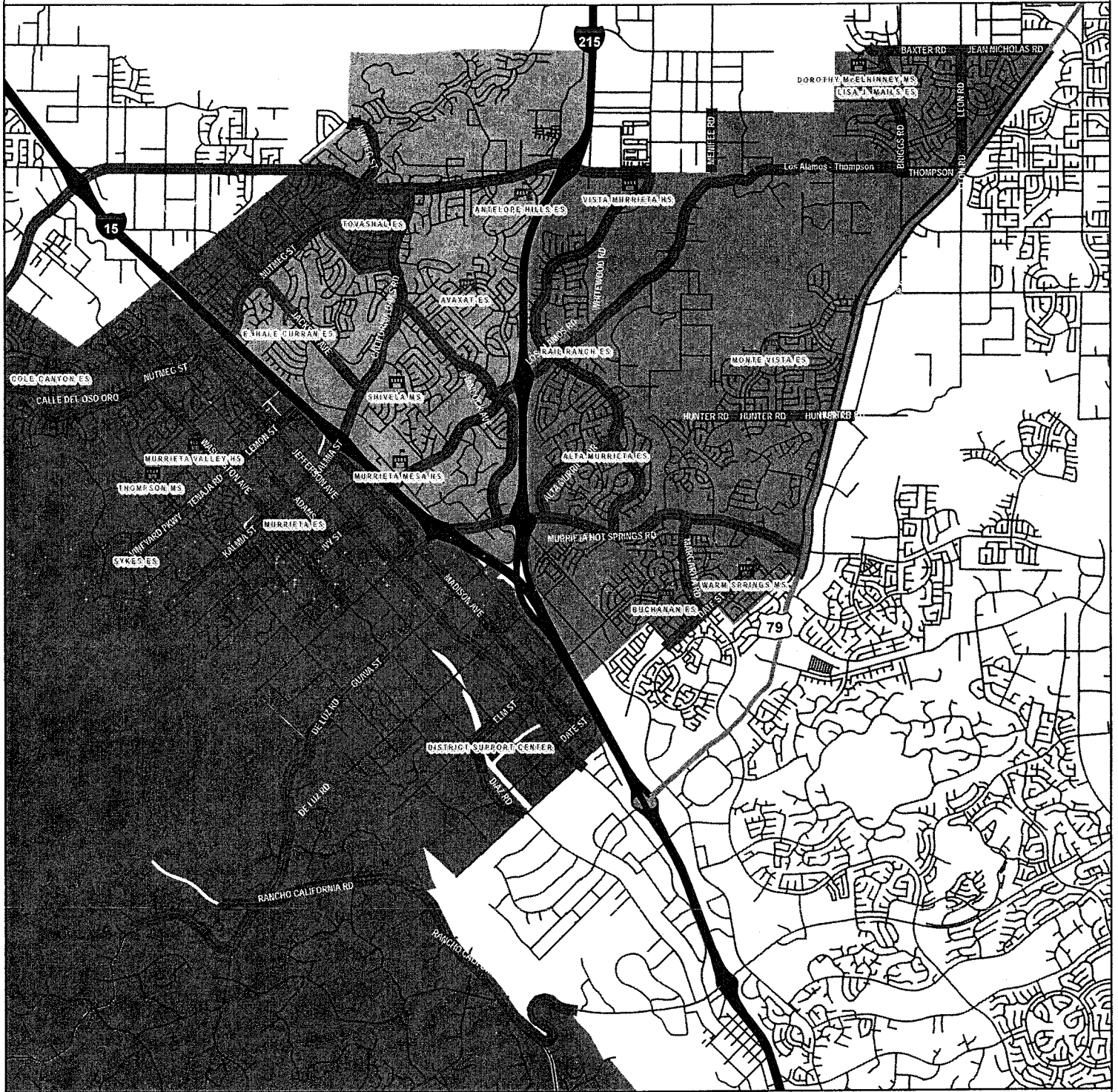
Illustrative Option 1 - Current Interest Bonds Only				Illustrative Option 2 - Current Interest Bonds and Capital Appreciation Bonds			
Date	Principal	Interest	Debt Service	Date	Principal	Interest	Debt Service
8/1/2016	\$1,540,000	\$1,907,950	\$3,447,950	8/1/2016	\$1,540,000	\$1,826,880	\$3,366,880
8/1/2017	\$1,715,000	\$1,688,300	\$3,403,300	8/1/2017	\$1,715,000	\$1,614,600	\$3,329,600
8/1/2018	\$1,900,000	\$1,636,850	\$3,536,850	8/1/2018	\$1,900,000	\$1,563,150	\$3,463,150
8/1/2019	\$720,000	\$1,560,850	\$2,280,850	8/1/2019	\$720,000	\$1,487,150	\$2,207,150
8/1/2020	\$810,000	\$1,524,850	\$2,334,850	8/1/2020	\$810,000	\$1,451,150	\$2,261,150
8/1/2021	\$910,000	\$1,484,350	\$2,394,350	8/1/2021	\$910,000	\$1,410,650	\$2,320,650
8/1/2022	\$1,020,000	\$1,438,850	\$2,458,850	8/1/2022	\$1,020,000	\$1,365,150	\$2,385,150
8/1/2023	\$1,135,000	\$1,387,850	\$2,522,850	8/1/2023	\$1,135,000	\$1,314,150	\$2,449,150
8/1/2024	\$1,255,000	\$1,331,100	\$2,586,100	8/1/2024	\$1,255,000	\$1,257,400	\$2,512,400
8/1/2025	\$1,385,000	\$1,268,350	\$2,653,350	8/1/2025	\$1,385,000	\$1,194,650	\$2,579,650
8/1/2026	\$1,530,000	\$1,199,100	\$2,729,100	8/1/2026	\$1,530,000	\$1,125,400	\$2,655,400
8/1/2027	\$1,680,000	\$1,122,600	\$2,802,600	8/1/2027	\$1,680,000	\$1,048,900	\$2,728,900
8/1/2028	\$1,840,000	\$1,038,600	\$2,878,600	8/1/2028	\$1,840,000	\$964,900	\$2,804,900
8/1/2029	\$2,010,000	\$946,600	\$2,956,600	8/1/2029	\$2,010,000	\$872,900	\$2,882,900
8/1/2030	\$0	\$866,200	\$866,200	8/1/2030	\$0	\$792,500	\$792,500
8/1/2031	\$80,000	\$866,200	\$946,200	8/1/2031	\$209,850	\$942,650	\$1,152,500
8/1/2032	\$120,000	\$863,000	\$983,000	8/1/2032	\$245,889	\$953,411	\$1,199,300
8/1/2033	\$165,000	\$858,200	\$1,023,200	8/1/2033	\$289,026	\$960,474	\$1,249,500
8/1/2034	\$515,000	\$851,600	\$1,366,600	8/1/2034	\$671,324	\$1,021,576	\$1,692,900
8/1/2035	\$590,000	\$831,000	\$1,421,000	8/1/2035	\$743,492	\$1,018,808	\$1,762,300
8/1/2036	\$675,000	\$807,400	\$1,482,400	8/1/2036	\$821,933	\$1,006,767	\$1,828,700
8/1/2037	\$1,015,000	\$780,400	\$1,795,400	8/1/2037	\$1,182,367	\$1,044,333	\$2,226,700
8/1/2038	\$1,420,000	\$739,800	\$2,159,800	8/1/2038	\$517,853	\$1,798,248	\$2,316,100
8/1/2039	\$1,560,000	\$683,000	\$2,243,000	8/1/2039	\$516,937	\$1,889,163	\$2,406,100
8/1/2040	\$2,015,000	\$620,600	\$2,635,600	8/1/2040	\$2,165,000	\$666,100	\$2,831,100
8/1/2041	\$2,200,000	\$540,000	\$2,740,000	8/1/2041	\$2,365,000	\$579,500	\$2,944,500
8/1/2042	\$2,425,000	\$430,000	\$2,855,000	8/1/2042	\$2,600,000	\$461,250	\$3,061,250
8/1/2043	\$2,950,000	\$308,750	\$3,258,750	8/1/2043	\$3,165,000	\$331,250	\$3,496,250
8/1/2044	\$3,225,000	\$161,250	\$3,386,250	8/1/2044	\$3,460,000	\$173,000	\$3,633,000
Total	\$38,405,000	\$29,743,600	\$68,148,600	Total	\$38,403,670	\$32,136,060	\$70,539,730

2. Repayment ratio for the bonds (the entire series of bonds).
- Illustrative Option 1: 1.77
 - Illustrative Option 2: 1.84
3. Estimated change in assessed value (“AV”) of taxable property within the District over the term of the bonds.
- 8.66% in fiscal year 2014-15 (actual) and 4.00% from fiscal year 2015-16 until final maturity of the bonds.
4. Total overall cost of the CABs.
- In Illustrative Option 2, the estimated principal amount of CABs is \$2,038,670 with an estimated debt service cost of \$6,000,000. This is a repayment ratio for the CABs of 2.94.

5. Comparison of #4 to overall cost if instead of CABs, the District issued CIBs.
 - The estimated difference in the overall debt service cost is estimated at \$2,391,130.

6. Reason for recommending CABs.
 - Under current market conditions, CABs are recommended in order to access the desired project fund amounts today and in the future while staying within the tax rate estimated to the voters at the November 4, 2014 election.

