

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRAMOS
 DATE

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

328



SUBMITTAL DATE:
 August 8, 2016

FROM: Don Kent, Treasurer/Tax Collector

SUBJECT: Resolution No. 2016-183 Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2016C; 5th Dist.; [\$0] (Vote on Separately)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and adopt Resolution No. 2016-183 authorizing and approving the issuance and sale of Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2016C in a principal amount not to exceed \$21,000,000 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
 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 type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS:	Budget Adjustment: n/a
	For Fiscal Year: 2016-17

C.E.O. RECOMMENDATION:

APPROVE

BY:
 Ivan M. Chand

8/15/2016

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
 Nays: None
 Absent: None
 Date: August 23, 2016
 xc: Treasurer

Kecia Harper-Ihem
 Clerk of the Board
 BY:
 Deputy

Prev. Agn. Ref.:

District: 5

Agenda Number:

3-76

- 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. 2016-183 Val Verde Unified School District General Obligation Bonds, 2012

Election, Series 2016C; 5th Dist.; [\$0] (Vote on Separately)

DATE: August 8, 2016

PAGE: Page 2 of 2

BACKGROUND:

Summary (continued).

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

An election was held on June 5, 2012 pursuant to Section 1 of Article XIII A of the California Constitution, Section 18 of Article XVI of the California Constitution, and Chapter 1 of Part 10 of Division 1 of Title 1 (Section 15266) of the Education Code, codifying, in part, Proposition 39. The measure, which was approved by more than fifty-five percent of the votes cast by eligible voters of the District, authorized the incurrence of general obligation bonded indebtedness in an aggregate principal amount not to exceed \$178,000,000.

On March 20, 2013, this Board previously authorized the issuance and sale of Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2013 Series A in the initial par amount of \$40,540,000.

On March 4, 2015, this Board previously authorized the issuance and sale of Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2015B in the initial par amount of \$38,949,540.30.

Resolution No. 2016-183 authorizes the issuance and sale of Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2016c (the "Series 2016C Bonds") in a principal amount not to exceed \$21,000,000. The proceeds of the Series 2016C Bonds will be used to finance specific construction, repair and improvement projects approved by voters of the District.

The Series 2016C 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 2016C Bonds.

County Counsel has reviewed Resolution No. 2016-183 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.

ATTACHMENTS (if needed, in this order):

District Map

Resolution No. 2016-183

Purchase Contract

District Resolution

Preliminary Official Statement

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Resolution 2016-183

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY
OF RIVERSIDE, CALIFORNIA, AUTHORIZING THE ISSUANCE AND
SALE OF VAL VERDE UNIFIED SCHOOL DISTRICT GENERAL
OBLIGATION BONDS, 2012 ELECTION, SERIES 2016C, IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$21,000,000,
AND APPROVING CERTAIN OTHER MATTERS RELATING TO THE
BONDS**

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RESOLUTION NO. 2016-183

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, CALIFORNIA, AUTHORIZING THE ISSUANCE AND SALE OF VAL VERDE UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2012 ELECTION, SERIES 2016C, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$21,000,000, AND APPROVING CERTAIN OTHER MATTERS RELATING TO THE BONDS

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

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

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

WHEREAS, the County has previously issued and sold, on behalf of the District, \$40,540,000 aggregate principal amount of its General Obligation Bonds, 2012 Election, 2013 Series A and \$38,949,540.30 aggregate principal amount of its General Obligation Bonds, 2012 Election, Series 2015B, all under the 2012 Authorization; and

FORM APPROVED COUNTY COUNSEL
BY:  DALE A. GARDNER
DATE: 8/21/16

1 **WHEREAS**, the District has determined the need to finance additional capital projects
2 authorized at the Election; and

3 **WHEREAS**, the Board of Supervisors of the County (the “**Board**”) has received a
4 certified resolution of the District Board, adopted on August 16, 2016 (the “**District**
5 **Resolution**”), an executed electronic copy of which has been received by the Board, requesting
6 the Board issue the third series of the District’s general obligation bonds under the 2012
7 Authorization, in the maximum principal amount of not to exceed Twenty-One Million Dollars
8 (\$21,000,000) (the “**Bonds**”) in order and to provide for the funding of certain additional capital
9 improvements for the District’s schools; and

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

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

21 **WHEREAS**, a form of Continuing Disclosure Certificate (the “**Continuing Disclosure**
22 **Certificate**”), attached to the Preliminary Official Statement, has been submitted to this meeting
23 of the Board and is on file with the Clerk; and

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

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

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

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

12 “**Authorized Denominations**” shall mean \$5,000 Principal Amount or any integral
13 multiple thereof.

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

24 “**Authorized Officer of the County**” shall mean the officers of the County, including the
25 Treasurer, the Deputy Treasurer and their authorized representatives, authorized to act with
26 regard to general obligation bond matters.

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1 **“Authorized Officer of the District”** shall mean the officers of the District, including the
2 Superintendent, the Deputy Superintendent, Business Services and their authorized
3 representatives, and the President and Clerk of the District Board.

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

7 **“Beneficial Owner”** means, when used with reference to book-entry Bonds registered
8 pursuant to Section 15 hereof, the person who is considered the beneficial owner of such Bonds
9 pursuant to the arrangements for book entry determination of ownership applicable to the
10 Depository.

11 **“Bond Counsel”** shall mean Nossaman LLP or any other firm selected by the District that
12 is a nationally recognized bond counsel firm.

13 **“Bond Insurer”** means any insurance company which issues a municipal bond insurance
14 policy insuring the payment of Debt Service on the Bonds.

15 **“Bond Register”** shall mean the registration books which the Paying Agent shall keep or
16 cause to be kept on which the registered ownership, transfer and exchange of Bonds will be
17 recorded.

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

21 **“Code”** shall mean the Internal Revenue Code of 1986, as the same may be amended from
22 time to time. Reference to a particular section of the Code shall be deemed to be a reference to
23 any successor to any such section.

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

8 **"Current Interest Bonds"** shall mean the Bonds, the interest on which is payable
9 semiannually on each Interest Payment Date specified for each such Bond as designated and
10 maturing in the years and in the amounts set forth in the Official Statement.

11 **"Date of Delivery"** shall mean the date of initial issuance and delivery of the Bonds, or
12 such other date as shall be set forth in the Purchase Contract or Official Statement.

13 **"Debt Service"** shall mean the Principal of, premium, if any, and interest on the Bonds
14 then-due for payment.

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

20 **"Disclosure Counsel"** means Orrick, Herrington & Sutcliffe LLP, as the firm selected by
21 the District to prepare the Preliminary Official Statement and final Official Statement.

22 **"DTC"** shall mean The Depository Trust Company, 55 Water Street, New York, New
23 York 10041, a limited purpose trust company organized under the laws of the State of New York,
24 in its capacity as the initial Depository for the Bonds.

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

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

15 “**Financial Advisor**” shall mean Fieldman Rolapp & Associates, as Financial Advisor to
16 the District.

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

19 “**Government Code**” shall mean the Government Code of the State.

20 “**Holder**” or “**Owner**” means the registered owner of a Bond as set forth in the Bond
21 Register maintained by the Paying Agent.

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

26 “**Interest Payment Date**” shall mean February 1 and August 1 in each year, commencing
27 on February 1, 2017, or as otherwise specified in the Purchase Contract.

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

5 **“MSRB”** means the Municipal Securities Rulemaking Board or any other entity
6 designated or authorized by the Securities and Exchange Commission to receive the reports
7 described in the Continuing Disclosure Certificate. Until otherwise designated by the MSRB or
8 the Securities and Exchange Commission, filings with the MSRB are to be made through EMMA.

9 **“Nominee”** shall mean the nominee of the Depository which may be the Depository, as
10 determined from time to time by the Depository.

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

15 **“Official Statement”** shall mean the final official statement of the District describing the
16 Bonds.

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

- 19 (i) Bonds canceled at or prior to such date;
- 20 (ii) Bonds in lieu of or in substitution for which other Bonds shall have
21 been delivered pursuant to Section 17 hereof;
- 22 (iii) Bonds for the payment or redemption of which funds or eligible
23 securities in the necessary amount shall have been set aside
24 (whether on or prior to the maturity or redemption date of such
25 Bonds), in accordance with Section 38 of this Resolution.

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

27 **“Paying Agent”** shall mean the paying agent designated pursuant to Section 30 hereof.

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1 **“Preliminary Official Statement”** shall mean the Preliminary Official Statement of the
2 District, the form of which was submitted to and approved by the District Board pursuant to the
3 District Resolution.

4 **“Principal”** or **“Principal Amount”** shall mean, with respect to any Bond, the initial
5 principal amount thereof.

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

9 **“Purchase Contract”** shall mean the Purchase Contract by and among the County, the
10 District and the Underwriter relating to the Bonds.

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

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

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

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

3 “**Series**” means any Bonds executed, authenticated and delivered pursuant to the
4 provisions hereof identified as a separate series of Bonds.

5 “**S&P**” shall mean S&P Global Ratings, a business unit of Standard & Poor's Financial
6 Services LLC, its successors and assigns, except that if such corporation shall no longer perform
7 the functions of a securities rating agency for any reason, the term “S&P” shall be deemed to
8 refer to any other nationally recognized securities rating agency selected by the District.

9 “**State**” shall mean the State of California.

10 “**Supplemental Resolution**” shall mean any resolution supplemental to or amendatory of
11 this Resolution, adopted by the Board at the request of the District in accordance with Section 35
12 or Section 36 hereof.

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

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

18 “**Term Bonds**” means those Bonds for which mandatory redemption dates have been
19 established in the Official Statement.

20 “**Transfer Amount**” shall mean with respect to any Outstanding Bond, the Principal
21 Amount.