High School Site Boundaries



RESOLUTION NO. 14/15-30

RESOLUTION OF THE BOARD OF EDUCATION OF THE MURRIETA VALLEY UNIFIED SCHOOL DISTRICT PRESCRIBING THE TERMS OF SALE OF NOT TO EXCEED \$38,405,000 AGGREGATE INITIAL PRINCIPAL AMOUNT OF BONDS OF MURRIETA VALLEY UNIFIED SCHOOL DISTRICT, INCLUDING BONDS THAT ALLOW FOR THE COMPOUNDING OF INTEREST, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE TO ISSUE AND SELL THE BONDS BY A NEGOTIATED SALE PURSUANT TO A BOND PURCHASE AGREEMENT, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF SAID BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT FOR THE BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, an election was duly called and regularly held in the Murrieta Valley Unified School District, County of Riverside, California (the "District"), on November 4, 2014, at which the following proposition (as abbreviated pursuant to Section 13247 of the California Elections Code) was submitted to the electors of the District (the "Bond Measure"):

"To upgrade outdated Murrieta K12 classrooms, labs, career-training facilities, and education technology; rehabilitate deteriorated roofs, plumbing, electrical, lighting, HVAC, flooring, buildings and grounds; acquire/construct/equip sites, classrooms, and facilities; upgrade safety/security systems; and improve science, technology, engineering, and math instructional facilities; shall Murrieta Valley Unified School District issue \$98,000,000 of bonds at legal rates, with independent citizen oversight, no money for administrator salaries, and all funds benefitting Murrieta Valley K12 schools?"

WHEREAS, at least 55% of the votes cast on the proposition were in favor of issuing the bonds;

WHEREAS, pursuant to Sections 53506 and following of the California Government Code (the "Government Code"), including Section 53508.7 thereof, and Sections 15140 and 15146 of the California Education Code (the "Education Code"), the Board of Education (the "Board of Education") of the District deems it necessary and desirable that the Board of Supervisors (the "Board of Supervisors") of the County of Riverside (the "County") authorize and consummate the sale of a portion of said bonds, designated the "Murrieta Valley Unified School District (County of Riverside, California) General Obligation Bonds, Election of 2014, Series 2015" (the "Series 2015 Bonds"), with such additional or other series or subseries designations as may be approved as herein provided, in an aggregate initial principal amount not exceeding \$38,405,000, for purposes of financing projects authorized to be financed under the Bond Measure, according to the terms and in the manner hereinafter set forth;

WHEREAS, Assembly Bill 182 (Chapter 477 of the 2013-2014 Session of the California Legislature) ("AB 182") requires the Board of Education to be presented with (i) an analysis containing the total overall cost of any bonds that allow for the compounding of interest that are proposed to be issued, (ii) a comparison to the overall cost of current interest bonds, (iii) the reasons bonds that allow for the compounding of interest are being recommended, and (iv) a copy of the disclosure made by the underwriter of the Series 2015 Bonds in compliance with Municipal Securities Rulemaking Board Rule G-17;

WHEREAS, in compliance with AB 182, an analysis containing the total overall cost of bonds that allow for the compounding of interest that are proposed to be issued and a comparison to the overall cost of current interest bonds have been presented to the Board of Education, the Board of Education confirms the reason for the issuance of bonds that allow for the compounding of interest is to provide sufficient and timely funds for the projects specified in the Bond Measure, and the Municipal Securities Rulemaking Board Rule G-17 submission of the underwriter of the Series 2015 Bonds has been received by the Board of Education;

WHEREAS, this Resolution was submitted at two consecutive meetings of the Board of Education in compliance with AB 182;

WHEREAS, the Board of Education has determined that securing the timely payment of the principal or accreted value of and interest on the Series 2015 Bonds by obtaining a municipal bond insurance policy with respect thereto could be economically advantageous to the District;

WHEREAS, a form of Bond Purchase Agreement (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Bond Purchase Agreement") to purchase the Series 2015 Bonds proposed to be entered into by and among the County, the District and Stifel, Nicolaus & Company, Incorporated, as underwriter (the "Underwriter") has been prepared;

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Series 2015 Bonds, the Underwriter must have reasonably determined that the issuer or other obligated person has undertaken in a written agreement or contract for the benefit of the holders of the Series 2015 Bonds to provide disclosure of certain financial and operating information and certain enumerated events on an ongoing basis;

WHEREAS, in order to cause such requirement to be satisfied, the District desires to execute and deliver a Continuing Disclosure Certificate (such Continuing Disclosure Certificate, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Continuing Disclosure Certificate"), a form of which has been prepared;

WHEREAS, the Preliminary Official Statement to be distributed in connection with the public offering of the Series 2015 Bonds (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to

this Resolution, being referred to herein as the "Preliminary Official Statement") has been prepared;

WHEREAS, the Board of Education has been presented with the form of each document referred to herein relating to the financing contemplated hereby, and the Board of Education has examined each document and desires to approve, authorize and direct the execution of such documents and the consummation of such financing;

WHEREAS, the District desires that the County levy and collect a tax on all taxable property within the District sufficient to provide for payment of the Series 2015 Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County, the Auditor-Controller of the County, the Treasurer-Tax Collector of the County and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of the Series 2015 Bonds, all pursuant to Sections 15250 and 15251 of the Education Code; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

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

Section 1. Recitals. All of the above recitals are true and correct and the Board of Education so finds.

Section 2. Definitions. Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Resolution, have the meanings specified herein, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

"Auditor-Controller" means the Auditor-Controller of the County or any authorized deputy thereof.

"Authorized Officers" means the President of the Board of Education, or such other member of the Board of Education as the President may designate, the Superintendent of the District, the Assistant Superintendent, Business Services of the District, the Assistant Superintendent, Facilities and Operational Services of the District, or such other officer or employee of the District as the Superintendent may designate.

"Board of Education" means the Board of Education of the District.

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

“Bond Purchase Agreement” means the Bond Purchase Agreement relating to the sale of the Series 2015 Bonds by and among the County, the District and the Underwriter in accordance with the provisions hereof.

“Capital Appreciation Bonds” means the Series 2015 Bonds accreting interest semiannually to the maturity date thereof payable in accordance with Section 4(e) hereof.

“Code” means the Internal Revenue Code of 1986.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate executed and delivered by the District relating to the Series 2015 Bonds.

“Conversion Date” means the date a Convertible Capital Appreciation Bond converts to a bond bearing interest payable semiannually on a current basis.

“Convertible Capital Appreciation Bonds” means those Series 2015 Bonds accreting interest semiannually to the Conversion Date thereof and bearing interest payable semiannually on a current basis from and after the Conversion Date thereof, all in accordance with Section 4(f) hereof.

“County” means the County of Riverside.

“County Resolution” means the Resolution of the Board of Supervisors of the County authorizing the issuance of the Series 2015 Bonds.

“Current Interest Bonds” means those Series 2015 Bonds bearing interest payable semiannually on a current basis in accordance with Section 4(d) hereof.

“District” means the Murrieta Valley Unified School District.

“Interest Date” means March 1 and September 1 of each year (a) commencing on September 1, 2015, with respect to the Current Interest Bonds and, for purposes of compounding interest on the Capital Appreciation Bonds and, to their Conversion Dates, Convertible Capital Appreciation Bonds, commencing on September 1, 2015, or such other dates as may be set forth in the Bond Purchase Agreement, and (b) with respect to Convertible Capital Appreciation Bonds, from and after their Conversion Date, commencing on the March 1 or September 1 immediately following such Conversion Date, or such other dates as may be set forth in the Bond Purchase Agreement.

“Official Statement” means the Official Statement of the District relating to the Series 2015 Bonds.

“Opinion of Bond Counsel” means an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds.

“Owner” means, with respect to any Series 2015 Bond, the person whose name appears on the registration books provided for in the County Resolution as the registered owner thereof.

“Paying Agent” means Zions First National Bank, or any bank, trust company, national banking association or other financial institution appointed as Paying Agent to act as authenticating agent, bond registrar, transfer agent and paying agent for the Series 2015 Bonds in accordance with Section 5 hereof.

“Preliminary Official Statement” means the Preliminary Official Statement of the District relating to the Series 2015 Bonds.

“Record Date” means, with respect to any Interest Date for the Series 2015 Bonds, the 15th day of the calendar month immediately preceding such Interest Date, whether or not such day is a business day, or such other date or dates as may be set forth in the Bond Purchase Agreement.

“Series 2015 Bonds” means the bonds authorized and issued pursuant to the County Resolution, at the request of the District pursuant to this Resolution, in one or more series or subseries, designated the “Murrieta Valley Unified School District (County of Riverside, California) General Obligation Bonds, Election of 2014, Series 2015,” with such additional or other series or subseries designations as may be approved as herein provided.

“State” means the State of California.

“Tax Certificate” means the Tax Certificate with respect to the Series 2015 Bonds, executed by the District, dated the date of issuance of the Series 2015 Bonds.

“Tax-Exempt” means, with respect to interest on any obligations of a state or local government, that such interest is excluded from the gross income of the holders thereof for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Internal Revenue Code of 1986 (the “Code”).

“Taxable Bonds” means those Series 2015 Bonds the interest on which is not Tax-Exempt.

“Treasurer” means the Treasurer-Tax Collector of the County or any authorized deputy thereof.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated, as underwriter.