22 “**Treasurer**” shall mean the Treasurer and Tax Collector of the County, or any designated
23 deputy thereof.

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

3 SECTION 3. Authority for this Resolution. The Bonds are authorized to be
4 issued in one or more Series of Taxable or Tax-Exempt Bonds and sold by the County in the
5 name and on behalf of the District pursuant to the California Constitution, the Election, the 2012
6 Authorization, the District Resolution, this Resolution, the provisions of Government Code
7 sections 53506 *et seq.*, and to the extent applicable, Education Code Sections 15100 *et seq.* and
8 15264 *et seq.*

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

17 SECTION 5. Approval of Documents; Determination of Method of Sale and
18 Terms of Bonds.

19 (a) The Authorized Officers of the County, in consultation with Bond Counsel
20 and the Authorized Officers of the District are, and each of them acting alone is, hereby
21 authorized and directed to issue and deliver the Bonds and to establish the initial aggregate
22 principal amount thereof; provided, however, that such initial aggregate principal amount shall
23 not exceed \$21,000,000.

24 (b) The form of the Purchase Contract is hereby approved. The Treasurer is
25 authorized and directed to execute and deliver the Purchase Contract to the Underwriter for and in
26 the name and on behalf of the District, with such additions, changes or corrections therein as the
27 Treasurer may approve in his or her discretion as being in the best interests of the District,
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1 including, without limitation (i) such changes as are necessary to reflect the final terms of the
2 Bonds to the extent such terms differ from those set forth in this Resolution, such approval to be
3 conclusively evidenced by the Treasurer's execution thereof and (ii) any other documents
4 required to be executed thereunder. The Treasurer is hereby authorized to negotiate with the
5 Underwriter the terms, maturities, interest rates and Series of the Bonds and the purchase price of
6 the Bonds to be paid by the Underwriter, which purchase price shall reflect an Underwriter's
7 discount of not more than 0.45% (not including original issue discount) of the Principal Amount
8 thereof, if the conditions set forth in this Resolution are met. The interest rate on the Bonds shall
9 not exceed the maximum allowed under law. All Principal of the Bonds shall be payable within
10 30 years of the date of issuance of the Bonds.

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

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

19 SECTION 7. Use of Bond Proceeds. The proceeds of the Bonds shall be used
20 for (a) the financing of the acquisition, construction, furnishing and equipping of facilities for
21 certain of the Projects authorized at the Election, the bond proposition and Project List approved
22 at the Election which shall be incorporated herein by this reference as though fully set forth in this
23 Resolution; and (b) the payment of the Costs of Issuance of the Bonds.

24 SECTION 8. Designation and Form; Payment.

25 (a) An issue of Bonds in one or more Series entitled to the benefit, protection
26 and security of this Resolution is hereby authorized in an aggregate principal amount not to
27 exceed \$21,000,000. Such Bonds shall be general obligations of the District, payable as to
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1 Principal, premium, if any, and interest from *ad valorem* taxes to be levied upon all of the taxable
2 property in the District. The Bonds shall be designated the "Val Verde Unified School District
3 General Obligation Bonds, 2012 Election, Series 2016C." The Bonds may be issued as Current
4 Interest Bonds only, may be issued as serial bonds or Term Bonds, and shall be subject to
5 redemption as set forth in the Purchase Contract, subject to the provisions of this Resolution.

6 (b) The forms of the Bonds shall be substantially in conformity with the
7 standard form of registered bonds, in the form attached hereto as Exhibit A and incorporated
8 herein by this reference, allowing those officials executing the Bonds to make the insertions and
9 deletions necessary to conform the Bonds to this Resolution, the Purchase Contract and the
10 Official Statement, or to correct or cure any defect, inconsistency, ambiguity or omission therein.

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

15 SECTION 9. Description of Bonds.

16 (a) The Bonds shall be issued as fully registered Current Interest Bonds
17 registered as to both Principal and interest, in denominations of \$5,000 Principal Amount or any
18 integral multiple thereof. The Bonds will be initially registered in the name of "Cede & Co.," the
19 Nominee of DTC.

20 (b) Each Bond shall be dated the Date of Delivery, and shall bear interest at the
21 rates set forth in the Purchase Contract from the Interest Payment Date next preceding the date of
22 authentication thereof unless it is authenticated as of a day during the period from the 16th day of
23 the month next preceding any Interest Payment Date to that Interest Payment Date, inclusive, in
24 which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on
25 or before the first Record Date, in which event it shall bear interest from the Date of Delivery.
26 Interest on the Bonds shall be payable on the respective Interest Payment Dates and shall be
27 computed on the basis of a 360-day year of twelve 30-day months.

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1 (c) Redemption.

2 (i) Optional Redemption. The Bonds shall be subject to optional
3 redemption prior to maturity as provided in the Purchase Contract or the Official
4 Statement.

5 (ii) Mandatory Redemption. Any Bonds issued as Term Bonds shall be
6 subject to mandatory sinking fund redemption as provided in the Purchase Contract or the
7 Official Statement.

8 SECTION 10. Selection of Bonds for Redemption.

9 (a) Whenever provision is made in this Resolution for the redemption of
10 Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written
11 instruction from the District, shall select Bonds for redemption as so directed and if not directed,
12 in inverse order of maturity. Within a maturity, the Paying Agent shall select Bonds for
13 redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall
14 determine; provided, however, that with respect to redemption by lot, the portion of any Bond to
15 be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

16 (b) The Purchase Contract may provide that (i) in the event that a portion of
17 any Term Bond is optionally redeemed prior to maturity, the remaining mandatory sinking fund
18 payments with respect to such Term Bonds shall be reduced proportionately or as otherwise
19 directed by the District, in integral multiples of \$5,000 principal amount, in respect to the portion
20 of such Term Bond optionally redeemed, or (ii) within a maturity, Bonds shall be selected for
21 redemption on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC
22 procedures, provided further that, such pro-rata redemption is made in accordance with the
23 operational arrangements of DTC then in effect.

24 SECTION 11. Notice of Redemption. When redemption is authorized
25 pursuant to this Resolution, the Paying Agent, upon written instruction from the District, shall
26 give notice (a "**Redemption Notice**") of the redemption of the Bonds. Such Redemption Notice
27 shall specify: the Bonds or designated portions thereof (in the case of redemption of the Bonds in
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1 part but not in whole) which are to be redeemed; the date of redemption; the place or places
2 where the redemption will be made, including the name and address of the Paying Agent; the
3 redemption price; the CUSIP numbers (if any) assigned to the Bonds to be redeemed, the Bond
4 numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be
5 redeemed in part only, the portion of the principal amount of such Bond to be redeemed; and the
6 original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or
7 in part. Such Redemption Notice shall further state that on the specified date there shall become
8 due and payable upon each Bond or portion thereof being redeemed at the redemption price
9 thereof, together with the interest accrued to the redemption date thereon, and that from and after
10 such date, interest thereon shall cease to accrue.

11 With respect to any Redemption Notice of Bonds, unless upon the giving of such notice
12 such Bonds shall be deemed to have been defeased pursuant hereto, such notice shall state that
13 such redemption shall be conditional upon the receipt by the Paying Agent (or an independent
14 escrow agent selected by the District) on or prior to the date fixed for such redemption of the
15 moneys necessary and sufficient to pay the principal of, premium, if any, and interest on, such
16 Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall
17 be of no force and effect, the Bonds shall not be subject to redemption on such date and the
18 Bonds shall not be required to be redeemed on such date. In the event that such Redemption
19 Notice contains such a condition and such moneys are not so received, the redemption shall not
20 be made and the Paying Agent shall within a reasonable time thereafter give notice, to the persons
21 to whom and in the manner in which the Redemption Notice was given, that such moneys were
22 not so received. In addition, the District shall have the right to rescind any Redemption Notice,
23 by written notice to the Paying Agent, on or prior to the date fixed for such redemption. The
24 Paying Agent shall distribute a notice of such rescission in the same manner as the Redemption
25 Notice was originally provided.

26 The Paying Agent shall take the following actions with respect to such Redemption
27 Notice:

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

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

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

12 (4) The Redemption Notice shall be given to such other persons as may be
13 required pursuant to the Continuing Disclosure Certificate.

14 A certificate of the Paying Agent to the effect that a Redemption Notice has been given as
15 provided herein shall be conclusive as against all parties. Neither failure to receive any
16 Redemption Notice nor any defect in any such Redemption Notice so given shall affect the
17 sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or
18 other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear
19 or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with
20 the proceeds of such check or other transfer. Such Redemption Notice may state that no
21 representation is made as to the accuracy or correctness of CUSIP numbers printed thereon.

22 SECTION 12. Partial Redemption of Bonds. Upon the surrender of any Bond
23 redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new
24 Bond or Bonds of like tenor and maturity and of authorized denominations equal in principal
25 amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be
26 valid upon payment of the amount required to be paid to such Owner, and the District shall be
27 released and discharged thereupon from all liability to the extent of such payment.

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SECTION 13. Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest accrued to the applicable date of redemption) having been set aside as provided herein, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided herein, together with interest accrued to such redemption date, shall be held in trust, so as to be available therefor on such redemption date, and if a Redemption Notice thereof shall have been given as aforesaid, then from and after such redemption date, interest on the Bonds to be redeemed shall cease to accrue and become payable. All money held for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent.

SECTION 14. Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be irrevocably held in trust hereof for the payment of the redemption price of such Bonds or portions thereof, and accrued interest thereon to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation

SECTION 15. Election of Book Entry System. The Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Bonds in an authorized denomination. The ownership of each such Bond shall be registered in Bond Register maintained by the Paying Agent in the name of the

1 Nominee, as nominee of the Depository and ownership of the Bonds, or any portion thereof may
2 not thereafter be transferred except as provided in Section 15(iv) below.