Section 3. Request for Sale of Series 2015 Bonds; Use of Proceeds. The Board of Supervisors of the County, pursuant to California Government Code Section 53506 *et seq.*, including Section 53508.7 thereof, and California Education Code Sections 15140 and 15146, is hereby requested to sell, by negotiated sale to the Underwriter, not to exceed \$38,405,000 aggregate initial principal amount of Series 2015 Bonds, in one or more series or subseries, and to designate the Series 2015 Bonds as the “Murrieta Valley Unified School District (County of Riverside, California) General Obligation Bonds, Election of 2014, Series 2015,” with appropriate additional or other series or subseries designations. The Series 2015 Bonds may be issued as Current Interest Bonds, Capital Appreciation Bonds and/or Convertible Capital

Appreciation Bonds, or any combination thereof, all as provided in Section 4 hereof. The proceeds of the Series 2015 Bonds, exclusive of any premium and accrued interest received, shall be applied to finance projects authorized to be financed under the Bond Measure.

The Board of Supervisors is hereby requested to provide by the County Resolution for the terms of the sale and issuance of the Series 2015 Bonds in accordance with the particular terms and manner set forth herein and, with respect to such necessary or desirable terms as are not specified herein, as the Board of Supervisors shall otherwise see fit to determine. With respect to such necessary or desirable terms as are not finally determined by the County Resolution, the Board of Supervisors is hereby requested to provide for such terms to be finally determined and set forth in the Bond Purchase Agreement.

Section 4. Terms of Bonds. (a) *Date of Series 2015 Bonds.* The Current Interest Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement. The Capital Appreciation Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement. The Convertible Capital Appreciation Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement.

(b) *Denominations.* The Current Interest Bonds shall be issued in denominations of \$5,000 principal amount or any integral multiple thereof. The Capital Appreciation Bonds shall be issued in denominations of \$5,000 accreted value at maturity ("maturity value") or any integral multiple thereof, except that the first numbered Capital Appreciation Bond may be issued in a denomination such that the maturity value of such Capital Appreciation Bond shall not be an integral multiple of \$5,000. The Convertible Capital Appreciation Bonds shall be issued in denominations of \$5,000 accreted value at their Conversion Date or any integral multiple thereof.

(c) *Maturity.* The Current Interest Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Agreement. No Current Interest Bond shall mature later than the date which is 30 years from the date of the Current Interest Bonds, to be determined as provided in subsection (a) of this Section. No Current Interest Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Agreement may provide that no Current Interest Bonds shall be issued.

The Capital Appreciation Bonds shall mature on the date or dates, in each of the years, and in the maturity values as shall be set forth in the Bond Purchase Agreement. No Capital Appreciation Bond shall mature later than the date which is 25 years from the date of the Capital Appreciation Bonds, to be determined as provided in subsection (a) of this Section. No Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Agreement may provide that no Capital Appreciation Bonds shall be issued.

The Convertible Capital Appreciation Bonds shall have Conversion Dates of and mature on the date or dates, in each of the years, in the accreted amounts and in the stated values at their Conversion Date as shall be set forth in the Bond Purchase Agreement. No Convertible Capital Appreciation Bond shall mature later than the date which is 25 years from the date of the

Convertible Capital Appreciation Bonds, to be determined as provided in subsection (a) of this Section. No Convertible Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Agreement may provide that no Convertible Capital Appreciation Bonds shall be issued.

The Current Interest Bonds, the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds may mature in the same year or years as any other Current Interest Bonds, Capital Appreciation Bonds or Convertible Capital Appreciation Bonds, without limitation. The aggregate initial principal amount of the Series 2015 Bonds issued as Current Interest Bonds, Capital Appreciation Bonds or Convertible Capital Appreciation Bonds shall not exceed \$38,405,000.

(d) *Interest; Current Interest Bonds.* The Current Interest Bonds shall bear interest at an interest rate or rates not to exceed 8.00% per annum, payable on the Interest Dates in each year computed on the basis of a 360-day year of twelve 30-day months. Each Current Interest Bond shall bear interest from the Interest Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Date, in which event it shall bear interest from such Interest Date, or unless it is authenticated on or before the Record Date preceding the first Interest Date, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Current Interest Bond, interest is in default on any outstanding Current Interest Bonds, such Current Interest Bond shall bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Current Interest Bonds.

(e) *Interest; Capital Appreciation Bonds.* The Capital Appreciation Bonds shall not bear current interest; each Capital Appreciation Bond shall accrete in value daily over the term to its maturity (on the basis of a 360-day year consisting of twelve 30-day months), from its initial principal (denominational) amount on the date of issuance thereof to its stated maturity value at maturity thereof, on the basis of a constant interest rate (which shall not exceed 8.00% per annum) compounded semiannually on each Interest Date (with straight-line interpolations between Interest Dates). The accreted value per \$5,000 maturity value of the Capital Appreciation Bonds on each Interest Date shall be given for reference in a table of accreted values to appear in the Capital Appreciation Bonds; provided, however, that the accreted value determined in accordance with this Section shall prevail over any different accreted value given in such table. Interest on the Capital Appreciation Bonds shall be payable only upon maturity or prior redemption thereof.

(f) *Interest; Convertible Capital Appreciation Bonds.* The Convertible Capital Appreciation Bonds shall not bear current interest prior to their respective Conversion Dates; each Convertible Capital Appreciation Bond shall accrete in value daily from its initial principal (denominational) amount on the date of issuance thereof to its stated value at the Conversion Date thereof (on the basis of a 360-day year consisting of twelve 30-day months), on the basis of a constant interest rate (which shall not exceed 8.00% per annum) compounded semiannually on each Interest Date (with straight-line interpolations between Interest Dates). From and after the respective Conversion Date of a Convertible Capital Appreciation Bond, such Convertible Capital Appreciation Bonds shall bear current interest on the accreted value thereof at an interest rate not to exceed 8.00% per annum, computed on the basis of a 360-day year of twelve 30-day

months, payable on the Interest Dates in each year following its Conversion Date. Following the Conversion Date with respect thereto, each Convertible Capital Appreciation Bond shall bear interest from the Interest Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Date, in which event it shall bear interest from such Interest Date, or unless it is authenticated on or before the Record Date preceding the first Interest Date following its Conversion Date, in which event it shall bear interest from its Conversion Date; provided, however, that if, at the time of authentication of any Convertible Capital Appreciation Bond, interest is in default on any outstanding Convertible Capital Appreciation Bonds, such Convertible Capital Appreciation Bond shall bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Convertible Capital Appreciation Bonds.

(g) *Interest; Tax-Exempt or Taxable.* Each series of Series 2015 Bonds may be issued such that the interest on such series of Series 2015 Bonds is Tax-Exempt or such that the interest on such series of Series 2015 Bonds is not Tax-Exempt. The Board of Education hereby finds and determines that, pursuant to Section 5903 of the California Government Code, the interest payable on each series of Series 2015 Bonds issued as Taxable Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of such series of Series 2015 Bonds.

Section 5. Payment of Bonds. (a) *Request for Tax Levy.* The money for the payment of principal and accreted value, redemption premium, if any, and interest on the Series 2015 Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and accreted value, redemption premium, if any, and interest coming due on the Series 2015 Bonds in such year, and to pay from such taxes all amounts due on the Series 2015 Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to redeem the Series 2015 Bonds, and to pay the principal and accreted value, redemption premium, if any, and interest thereon as and when the same become due.

(b) *Obligation of the District.* No part of any fund or account of the County is pledged or obligated to the payment of the Series 2015 Bonds. The obligation for repayment of the Series 2015 Bonds is the sole obligation of the District.

(c) *Insurance.* The payment of principal and accreted value of and interest on all or a portion of the Series 2015 Bonds may be secured by a municipal bond insurance policy as shall be described in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that no municipal bond insurance policy shall be obtained. The Authorized Officers are each hereby authorized and directed to qualify the District for municipal bond insurance for the Series 2015 Bonds and authorize that such insurance be obtained if the present value cost of such insurance is less than the present value of the estimated interest savings with respect to the Series 2015 Bonds. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver a contract or contracts for such insurance if

such contract is deemed by the Authorized Officer executing the same to be in the best interests of the District, such determination to be conclusively evidenced by such Authorized Officer's execution and delivery of such contract. If the Authorized Officers so deem and obtain municipal bond insurance, and such insurance is issued by a mutual insurance company, the Authorized Officers are each hereby authorized and directed to enter into any required mutual insurance agreement substantially in such insurer's standard form with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of such agreement by such Authorized Officer.

(d) *Appointment of Paying Agent; Payment of Fees and Expenses.* This Board of Education does hereby consent to and confirm the appointment Zions First National Bank to act as the initial Paying Agent for the Series 2015 Bonds. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Series 2015 Bonds, or from the Interest and Sinking Fund (as defined herein) of the District, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, such fees and expenses shall be paid by the District.

Section 6. Redemption Provisions. (a) *Optional Redemption.* The Series 2015 Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement. Subject to the requirements of Section 15144.2 of the Education Code, the Bond Purchase Agreement may provide that the Series 2015 Bonds shall not be subject to optional redemption, and may provide separate and distinct redemption provisions for the Current Interest Bonds, the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds.

(b) *Selection.* If less than all of the Series 2015 Bonds (Current Interest Bonds, Capital Appreciation Bonds or Convertible Capital Appreciation Bonds), if any, are subject to such redemption and are called for redemption, such Series 2015 Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the Bond Purchase Agreement), and if less than all of the Series 2015 Bonds of any given maturity are called for redemption, the portions of such bonds of a given maturity to be redeemed shall be determined by lot (or as otherwise set forth in the Bond Purchase Agreement).