3 With respect to book-entry Bonds, the District and the Paying Agent shall have no
4 responsibility or obligation to any Participant or to any person on behalf of which such a
5 Participant holds an interest in such book-entry Bonds. Without limiting the immediately
6 preceding sentence, the District and the Paying Agent shall have no responsibility or obligation
7 with respect to: (i) the accuracy of the records of the Depository, the Nominee, or any Participant
8 with respect to any ownership interest in book-entry Bonds; (ii) the delivery to any Participant or
9 any other person, other than an Owner as shown in the Bond Register, of any notice with respect
10 to book-entry Bonds, including any Redemption Notice; (iii) the selection by the Depository and
11 its Participants of the beneficial interests in book-entry Bonds to be prepaid in the event the
12 District redeems such Bonds in part; or (iv) the payment by the Depository or any Participant or
13 any other person, of any amount with respect to Principal, premium, if any, or interest on book-
14 entry Bonds. The District and the Paying Agent may treat and consider the person in whose name
15 each book-entry Bond is registered in the Bond Register as the absolute Owner of such Bond for
16 the purpose of payment of Principal of and premium and interest on and to such Bond, for the
17 purpose of giving notices of redemption and other matters with respect to such Bond, for the
18 purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever.
19 The Paying Agent shall pay all Principal of and premium, if any, and interest on book-entry
20 Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his
21 respective attorney duly authorized in writing, and all such payments shall be valid and effective
22 to fully satisfy and discharge the District's obligations with respect to payment of Principal of,
23 premium, if any, and interest on book-entry Bonds to the extent of the sum or sums so paid. No
24 person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing
25 the obligation to make payments of Principal of, premium, if any, and interest on book-entry
26 Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to
27 the effect that the Depository has determined to substitute a new nominee in place of the
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1 Nominee, and subject to the provisions herein with respect to the Record Date, the word
2 “Nominee” in this Resolution shall refer to such nominee of the Depository.

3 (i) Delivery of Letter of Representations. In order to qualify the Bonds for the
4 Depository’s book-entry system, the District and the Paying Agent shall execute and deliver to
5 the Depository a Letter of Representations. The execution and delivery of a Letter of
6 Representations shall not in any way impose upon the District or the Paying Agent any obligation
7 whatsoever with respect to persons having interests in the Bonds other than the Owners, as shown
8 on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to
9 take all action necessary at all times so that the District will be in compliance with all
10 representations of the District in such Letter of Representations. In addition to the execution and
11 delivery of a Letter of Representations, the District and the Paying Agent shall take such other
12 actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the Bonds for
13 the Depository’s book-entry program.

14 (ii) Selection of Depository. In the event (i) the Depository determines not to
15 continue to act as securities depository for the Bonds, or (ii) the District determines that
16 continuation of the book-entry system is not in the best interest of the Beneficial Owners of the
17 Bonds or the District, then the District will discontinue the book-entry system with the
18 Depository. If the District determines to replace the Depository with another qualified securities
19 depository, the District shall prepare or direct the preparation of a new single, separate, fully
20 registered bond for each maturity date of such Bond, registered in the name of such successor or
21 substitute qualified securities depository or its Nominee as provided in subsection (iv) hereof. If
22 the District fails to identify another qualified securities depository to replace the Depository, then
23 the Bonds shall no longer be restricted to being registered in such Bond Register in the name of
24 the Nominee, but shall be registered in whatever name or names the Owners transferring or
25 exchanging such Bonds shall designate, in accordance with the provisions of this Section 15.

26 (iii) Payments and Notices to Depository. Notwithstanding any other provision
27 of this Resolution to the contrary, so long as all Outstanding Bonds are held in book-entry and
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1 registered in the name of the Nominee, all payments by the District or Paying Agent with respect
2 to Principal of and premium, if any, or interest on book-entry Bonds and all notices with respect
3 to such Bonds, including notices of redemption, shall be made and given, respectively to the
4 Nominee, as provided in the Letter of Representations or as otherwise instructed by the
5 Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions
6 herein.

7 (iv) Transfer of Bonds to Substitute Depository.

8 (A) The Bonds shall be initially issued as described in the Official
9 Statement. Registered ownership of such Bonds, or any portions thereof, may not
10 thereafter be transferred except:

11 (1) to any successor of DTC or its Nominee, or of any substitute
12 depository designated pursuant to Section 15(iv)(A)(2) ("Substitute Depository");
13 provided that any successor of DTC or Substitute Depository shall be qualified under any
14 applicable laws to provide the service proposed to be provided by it;

15 (2) to any Substitute Depository, upon (a) the resignation of
16 DTC or its successor (or any Substitute Depository or its successor) from its functions as
17 depository, or (b) a determination by the District that DTC (or its successor) is no longer
18 able to carry out its functions as depository; provided that any such Substitute Depository
19 shall be qualified under any applicable laws to provide the services proposed to be
20 provided by it; or

21 (3) to any person as provided below, upon (a) the resignation of
22 DTC or its successor (or any Substitute Depository or its successor) from its functions as
23 depository, or (b) a determination by the District that DTC or its successor (or Substitute
24 Depository or its successor) is no longer able to carry out its functions as depository.

25 (B) In the case of any transfer pursuant to Section 15(iv)(A)(1) or (2),
26 upon receipt of all Outstanding Bonds by the Paying Agent, together with a written
27 request of the District to the Paying Agent designating the Substitute Depository, a single
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1 new Bond, which the District shall prepare or cause to be prepared, shall be executed and
2 delivered for each maturity of Bonds then Outstanding, registered in the name of such
3 successor or such Substitute Depository or their Nominees, as the case may be, all as
4 specified in such written request of the District. In the case of any transfer pursuant to
5 Section 15(iv)(A)(3), upon receipt of all Outstanding Bonds by the Paying Agent, together
6 with a written request of the District to the Paying Agent, new Bonds, which the District
7 shall prepare or cause to be prepared, shall be executed and delivered in such
8 denominations and registered in the names of such persons as are requested in such
9 written request of the District, provided that the Paying Agent shall not be required to
10 deliver such new Bonds within a period of less than sixty (60) days from the date of
11 receipt of such written request from the District.

12 (C) In the case of a partial redemption or advance refunding of any
13 Bonds evidencing a portion of the Principal maturing in a particular year, DTC or its
14 successor (or any Substitute Depository or its successor) shall make an appropriate
15 notation on such Bonds indicating the date and amounts of such reduction in Principal, in
16 form acceptable to the Paying Agent, all in accordance with the Letter of Representations.
17 The Paying Agent shall not be liable for such Depository's failure to make such notations
18 or errors in making such notations.

19 (D) The District and the Paying Agent shall be entitled to treat the
20 person in whose name any Bond is registered as the Owner thereof for all purposes of this
21 Resolution and any applicable laws, notwithstanding any notice to the contrary received
22 by the Paying Agent or the District; and the District and the Paying Agent shall not have
23 responsibility for transmitting payments to, communicating with, notifying, or otherwise
24 dealing with any Beneficial Owners of the Bonds. Neither the District nor the Paying
25 Agent shall have any responsibility or obligation, legal or otherwise, to any such
26 Beneficial Owners or to any other party, including DTC or its successor (or Substitute
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1 Depository or its successor), except to the Owner of any Bonds, and the Paying Agent
2 may rely conclusively on its records as to the identity of the Owners of the Bonds.

3 SECTION 16. Execution of the Bonds.

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

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

21 SECTION 17. Transfer and Exchange. So long as any of the Bonds remain
22 Outstanding, the District will cause the Paying Agent to maintain and keep at its principal
23 corporate trust office all books and records necessary for the registration, exchange and transfer
24 of the Bonds as provided in this Section. Subject to the provisions below, the person in whose
25 name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that
26 Bond for all purposes of this Resolution. Payment of or on account of the principal of and
27 premium, if any, and interest on any Bond shall be made only to or upon the order of that person;
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1 neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the
2 registration may be changed as provided in this Section. All such payments shall be valid and
3 effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the
4 extent of the amount or amounts so paid.

5 Any Bond may be exchanged for Bonds of like tenor, Series, maturity and principal
6 amount upon presentation and surrender at the principal corporate trust office of the Paying
7 Agent, together with a request for exchange signed by the Owner or by a person legally
8 empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred on
9 the Bond Register only upon presentation and surrender of the Bond at the principal corporate
10 trust office of the Paying Agent together with an assignment executed by the Owner or by a
11 person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or
12 transfer, the Paying Agent shall complete, authenticate and deliver a new Bond or Bonds of like
13 tenor and of any authorized denomination or denominations requested by the Owner equal to the
14 principal amount of the Bond surrendered and bearing or accruing interest at the same rate and
15 maturing on the same date.

16 If any Bond shall become mutilated, the District, at the expense of the Owner of said
17 Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond
18 of like Series, tenor, maturity and principal amount in exchange and substitution for the Bond so
19 mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. If any Bond
20 issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may
21 be submitted to the Paying Agent and, if such evidence be satisfactory to the Paying Agent and
22 indemnity for the Paying Agent and the District satisfactory to the Paying Agent shall be given by
23 the Owner, the District, at the expense of the Owner, shall execute, and the Paying Agent shall
24 thereupon authenticate and deliver, a new Bond of like Series, tenor, maturity and principal
25 amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond
26 shall have matured or shall have been called for redemption, instead of issuing a substitute Bond,
27 the Paying Agent may pay the same without surrender thereof upon receipt of indemnity
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1 satisfactory to the Paying Agent and the District). The Paying Agent may require payment of a
2 reasonable fee for each new Bond issued under this paragraph and of the expenses which may be
3 incurred by the District and the Paying Agent.