(c) *Mandatory Sinking Fund Redemption.* The Series 2015 Bonds, if any, which are designated in the Bond Purchase Agreement as term bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot (or as otherwise set forth in the Bond Purchase Agreement), from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Bond Purchase Agreement. Unless otherwise provided in the Bond Purchase Agreement, the principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount of any Series 2015 Bonds of that maturity redeemed in accordance with subsection (a) of this Section prior to the mandatory sinking fund payment date. The Bond Purchase Agreement may provide that the Series 2015 Bonds shall not be subject to mandatory sinking fund redemption.

The Board of Supervisors is hereby requested to authorize the Auditor-Controller to create such sinking funds or accounts for the term Series 2015 Bonds as shall be necessary to accomplish the purposes of this Section.

Section 7. Bond Purchase Agreement; Sale of Bonds. The form of Bond Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that (a) the true interest cost for the Series 2015 Bonds shall not be in excess of 5.00%, (b) the interest rate on the Current Interest Bonds and, from and after their Conversion Dates, the Convertible Capital Appreciation Bonds, shall not exceed 8.00% per annum, (c) the Capital Appreciation Bonds and, to their Conversion Dates, the Convertible Capital Appreciation Bond, shall accrete in value at a compounded interest rate not to exceed 8.00% per annum, (d) the ratio of total debt service to principal of the Series 2015 Bonds shall not exceed four to one, (e) the estimated change in the assessed value of taxable property within the District over the term of the Series 2015 Bonds assumed in the structuring of the Series 2015 Bonds shall not exceed 5.00%, (f) the Underwriter's discount for the sale of the Series 2015 Bonds shall not exceed 0.5% of the principal amount of such Series 2015 Bonds exclusive of any costs of issuance the Underwriter contracts to pay, and (g) the Series 2015 Bonds shall otherwise conform to the limitations specified herein.

The Board of Supervisors is hereby requested to cause the Bond Purchase Agreement to be executed and delivered by the County, subject to such changes or revisions therein as may be acceptable to the District and the Board of Supervisors or the County office to whom execution of the Bond Purchase Agreement is delegated.

The Board of Education hereby finds and determines that the sale of the Series 2015 Bonds at negotiated sale as contemplated herein and by the Bond Purchase Agreement will provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Series 2015 Bonds to fit the needs of particular purchasers, and greater opportunity for the Underwriter to pre-market the Series 2015 Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds. Estimates of the costs associated with the issuance of the Series 2015 Bonds, including any such costs which the Underwriter may agree to pay pursuant to the Bond Purchase Agreement, are set forth on Exhibit A attached hereto and incorporated herein.

In accordance with Section 15146(h) of the Education Code, to the extent not contracted to be paid by the Underwriter, the Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by a bank, national banking association or trust company meeting the qualifications necessary to be a paying agent as set forth in the County Resolution, as cost of issuance administrator, proceeds of sale of the Series 2015 Bonds (exclusive of any premium or accrued interest received) in an amount not exceeding 2.00% of the principal amount of the Series 2015 Bonds sold, as shall be set forth in the Bond

Purchase Agreement, for the purposes of paying the costs associated with the issuance of the Series 2015 Bonds.

In accordance with subsections (i) and (j) of Section 15146 of the Education Code, the Authorized Officers are each hereby authorized to cause to be deposited in the interest and sinking fund of the District proceeds of sale of the Series 2015 Bonds (in addition to any premium or accrued interest received) to fund (i) an annual reserve permitted by Section 15250 of the Education Code, and/or (ii) capitalized interest in an amount not exceeding the interest scheduled to become due on the Series 2015 Bonds for a period of two years from the date of issuance of the Series 2015 Bonds, as shall be set forth in the Bond Purchase Agreement, if any such a deposit is deemed by the Authorized Officer executing the same to be in the best interests of the District.

Section 8. Continuing Disclosure Certificate. The Continuing Disclosure Certificate, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Continuing Disclosure Certificate in substantially said form, as is necessary to cause the requirements of Rule 15c2-12 to be satisfied, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such determination, requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Certificate by such Authorized Officer.

Section 9. Preliminary Official Statement. The Preliminary Official Statement to be distributed in connection with the public offering of the Series 2015 Bonds, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, with such changes, insertions and omissions as may be approved by an Authorized Officer, is hereby approved, and the use of such Preliminary Official Statement in connection with the offering and sale of the Series 2015 Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the District that such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2 12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

Section 10. Official Statement. The preparation and delivery of an Official Statement with respect to the Series 2015 Bonds, and its use by the Underwriter in connection with the offering and sale of the Series 2015 Bonds, is hereby authorized and approved. Such Official Statement shall be in substantially the form of the Preliminary Official Statement distributed in connection with the public offering of the Series 2015 Bonds with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the District, to execute the final Official Statement with respect to the Series 2015 Bonds and any amendment or supplement thereto and thereupon to cause such final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 11. Investment of Proceeds. (a) All funds held in the interest and sinking fund of the District shall be invested at the discretion of the Treasurer. In the absence of written

request from the District, proceeds of the Series 2015 Bonds held in the building fund of the District shall be invested at the sole discretion of the Treasurer pursuant to State law, including Government Code Section 53601 *et. seq.*, as the same may be amended or supplemented from time to time, and the investment policy of the County.

(b) To the extent permitted by law (i) at the written request of an Authorized Officer, each of whom is hereby expressly authorized to make such request, all or any portion of the building fund of the District may be invested on behalf of the District in the Local Agency Investment Fund in the treasury of the State, and (ii) at the written request of an Authorized Officer, each of whom is hereby expressly authorized to make such request, all or any portion of the building fund of the District may be invested on behalf of the District, in investment agreements, including guaranteed investment contracts, float contracts or other investment products (collectively, "Investment Agreements"), which comply with the requirements of each rating agency then rating the Series 2015 Bonds necessary in order to maintain the then-current rating on the Series 2015 Bonds. Pursuant to Section 5922 of the Government Code, the Board of Education hereby finds and determines that the Investment Agreements will reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreements and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Series 2015 Bonds or enhance the relationship between risk and return with respect to investments of proceeds of the Series 2015 Bonds and funds held to pay the Series 2015 Bonds.

Section 12. Tax Covenants. (a) The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on a Tax-Exempt series of Series 2015 Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District on the date of issuance of each Tax-Exempt series of Series 2015 Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Series 2015 Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any monies held by the Treasurer on behalf of the District, in accordance with this Resolution or pursuant to law, the District shall so request of the Treasurer in writing, and the District shall make its best efforts to ensure that the Treasurer shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provision of this Section, if the District shall provide to the Treasurer an Opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Series 2015 Bonds under Section 103 of the Code, the Treasurer may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and of each Tax Certificate with respect to the Series 2015 Bonds, and the covenants hereunder shall be deemed to be modified to that extent.

Section 13. Professional Services. Piper Jaffray & Co. shall serve as financial advisor to the District for the Series 2015 Bonds. Orrick, Herrington & Sutcliffe LLP shall serve as bond counsel and disclosure counsel to the District for the Series 2015 Bonds. Stifel, Nicolaus & Company, Incorporated, shall serve as underwriter for the Series 2015 Bonds.

Section 14. Delegation of Authority. The Authorized Officers are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, without limitation, upon consultation with the Treasurer, negotiating the terms of the insurance policy, if any, referred to herein.

Section 15. Approval of Actions. All actions heretofore taken by the officers, employees and agents of the District with respect to the transactions set forth above are hereby approved, confirmed and ratified.


Section 16. Notice to California Debt and Investment Advisory Commission. The Clerk of this Board of Education is hereby authorized and directed to cause notices of the proposed sale and final sale of the Series 2015 Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to California Government Code Section 8855.

Section 17. Filing with County. The Clerk of the Board of Education is hereby authorized and directed to cause a certified copy of this Resolution upon adoption to be filed with the Clerk of the Board of Supervisors of the County.

Section 18. Indemnification of County. The District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees ("Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of any resolution by the Board of Supervisors of the County authorizing the Series 2015 Bonds. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

Section 19. Effective Date. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED this day, May 28, 2015.


Kenneth C. Dickson, Board President
Murrieta Valley Unified School District

ATTEST:

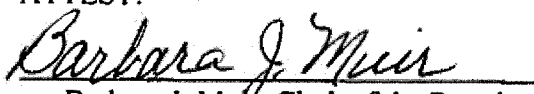

Barbara J. Muir, Clerk of the Board
Murrieta Valley Unified School District

EXHIBIT A

ESTIMATES OF COSTS OF ISSUANCE

A) Underwriter's Discount	\$192,025
B) Credit Enhancement	116,043*
C) Financial Advisor	100,000**
D) Bond Counsel	66,000**
E) Disclosure Counsel	30,000**
F) Other Expenses	85,000

* A municipal bond insurance policy with respect to the Series 2015 Bonds will be obtained only if economically advantageous to the District as determined by an Authorized Officer of the District. Municipal bond insurance premiums are based on many factors, including a bond issuer's credit ratings and the effect interest rates have on the total debt service to be insured. In addition, it may only be economical to insure a portion of the Series 2015 Bonds. Accordingly, the cost of any credit enhancement can vary significantly.

** Includes expenses and disbursements.

CLERK'S CERTIFICATE

I, Barbara J. Muir, Clerk of the Board of Education of the Murrieta Valley Unified School District, County of Riverside, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a special meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on May 28, 2015, and entered in the minutes thereof, of which meeting all of the members of the Board of Education had due notice and at which a quorum thereof was present, and that at said meeting the resolution was adopted by the following vote:

AYES: 5

NOES: 0

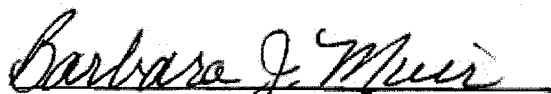
ABSTAIN: 0

ABSENT: 0

An agenda of the meeting was posted at least 72 hours before the meeting at 41870 McAlby Court, Murrieta, California, a location freely accessible to members of the public, and a brief description of the resolution appeared on the agenda.

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: May 28, 2015


Barbara J. Muir, Clerk of the Board
Murrieta Valley Unified School District

§ _____
**MURRIETA VALLEY UNIFIED SCHOOL DISTRICT
(COUNTY OF RIVERSIDE, CALIFORNIA)
GENERAL OBLIGATION BONDS,
ELECTION OF 2014, SERIES 2015**

BOND PURCHASE AGREEMENT

_____, 2015

County of Riverside Treasurer-Tax Collector
4080 Lemon Street, 4th Floor
Riverside, California 92502

Murrieta Valley Unified School District
41870 McAlby Court
Murrieta, California 92562

The undersigned, Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with the County of Riverside, California (the "County") and the Murrieta Valley Unified School District (the "District") which, upon the acceptance hereof, will be binding upon the County, the District and the Underwriter. By execution of this Purchase Agreement, the County and the District acknowledge the terms hereof and recognize that they will be bound by certain of the provisions hereof, and to the extent binding on the County and the District, acknowledge and agree to such terms. This offer is made subject to the written acceptance of this Purchase Agreement by the County and the District and delivery of such acceptance to the Underwriter at or prior to 11:59 p.m., California time, on the date hereof.

1. Purchase and Sale of the Bonds. Upon the terms and conditions and in reliance upon the representations, warranties, covenants and agreements set forth herein, the Underwriter hereby agrees to purchase from the County for reoffering to the public and the County hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the \$_____ aggregate initial principal amount of the District's Murrieta Valley Unified School District (County of Riverside, California) General Obligation Bonds, Election of 2014, Series 2015 (the "Bonds"), consisting of \$_____ aggregate principal amount of current interest bonds (the "Current Interest Bonds"), \$_____ aggregate initial principal amount of capital appreciation bonds (the "Capital Appreciation Bonds") and \$_____ aggregate initial principal amount of convertible capital appreciation bonds (the "Convertible Capital Appreciation Bonds").

The Bonds shall bear or accrete interest at the rates and shall mature on the dates and in the years shown on Exhibit A hereto, which is incorporated herein by this reference. The Bonds issued as Current Interest Bonds shall bear interest payable from the date thereof and such

interest shall be payable on each March 1 and September 1, commencing [September 1, 2015]. The Bonds issued as Capital Appreciation Bonds shall accrete interest from their date, compounded semiannually on March 1 and September 1, commencing on [September 1, 2015], and shall be paid at maturity as shown in Exhibit A hereto. The Bonds issued as Convertible Capital Appreciation Bonds shall accrete interest from their date, compounded semiannually on March 1 and September 1, commencing on [September 1, 2015], to the applicable conversion date thereof (the "Conversion Date"). From and after the Conversion Date thereof, each such Convertible Capital Appreciation Bond shall bear interest from such Conversion Date and such interest shall be payable on each March 1 and September 1, commencing on the March 1 or September 1 immediately following such Conversion Date. The stated value of each Convertible Capital Appreciation Bond at the Conversion Date thereof shall be paid at maturity as shown in Exhibit A hereto.

The Underwriter shall purchase the Bonds at a price of \$ _____, in immediately available funds by check, draft or wire transfer to or upon the order of the County of Riverside (the "County") on behalf of the District.

The County and the District acknowledge and agree that: (a) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction among the County, the District and the Underwriter; (b) the Underwriter is acting solely as an 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 of the County or the District, or as Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of the County or the District and their 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 County and the District; and (d) in connection with the purchase and sale of the Bonds, the District has consulted its own financial and other advisors 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.

2. The Bonds. The Current Interest Bonds shall be dated their date of delivery and shall mature on September 1 in the years shown on Exhibit A hereto and be subject to redemption all as shown on Exhibit A hereto. The Capital Appreciation Bonds shall be dated their date of delivery and shall mature on September 1 in the years shown on Exhibit A hereto and be subject to redemption all as shown on Exhibit A hereto. The Convertible Capital Appreciation Bonds shall be dated their date of delivery, shall accrete interest to their Conversion Dates at the rates, shall bear interest from and after their Conversion Dates at the rates, shall convert to current interest bonds on the Conversion Dates and shall mature on September 1 in the years and be subject to redemption all as shown on Exhibit A hereto. The Bonds shall be issued and secured pursuant to the provisions of the Resolution of the Board of Education of the District (the "Board of Education") adopted on May 28, 2015 (the "District Resolution"), the Resolution of the Board of Supervisors of the County (the "Board of Supervisors") adopted on June 16, 2015 (the "County Resolution" and, together with the District Resolution, the "Resolutions"), which provide for the terms of the Bonds and designate Zions First National Bank as initial paying agent therefor (the "Paying Agent"), this Purchase

Agreement and Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the Government Code (the "Act"). The Bonds were authorized under and pursuant to a bond authorization approved by more than 55% of the voters of the District voting at an election held on November 4, 2014 (the "Election") approving an amount not more than \$98,000,000 of general obligation bonds of the District to be used to finance specific school facilities as further described in the Preliminary Official Statement (defined below). Capitalized terms used herein and not defined herein shall have the meanings set forth in the County Resolution.

In order to assist the Underwriter with compliance with Rule 15c2-12 of the Securities and Exchange Commission under the Exchange Act (the "Rule"), the District will enter into the Continuing Disclosure Certificate, dated the Closing Date (the "Continuing Disclosure Certificate").

[The payment of principal and accreted value of and interest on the Bonds will be secured by a municipal bond insurance policy (the "Policy") to be issued simultaneously with the issuance of the Bonds by _____ (the "Insurer").]

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement and the Resolutions. The Bonds shall be in definitive form, shall bear CUSIP numbers, and 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").

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

4. Public Offering of the Bonds. The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering prices or yields as set forth in Exhibit A hereto. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering prices or yields as it deems necessary in connection with the marketing of the Bonds; *provided*, however, that the Underwriter shall not change the interest rates set forth in Exhibit A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

Prior to delivery of the Bonds, as a condition to such delivery, the Underwriter shall be required to provide to the District initial offering price information in form and substance as Bond Counsel (defined below) may require for purposes of determining the yield on the Bonds.

5. Official Statement. The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated _____, 2015 (as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the "Preliminary Official Statement"). The District represents that it deems the Preliminary Official Statement to be final as of its date, except for

either revisions or additions to 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 the Rule. By the execution of this Purchase Agreement, the County and the District ratify the use by the Underwriter of the Preliminary Official Statement.

The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the seventh (7th) business day following the date this Purchase Agreement is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto, and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, being herein called the "Official Statement") in such quantities as may be requested by the Underwriter in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB; provided, however, that the failure of the District to comply with this requirement due solely to the acts of the Underwriter, its counsel or agents, shall not be considered cause for the Underwriter to refuse to accept delivery of and pay for the Bonds. The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

The Underwriter agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system.

Each party hereto agrees that it will notify the other parties hereto if, within the period from the date of this Purchase Agreement to and including the date which is 25 days following the End of the Underwriting Period (as hereinafter defined), such party discovers any pre-existing or subsequent fact or becomes aware of the occurrence of any event, in any such case which might cause the Official Statement (as the same may have been theretofore supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the written opinion of the District or the Underwriter, the preparation and publication of a supplement or amendment to the Official Statement is, as a result of such fact or event (or any other event which becomes known to the County, the District or the Underwriter during such period), necessary so that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall, at its expense, supplement or amend the Official Statement in such a manner so that the Official Statement, as so supplemented or amended, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and furnish copies of such supplement or amendment to the Underwriter in such numbers as the Underwriter may reasonably request. The District and the Underwriter agree that

they will cooperate in the preparation of any such amendment or supplement. As used herein, the term "End of the Underwriting Period" means the later of such time as (a) the County delivers the Bonds to the Underwriter, or (b) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the "End of the Underwriting Period" shall be deemed to be the Closing Date (as defined herein). Any notice delivered pursuant to this provision shall be written notice delivered to the District at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the End of the Underwriting Period.

6. **Closing.** At 8:00 a.m., California time, on _____, 2015, or at such other time or on such other date as shall have been mutually agreed upon by the parties hereto (the "Closing" or "Closing Date"), the District will direct the Paying Agent to deliver to the Underwriter, through the facilities of DTC, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully registered book-entry form, duly executed, and shall cause the other documents hereinafter mentioned to be delivered at the offices of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel") in Los Angeles, California. Upon fulfillment of all conditions to Closing herein, the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds (by wire transfer or such other manner of payment as the Underwriter and the County Treasurer-Tax Collector, following the direction of the District, shall reasonably agree upon) to the account of the District.