4 If signatures on behalf of the District are required in connection with an exchange or
5 transfer, the Paying Agent shall undertake the exchange or transfer of Bonds only after the new
6 Bonds are signed by the authorized officers of the District. In all cases of exchanged or
7 transferred Bonds, the District shall sign and the Paying Agent shall authenticate and deliver
8 Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be
9 paid by the requesting party. Those charges may be required to be paid before the procedure is
10 begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid
11 obligations of the District, evidencing the same debt, and entitled to the same security and benefit
12 under this Resolution as the Bonds surrendered upon that exchange or transfer.

13 Any Bond surrendered to the Paying Agent for payment, retirement, exchange,
14 replacement or transfer shall be cancelled by the Paying Agent. The District may at any time
15 deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds
16 that the District may have acquired in any manner whatsoever, and those Bonds shall be promptly
17 cancelled by the Paying Agent. Written reports of the surrender and cancellation of Bonds shall
18 be made to the District by the Paying Agent as requested by the District. The cancelled Bonds
19 shall be retained for three years, then returned to the District or destroyed by the Paying Agent as
20 directed by the District.

21 Neither the District nor the Paying Agent will be required (a) to issue or transfer any
22 Bonds during a period beginning with the opening of business on the 16th day next preceding
23 either any Interest Payment Date or any date of selection of Bonds to be redeemed and ending
24 with the close of business on the Interest Payment Date or any day on which the applicable
25 Redemption Notice is given or (b) to transfer any Bonds which have been selected or called for
26 redemption in whole or in part.

1 SECTION 18. Payment. Payment of interest on any Bond on any Interest
2 Payment Date shall be made to the person appearing on the registration books of the Paying
3 Agent as the Owner thereof as of the Record Date immediately preceding such Interest Payment
4 Date, such interest to be paid by check mailed to such Owner on the Interest Payment Date at his
5 address as it appears on such registration books or at such other address as he may have filed with
6 the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate
7 principal amount of \$1,000,000 or more may request in writing to the Paying Agent that such
8 Owner be paid interest by wire transfer to the bank and account number on file with the Paying
9 Agent as of the Record Date. The principal of and redemption premium, if any, payable on the
10 Bonds shall be payable upon maturity or redemption upon surrender at the principal corporate
11 trust office of the Paying Agent. The principal of, premiums, if any, and interest on the Bonds
12 shall be payable in lawful money of the United States of America. The Paying Agent is hereby
13 authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds
14 upon payment thereof. The Bonds are obligations of the District payable solely from the levy of
15 *ad valorem* property taxes upon all property subject to taxation within the District, which taxes
16 are unlimited as to rate or amount. The Bonds do not constitute an obligation of the County and
17 no part of any fund of the County is pledged or obligated to the payment of the Bonds.

18 SECTION 19. Bond Register. The Paying Agent shall keep or cause to be kept
19 at its office sufficient books for the registration and registration of transfer of the Bonds. Upon
20 presentation for registration of transfer, the Paying Agent shall, as above provided and under such
21 reasonable regulations as it may prescribe subject to the provisions hereof, register or register the
22 transfer of the Bonds, or cause the same to be registered or cause the registration of the same to
23 be transferred, on such books. While the Bonds are held in the book-entry system, the Paying
24 Agent is not required to keep the Bond Register.

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

10 SECTION 21. Delivery of Bonds. The proper officials of the County shall
11 cause the Bonds to be prepared and, following their sale, shall have the Bonds signed and
12 delivered to the District. The District will deliver the Bonds, together with a final transcript of
13 proceedings with reference to the issuance of the Bonds, to the Underwriter upon payment of the
14 purchase price therefor

15 SECTION 22. Deposit of Proceeds of Bonds. (a) The purchase price received
16 from the sale of the Bonds, to the extent of the Principal Amount thereof, shall be paid to the
17 County to the credit of the fund hereby authorized to be created to be known as the "Val Verde
18 Unified School District General Obligation Bonds, 2012 Election, Series 2016C Building Fund"
19 (the "**Building Fund**") of the District, shall be kept separate and distinct from all other District
20 and County funds, and those proceeds shall be used solely for the purpose for which the Bonds
21 are being issued and provided further that such proceeds shall be applied solely to the purposes
22 authorized by the voters of the District at the Election. The County shall have no responsibility
23 for assuring the proper use of the Bond proceeds by the District. The Building Fund may contain
24 subaccounts if the Bonds are issued in more than one Series.

25 The purchase price received to the extent of any accrued interest, shall be paid to the
26 County to the credit of the fund hereby authorized to be created to be known as the "Val Verde
27 Unified School District General Obligation Bonds, 2012 Election, Series 2016C Debt Service
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1 Fund” (the “**Debt Service Fund**”) for the Bonds and used for payment of Debt Service, and for
2 no other purpose. The Debt Service Fund may contain subaccounts if the Bonds are issued in
3 more than one Series. A portion of the premium received by the District from the sale of the
4 Bonds may be transferred to the Debt Service Fund or applied to the payment of Costs of
5 Issuance arising from the purchase of municipal bond insurance for the Bonds, or some
6 combination of deposits. Interest earnings on monies held in the Building Fund shall be retained
7 in the Building Fund. Interest earnings on monies held in the Debt Service Fund shall be retained
8 in the Debt Service Fund. Any excess proceeds of the Bonds not needed for the authorized
9 purposes set forth herein for which the Bonds are being issued upon written notice from the
10 District shall be transferred to the Debt Service Fund and applied to the payment of Debt Service
11 on the Bonds. If, after payment in full of the Bonds, there remain excess proceeds, any such
12 excess amounts shall be transferred to the general fund of the District.