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

(a) The District is a school district duly organized and validly existing under the laws of the State of California (the "State"), with the power to issue the Bonds under the laws of the State and pursuant to the Act;

(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 Resolution was duly adopted at a meeting of the Board of Education, 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, and the District Resolution has not been amended, modified or rescinded, (iii) the District has full legal right, power and authority to enter into this Purchase Agreement and the Continuing Disclosure Certificate, to adopt the District Resolution, to issue and to deliver the Bonds to the Underwriter, to perform its obligations under each such document or instrument and to carry out and effectuate the transactions contemplated by this Purchase Agreement and the District Resolution; (iv) the execution and delivery or adoption of and the performance by the District of the obligations represented by, the Bonds, the District Resolution, the Continuing Disclosure Certificate and this Purchase Agreement have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (v) this Purchase Agreement constitutes, and, when executed and delivered, the Continuing Disclosure Certificate will constitute, a valid and legally binding obligation of the District, enforceable against the District in accordance with its terms; and (vi) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Agreement;

(c) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained;

(d) The District has complied with the Internal Revenue Code of 1986, as amended, with respect to the Bonds;

(e) As of the time of acceptance hereof and as of the time of the Closing, the District is not and will not be, in any manner which would adversely affect the transactions contemplated hereby and by the Resolutions, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, in any manner which would adversely affect the transactions contemplated hereby and by the Resolutions, a default or event of default under any such instrument; and, as of such times, to the best knowledge of the District, the issuance of the Bonds, the execution, delivery and performance of this Purchase Agreement, the District Resolution, the Continuing Disclosure Certificate and the Bonds and the compliance with the provisions hereof and thereof and of the County Resolution do not conflict with or constitute on the part of the District a violation of, or material default under, any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject and do not conflict with or result in a violation or breach of, or constitute a material default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject;

(f) 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 District) or, to the best knowledge of the District, otherwise pending or threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices of the District 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 any of the Bonds, the application of the proceeds of the sale of the Bonds, or the levy of any taxes contemplated by the Resolutions, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Agreement, the Continuing Disclosure Certificate or the Resolutions or contesting the powers of the District or its authority with respect to the Bonds, the Continuing Disclosure Certificate, the Resolutions or this Purchase Agreement; (iii) contesting the

completeness or accuracy of the Preliminary Official Statement; or (iv) in which a final adverse decision could (A) result in any material adverse impact on the financial condition of the District, (B) materially adversely affect the operations of the District or the consummation of the transactions contemplated by this Purchase Agreement, the Continuing Disclosure Certificate or the Resolutions, (C) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part, or (D) 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) Preparation and distribution of the Preliminary Official Statement and the Official Statement have been duly authorized by the District, and the information contained therein (excluding the statements and information relating to the book entry system[, any information relating to the Insurer or the Policy] and any information provided by the Underwriter, and so identified as source thereof, for inclusion in the Official Statement) is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, except that no representation and warranty is made concerning statements and information relating to the book entry system[, any information relating to the Insurer or the Policy] or any information provided by the Underwriter, and so identified as source thereof, for inclusion in the final Official Statement;

(h) The Preliminary Official Statement was as of its date, and the Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing will be, true and correct in all material respects, and the Preliminary Official Statement and the Official Statement contain, and up to and including the Closing will contain, no material misstatement of any material fact and do not, and up to and including the Closing will not, omit any statement necessary to make the statements contained therein, in light of the circumstances in which such statements were made, not misleading. At the time of the Closing, there shall not have been any material adverse changes in the financial condition of the District since the date of the Official Statement;

(i) The District agrees that if at any time before the Closing Date any event occurs as a result of which the Official Statement as then in effect would include any untrue statement of a material fact or omit to state any fact necessary to make the statements made therein not misleading in any material respect, the District shall promptly prepare an amendment or supplement that will correct such statement or omission. The District will advise the Underwriter promptly of any proposal to so amend or supplement the Official Statement and will effect such amendment or supplement in a form and manner approved by the Underwriter;

(j) The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or

other securities laws and regulations or such states and jurisdictions, provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof;

(k) To assist the Underwriter in complying with the Rule, the District will undertake, pursuant to the District Resolution and the Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement;

(l) Except as disclosed in the Official Statement, in the preceding five years, the District has not failed to comply in all material respects with any previous undertakings with regard to the Rule to provide annual reports or notices of material events;

(m) Between the date hereof and the Closing, without the prior written consent of the Underwriter, the District will not have issued any bonds, notes or other obligations for borrowed money except for such borrowing as may be described in or contemplated by the Official Statement;

(n) The District agrees to take all steps required by law and by the County to ensure that the Board of Supervisors annually levies a tax upon all taxable property in the District sufficient to pay the principal of and interest on the Bonds as and when the same become due;

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

(p) The District has not received a qualified or negative certification in its most recent interim report pursuant to Section 42130 *et seq.* of the California Education Code; and

(q) 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.

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

(a) The County has the power under the laws of the State to issue the Bonds in the name and on behalf of the District pursuant to the applicable provisions of the Act;

(b) (i) At or prior to the Closing, the County will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the County has full legal right, power and authority to enter into this Purchase Agreement, to adopt the County Resolution, to issue and deliver the Bonds to the Underwriter in the name and on behalf of the District and to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions applicable to the County contemplated by this Purchase Agreement and the Resolutions; (iii) the execution and delivery or adoption of, and the performance by the County of its obligations represented by the Bonds, the County Resolution and this Purchase Agreement have been duly authorized and such authorization shall be in full force and effect at the time of the Closing and the County Resolution shall not have been modified, amended, rescinded or revoked and is in full force and effect on the date hereof and on the date of the Closing; (iv) this Purchase Agreement constitutes a valid and legally binding obligation of the County, enforceable against the County in accordance with its terms; and (v) the County has duly authorized the consummation by it of all transactions contemplated by this Purchase Agreement;

(c) To the best of the County's knowledge, no authorization, approval, consent or other order of the State, other than such authorizations, approvals and consents which have been obtained, is required for the valid authorization, execution and delivery by the County of this Purchase Agreement or the consummation by the County of the other transactions contemplated by such agreement (provided that no representation or warranty need be given as to any action required of the District or under state securities or blue sky laws in connection with the purchase or distribution of the Bonds by the Underwriter);

(d) To the best of the County's knowledge, no consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any California governmental agency is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, *except* for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained; *provided, however*, that the County shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof;

(e) To the best knowledge of the County, the issuance of the Bonds, the execution, delivery and performance of this Purchase Agreement, the County Resolution and the Bonds, and the compliance with the provisions hereof applicable to the County do not conflict with or constitute on the part of the County a material violation of, or material default under, the Constitution of the State or any existing law, charter, ordinance, regulation, decree, order or resolution to which the County is bound and do not conflict with or result in a violation or breach of, or constitute a material default

under, any agreement, indenture, mortgage, lease or other instrument to which the County is a party;

(f) The County is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the County is a party, which breach or default would materially adversely affect the County's ability to enter into or perform its obligations under this Purchase Agreement;

(g) As of the time of acceptance hereof, to the best knowledge of the County, no action, suit, proceeding, hearing or investigation is pending in which service of process has been completed against the County or threatened against the County: (i) in any way affecting the existence of the County or in any way challenging the respective powers of the several offices or 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 directly contesting or affecting the validity or enforceability of the Bonds, this Purchase Agreement 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 Agreement; or (iii) in which a final adverse decision would declare this Purchase Agreement to be invalid or unenforceable in whole or in material part; and

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

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

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

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

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

11. Conditions to Closing. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's obligations under this Purchase Agreement are and shall be subject at the option of the Underwriter, to the following further conditions at the Closing:

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

(b) At the time of the Closing, (i) the Official Statement, this Purchase Agreement, the Continuing Disclosure Certificate 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 parties hereto; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the County and the District shall perform or have performed all of their respective obligations required under or specified in the Resolutions, this Purchase Agreement 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 Agreement (and not reversed on appeal or otherwise set aside), or to the best knowledge of the County or the District, is pending (in which service of process has been completed against the County or the District) or threatened (either in state or federal courts) (i) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (ii) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Continuing Disclosure Certificate or this Purchase Agreement, or (iii) in any way contesting the existence or powers of the County or the District, 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 or the ability of the Underwriter to enforce contracts for the sale of the Bonds at the initial offering prices set forth in the Official Statement, shall not have been materially adversely affected by reason of any of the following:

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

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service 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, or that the County Resolution is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(2) the declaration of war or engagement in or 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 or 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;

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

(6) the withdrawal or downgrading of any [underlying] rating or credit watch status or outlook of the District's outstanding indebtedness by a national rating agency; or

(7) 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 has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(e) At or prior to the Closing Date, the Underwriter shall have received 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 Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”), substantially in the form attached as Appendix C to the Official Statement, dated the Closing Date and addressed to the County and 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 certificate, signed by an appropriate official of the District, to the effect that (i) such official is authorized to execute this Purchase Agreement and the Continuing Disclosure Certificate, (ii) the representations and warranties of the District herein are true and correct in all material respects as of the Closing Date, (iii) the District has complied with all the terms of the District Resolution and this Purchase Agreement to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect, (iv) to the best of such official’s knowledge, no litigation is pending or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Continuing Disclosure Certificate or this Purchase Agreement, or (C) in any way contesting the existence or powers of the District, (v) such official has reviewed the Official Statement and on such basis certifies that the Official Statement does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (vi) each of the conditions listed in Section 11 of this Purchase Agreement has been satisfied on the date hereof and the District is not aware of any other condition of this Purchase Agreement that has not been satisfied on the date hereof, and (vii) the Bonds being delivered on the Closing Date to the Underwriter under this Purchase Agreement substantially conform to the descriptions thereof contained in the County Resolution and this Purchase Agreement;

(4) A certificate signed by appropriate officials of the County to the effect that (i) such officials are authorized to execute and to approve this Purchase Agreement, (ii) the representations, agreements and warranties of the County herein are true and correct in all material respects as of the Closing Date, (iii) the County has complied with all the terms of the County Resolution and this Purchase Agreement to be complied with by the County prior to or concurrently with the Closing and such documents are in full force and effect, (iv) such official has reviewed the information contained in the Official Statement in Appendix E – “County of Riverside Pooled Investment Fund” and on such basis certifies that the information contained in the Official Statement in such Appendix E does not contain any untrue statement of a material fact concerning the County required to

be stated therein or omit to state a material fact necessary to make the statements concerning the County therein, in the light of the circumstances in which they were made, not misleading; and (v) the Bonds being delivered on the Closing Date to the Underwriter under this Purchase Agreement substantially conform to the descriptions thereof contained in the County Resolution and this Purchase Agreement;

(5) The opinion of Orrick, Herrington & Sutcliffe LLP, as disclosure counsel to the District, addressed to the District and the Underwriter, dated the Closing Date, to the effect that, based on such counsel's participation in conferences with representatives of the Underwriter, the County, the District, the Paying Agent, [the Insurer,] their respective counsel, Piper Jaffray & Co., as financial advisor to the District, and others, during which conferences the contents of the Official Statement and related matters were discussed (but with no inquiry made of other attorneys in such counsel's firm not working directly on the issuance of the Bonds who may have information material to the issue), and in reliance thereon, on oral and written statements and representations of the District and others and on the records, documents, certificates and opinions described therein, such counsel advises the District and the Underwriter, as a matter of fact and not opinion, that, during the course of its engagement as disclosure counsel no facts 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 or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, or any information about litigation, Appendices B, E, F, [G and H], or any information about [the Insurer, the Policy,] book-entry or DTC, included or referred to therein or omitted therefrom, 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;

(6) the opinion of Atkinson, Andelson, Loya, Ruud & Romo, Cerritos, California, as counsel to the District ("District Counsel"), addressed to the County, the District, [the Insurer] and the Underwriter, dated the Closing Date, to the effect that:

(i) the District is a school district validly existing under the Constitution and the laws of the State of California;

(ii) the District Resolution approving and authorizing the issuance, execution, sale and delivery of the Bonds and the execution, delivery and performance by the District of this Purchase Agreement and the Continuing Disclosure Certificate was duly adopted at a meeting of the Board of Education, 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;

(iii) to the best knowledge of such counsel, there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body, pending (in which service of process has been completed against the District) or threatened against the District, in any way contesting or affecting the validity of the District Resolution, the Continuing Disclosure Certificate or this Purchase Agreement or contesting the powers of the District to enter into or perform its obligations under such agreements;

(iv) To the best of such firm's knowledge, the issuance of the Bonds, the execution and delivery of this Purchase Agreement and the Continuing Disclosure Certificate and the performance by the District of its obligations under the District Resolution, this Purchase Agreement and the Continuing Disclosure Certificate do not and will not conflict with or constitute on the part of the District a material breach of, or a material default under, any agreement, indenture, mortgage, lease or other instrument to which the District is subject or by which it is bound or any existing court order or consent decree to which the District is subject;

(v) this Purchase Agreement and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the District and, assuming due authorization, execution and delivery by the other respective parties thereto, if any, this Purchase Agreement and the Continuing Disclosure Certificate constitute legal, valid and binding agreements of the District enforceable in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought, and by the limitations on legal remedies imposed on actions against school districts in the State; and

(vi) To the best of such firm's knowledge, the District is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or is otherwise subject, which breach or default would materially adversely affect the District's ability to enter into or perform its obligations under this Purchase Agreement or the Continuing Disclosure Certificate and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach or default;

(7) The opinion of County Counsel for the County of Riverside, as counsel to the County, addressed to the [Insurer and the] Underwriter, dated the

Closing Date and in a form reasonably satisfactory to the Underwriter and to Bond Counsel;

(8) [The opinion of counsel for the Underwriter, dated the Closing Date and addressed to the Underwriter, satisfactory in form and substance to the Underwriter;]

(9) The Continuing Disclosure Certificate signed by an appropriate official of the District and in form and substance reasonably satisfactory to the Underwriter;

(10) A non-arbitrage certificate of the District with respect to the Bonds in form satisfactory to Bond Counsel;

(11) Evidence satisfactory to the Underwriter that any ratings described in the Official Statement are in full force and effect as of the Closing Date;

(12) A certificate, together with fully executed copies of the District Resolution, of the District Clerk to the effect that:

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

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

(13) A certificate, together with fully executed copies of the County Resolution, of the Clerk of the Board of Supervisors to the effect that:

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

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

(14) A certificate of the Paying Agent in form satisfactory to Bond Counsel;

(15) Certificates of the appropriate officials of the District evidencing their determinations respecting the Preliminary Official Statement in accordance with the Rule;

(16) [The Policy with respect to the Bonds insured by the Insurer;]

(17) [A certificate of the Insurer in form and substance satisfactory to Bond Counsel, the County and the Underwriter;]

(18) [An opinion of counsel to the Insurer addressed to the District, the County and the Underwriter in form and substance satisfactory to Bond Counsel, the County and the Underwriter]; and

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

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

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

13. Expenses. [The Underwriter, at the direction of the District, shall pay costs of issuance of the Bonds up to the amount of \$_____, including but not limited to the following:] [The District shall to the extent permitted by applicable law pay costs of issuance of the Bonds from the proceeds of the sale of the Bonds, including but not limited to the following:] (i) the fees and disbursements of Bond Counsel, Disclosure Counsel and the District's financial advisor; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fees, if any, for Bond ratings, including all necessary expenses for travel relating to such ratings; (iv) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement; (v) the initial fees of the Paying Agent and related fees and expenses; [(vi) any premium for the Policy and related fees and expenses;] and [(vi)][(vii)] all other fees and expenses incident to the issuance and sale of the Bonds. [Any such expenses which exceed in the aggregate \$_____ shall be paid by the District and may be paid from the proceeds of the Bonds.] All out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, CUSIP Bureau registration fees, expenses for travel (except in connection with securing a rating on or sale of the Bonds), underwriter's counsel fees and other expenses (except as provided above) shall be paid by the Underwriter.

14. **Notices.** Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the County, to the County of Riverside, Office of the Treasurer-Tax Collector, 4080 Lemon Street, 4th Floor, Riverside, California 92502, Attention: Treasurer-Tax Collector; if to the District, to the Murrieta Valley Unified School District at 41870 McAlby Court, Murrieta, California 92562, Attention: Chief Operations Officer; or if to the Underwriter, to Stifel, Nicolaus & Company, Incorporated, 515 S. Figueroa Street, Suite 1800, Los Angeles, California 90071; Attention: _____.

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

16. **Parties in Interest; Survival of Representations and Warranties.** This Purchase Agreement 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 Agreement is made solely for the benefit of 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 District in this Purchase Agreement shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Agreement.

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

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

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By: _____
Authorized Representative

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

COUNTY OF RIVERSIDE

By: _____

Executed at _____ p.m.

MURRIETA VALLEY UNIFIED
SCHOOL DISTRICT

By: _____

Executed at _____ p.m.

EXHIBIT A

MATURITY SCHEDULE

\$ _____
MURRIETA VALLEY UNIFIED SCHOOL DISTRICT
(COUNTY OF RIVERSIDE, CALIFORNIA)
GENERAL OBLIGATION BONDS,
ELECTION OF 2014, SERIES 2015

\$ _____ Current Interest Bonds

\$ _____ Serial Bonds

Maturity (September 1)	Principal Amount	Interest Rate	Yield
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\$ _____ % Term Bonds due September 1, 20__ – Yield _____ %

[\$ _____ Capital Appreciation Bonds]

Maturity (September 1)	Denominational Amount	Accretion Rate	Maturity Value	Issue Amount	Reoffering Yield
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[\$ _____ Convertible Capital Appreciation Bonds]

Maturity	Initial Principal (Denominational) Amount	Accretion Rate to (but excluding) Conversion Date	Conversion Date	Interest Rate from and after Conversion Date	Stated Value at Conversion Date	Reoffering Yield
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PRELIMINARY OFFICIAL STATEMENT, DATED _____, 2015

NEW ISSUES — BOOK-ENTRY ONLY

Ratings: Moody's: "___"
Standard & Poor's: "___"

(See "MISCELLANEOUS — Ratings" herein.)

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2015 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Series 2015 Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2015 Bonds. See "TAX MATTERS" herein.

**MURRIETA VALLEY UNIFIED SCHOOL DISTRICT
(County of Riverside, California)**

\$ _____*
**General Obligation Bonds,
Election of 2014, Series 2015**

\$ _____*
**General Obligation Refunding Bonds,
Series 2015**

Dated: Date of Delivery

Due: September 1, as shown herein

This cover page is not a summary of this issue; it is only a reference to the information contained in this Official Statement. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Murrieta Valley Unified School District (County of Riverside, California) General Obligation Bonds, Election of 2014, Series 2015 (the "Series 2015 New Money Bonds") are issued by the County of Riverside, California (the "County") on behalf of the Murrieta Valley Unified School District (the "District"), located in the County, to finance specific construction, repair and improvement projects approved by the voters of the District. The Series 2015 New Money Bonds are being issued under the laws of the State of California (the "State") and pursuant to resolutions of the Board of Education of the District and the Board of Supervisors of the County.

The Murrieta Valley Unified School District (County of Riverside, California) General Obligation Refunding Bonds, Series 2015 (the "Series 2015 Refunding Bonds") are being issued (i) to refund, on an advance basis, a portion of the outstanding Murrieta Valley Unified School District General Obligation Bonds, Election of 2006, Series 2007, and (ii) to pay costs of issuance of the Series 2015 Refunding Bonds. The Series 2015 Refunding Bonds are being issued under the laws of the State and a resolution of the Board of Education of the District. The Series 2015 New Money Bonds and the Series 2015 Refunding Bonds are referred to collectively herein, as the "Series 2015 Bonds."

The Series 2015 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. The Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of principal, accreted value or maturity value of and interest on the Series 2015 Bonds, all as more fully described herein. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2015 BONDS" herein.

The Series 2015 New Money Bonds will be issued as current interest bonds (the "Current Interest Bonds"), capital appreciation bonds (the "Capital Appreciation Bonds") and/or capital appreciation bonds that convert to current interest bonds (the "Convertible Capital Appreciation Bonds"), and the Series 2015 Refunding Bonds will be issued as Current Interest Bonds, all as set forth on the inside front cover hereof. Interest on the Current Interest Bonds is payable on each March 1 and September 1 to maturity, commencing [September 1, 2015]. Principal of the Current Interest Bonds is payable on September 1 in each of the years and in the amounts set forth on the inside front cover hereof.

The Series 2015 New Money Bonds issued as Capital Appreciation Bonds will not pay interest on a current, periodic basis but will accrete in value to their maturity value payable only at maturity on September 1 in each of the years and in the amounts set forth on the inside front cover hereof. Interest on the Capital Appreciation Bonds will be compounded on each March 1 and September 1 to maturity, commencing [September 1, 2015].

The Convertible Capital Appreciation Bonds will initially constitute capital appreciation bonds and will convert to current interest bonds on their respective conversion dates as set forth on the inside front cover hereof (each a "Conversion Date"). Prior to the Conversion Date thereof, the Convertible Capital Appreciation Bonds will not pay interest on a current, periodic basis but will accrete in value to their stated accreted value at the Conversion Date thereof payable only at maturity on September 1 in each of the years and in the amounts set forth on the inside front cover hereof. Prior to the Conversion Date of a Convertible Capital Appreciation Bond, interest on such Convertible Capital Appreciation Bond will be compounded on each March 1 and September 1, commencing [September 1, 2015]. From and after the Conversion Date of a Convertible Capital Appreciation Bond, such Convertible Capital Appreciation Bond will bear current interest on the accreted value thereof at the rates set forth on the inside front cover page of this Official Statement, payable on each March 1 and September 1 to maturity, commencing on the March 1 or September 1 immediately following such Conversion Date.

The Series 2015 Bonds will be issued in denominations of \$5,000 principal amount, maturity value or accreted value at the Conversion Date thereof, as applicable, or any integral multiple thereof as shown on the inside front cover hereof.

* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

As more fully described herein, the District may obtain a municipal bond insurance policy to guarantee the scheduled payment of principal (or, in the case of Capital Appreciation Bonds and Convertible Capital Appreciation Bonds, accreted value) of and interest on the Series 2015 Bonds as such payments become due. The District's decision whether or not to obtain such a policy will be made at or about the time of pricing of the Series 2015 Bonds and will be based upon, among other things, market conditions at the time of such pricing. No assurance can be given as to whether a commitment will be issued by an insurer to the District and, if a commitment is issued by an insurer to the District, no assurance can be given as to whether the District will obtain such a policy, and, if so, whether such policy will cover all or less than all of the Series 2015 Bonds.

Each series of the Series 2015 Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for each series of the Series 2015 Bonds. Individual purchases of the Series 2015 Bonds will be made in book-entry form only. Purchasers will not receive physical delivery of the Series 2015 Bonds purchased by them. See "THE SERIES 2015 BONDS – Form and Registration" herein. Payments of the principal, accreted value or maturity value of and interest on the Series 2015 Bonds will be made by Zions First National Bank, as paying agent, registrar and transfer agent with respect to each series of the Series 2015 Bonds to DTC for subsequent disbursement through DTC Participants, who will remit such payments to the beneficial owners of the Series 2015 Bonds. See "THE SERIES 2015 BONDS – Payment of Principal and Interest" herein.

The Series 2015 Bonds are subject to redemption prior to maturity as described herein. See "THE SERIES 2015 BONDS — Redemption" herein.

Each series of the Series 2015 Bonds will be offered when, as and if issued by the District and received by the Underwriter, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, as Disclosure Counsel to the District, and by Atkinson, Andelson, Loya, Ruud & Romo, Cerritos, California, as District Counsel; and for the Underwriter by its counsel, Nossaman LLP, Irvine, California, as Underwriter's Counsel. It is anticipated that the Series 2015 Bonds, in definitive form, will be available for delivery through the facilities of DTC on or about _____, 2015.

Stifel

The date of this Official Statement is _____, 2015.

MATURITY SCHEDULE*
BASE CUSIP¹: 626905

\$ _____
GENERAL OBLIGATION BONDS
ELECTION OF 2014, SERIES 2015

\$ _____ **Current Interest Bonds**

\$ _____ Serial Bonds

<u>Maturity (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP Number¹</u>	<u>Maturity (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP Number¹</u>
-----------------------------------	-----------------------------	--------------------------	--------------	-------------------------------------	-----------------------------------	-----------------------------	--------------------------	--------------	-------------------------------------

\$ _____ % Term Series 2015 New Money Bonds due September 1, 20__ - Yield _____ % CUSIP Number¹ - _____

\$ _____ **Capital Appreciation Bonds**

<u>Maturity (September 1)</u>	<u>Initial Principal Amount</u>	<u>Accretion Rate</u>	<u>Reoffering Yield</u>	<u>Maturity Value</u>	<u>CUSIP Number¹</u>
-----------------------------------	-------------------------------------	---------------------------	-----------------------------	---------------------------	-------------------------------------

\$ _____ Initial Principal Amount of Term Capital Appreciation Bonds due September 1, 20__
 _____ % Accretion Rate - \$ _____ Maturity Value - Reoffering Yield _____ % CUSIP Number¹ - _____

\$ _____ **Convertible Capital Appreciation Bonds**

<u>Maturity (September 1)</u>	<u>Initial Principal Amount</u>	<u>Accretion Rate</u>	<u>Stated Accreted Value at Conversion Date</u>	<u>Conversion Date (September 1)</u>	<u>Coupon Upon Conversion</u>	<u>Reoffering Yield</u>	<u>CUSIP Number¹</u>
-----------------------------------	---	---------------------------	---	--	---------------------------------------	-----------------------------	-------------------------------------

\$ _____ Initial Principal Amount of Term Convertible Capital Appreciation Bonds due September 1, 20__
 _____ % Accretion Rate to (but excluding) Conversion Date
 September 1, 20__ Conversion Date - \$ _____ Stated Value at Conversion Date
 _____ % Interest Rate from and after Conversion Date
 Reoffering Yield _____ - CUSIP Number¹ - _____

* Preliminary; subject to change.

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MATURITY SCHEDULE*
BASE CUSIP¹: 626905

\$ _____*
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2015

\$ _____ Serial Bonds

<u>Maturity (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP Number¹</u>
-----------------------------------	-----------------------------	--------------------------	--------------	-------------------------------------

\$ _____ % Term Bonds due September 1, 20__ - Yield _____ % CUSIP Number¹ - _____

* Preliminary; subject to change.

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This Official Statement does not constitute an offering of any security other than the original offering of the Series 2015 Bonds by the District. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representation not so authorized should not be relied upon as having been given or authorized by the District.

The Series 2015 Bonds are exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)2 thereof. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy Series 2015 Bonds in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth herein other than that furnished by the District, although obtained from sources which are believed to be reliable, is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Series 2015 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used, such as "plan," "expect," "estimate," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when their expectations, or events, conditions or circumstances on which such statements are based, occur.

The District maintains a website. However, the information presented there is not part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2015 Bonds.

In connection with this offering, the Underwriter may overallocate or effect transactions which stabilize or maintain the market prices of the Series 2015 Bonds at levels above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Series 2015 Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside front cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

**MURRIETA VALLEY UNIFIED SCHOOL DISTRICT
(County of Riverside, California)**

BOARD OF EDUCATION

Kenneth C. Dickson, *President*
Barbara Muir, *Clerk*
Robin Crist, *Member*
Paul F. Diffley III, *Member*
Kris Thomasian, *Member*

DISTRICT ADMINISTRATORS

Patrick Kelley, *Superintendent*
Stacy Coleman, *Assistant Superintendent, Business Services*
Pamela Wilson, *Assistant Superintendent, Educational Services*
William C. Olien, *Assistant Superintendent, Facilities and Operational Services*
Darren Daniel, *Assistant Superintendent, Human Resources*

PROFESSIONAL SERVICES

Financial Advisor

Piper Jaffray & Co.
El Segundo, California

Bond Counsel and Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
Los Angeles, California

District Counsel

Atkinson, Andelson, Loya, Ruud & Romo
Cerritos, California

Paying Agent and Escrow Bank

Zions First National Bank
Los Angeles, California

Verification Agent

Causey Demgen & Moore, P.C.
Denver, Colorado

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