13 Costs of Issuance arising from the purchase of municipal bond insurance for the Bonds are
14 hereby authorized to be paid from premium withheld by the Underwriter upon the sale of the
15 Bonds. All other Costs of Issuance are hereby authorized to be paid from the Principal Amount
16 of the Bonds. To the extent Costs of Issuance are paid from such proceeds, the District, may
17 direct that a portion of the proceeds of the Bonds received from the Underwriter, in lieu of being
18 deposited into the Building Fund, be deposited in the fund of the District known as the “Val
19 Verde Unified School District General Obligation Bonds, 2012 Election, Series 2016C Costs of
20 Issuance Fund” (the “Costs of Issuance Fund”) and kept separate and distinct from all other
21 District funds, and those proceeds shall be used solely for the purpose of paying Costs of Issuance
22 of the Bonds. The Costs of Issuance Fund may be held and administered by the Paying Agent or
23 any other fiscal agent designated by the District. Notwithstanding the foregoing, all or a portion
24 of the Costs of Issuance may be paid by the Underwriter, by the Paying Agent or by a fiscal agent
25 designated for such purpose.

26 Any amounts retained for payment of Costs of Issuance to be returned to the District
27 pursuant to the Purchase Contract, to the extent such amounts were retained from the Principal
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1 Amount of the Bonds, shall be transferred to the Building Fund. Any amounts retained for
2 payment of Costs of Issuance to be returned to the District pursuant to the Purchase Contract, to
3 the extent such amounts were retained from premium withheld by the Underwriter upon the sale
4 of the Bonds, shall be transferred to the Debt Service Fund.

5 (b) Moneys in the Debt Service Fund and the Building Fund shall be invested, after
6 consultation with the County, in Authorized Investments. If at the time of issuance the District
7 determines to issue the Bonds as Tax-Exempt Bonds without regard to the Internal Revenue Code
8 “temporary period” restrictions, all investment of Bond proceeds shall be subject to paragraph (1)
9 below; and the District, in consultation with the County, may provide for an agent to assist the
10 County in investing funds pursuant to paragraph (1) below. If the District fails to direct the
11 County or its agent, as the case may be, the County or its agent shall invest or cause the funds in
12 the Building Fund to be invested in Qualified Authorized Investments, subject to the provisions of
13 paragraph (1) below, until such time as the District provides written direction to invest such funds
14 otherwise. Neither the County nor its officers and agents, as the case may be, shall have any
15 responsibility or obligation to determine the tax consequences of any investment. The interest
16 earned on the moneys deposited to the Building Fund shall be applied as set forth in subparagraph
17 (1)(C) below:

18 (1) Covenant Regarding Investment of Proceeds.

19 (A) Authorized Investments. Beginning on the delivery date, and at all
20 times until expenditure for authorized purposes, not less than 95% of the proceeds
21 of the Bonds deposited in the Building Fund, including investment earnings
22 thereon, will be invested in Qualified Authorized Investments. Notwithstanding
23 the preceding provisions of this Section, for purposes of this paragraph, amounts
24 derived from the disposition or redemption of Qualified Authorized Investments
25 and held pending reinvestment or redemption for a period of not more than 30
26 days may be invested in Authorized Investments. The District will authorize
27 investments made pursuant to this Resolution with maturities exceeding five years.
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(B) Recordkeeping and Monitoring Relating to Building Fund.

i. Information Regarding Authorized Investments. The District will request the County to record or cause to be recorded with respect to each Authorized Investment in the Building Fund the following information: purchase date; purchase price; information establishing the Fair Market Value of such Authorized Investment; face amount; coupon rate; periodicity of interest payments; disposition price; disposition date; and any accrued interest received upon disposition.

ii. Information in Qualified Non-AMT Mutual Funds. The District will, with respect to each investment of proceeds of the Bonds in a Qualified Non-AMT Mutual Fund pursuant to paragraph (1)(A) above, in addition to recording, or causing to be recorded, the information set forth in paragraph (1)(B)(i) above, it will retain a copy of each IRS information reporting form and account statement provided by such Qualified Non-AMT Mutual Fund.

iii. Monthly Investment Fund Statements. The District will obtain and the County will provide, at the beginning of each month following the delivery date, a statement of the investments in the Building Fund detailing the nature, amount and value of each investment as of such statement date.

iv. Retention of Records. The District will retain the records referred to in paragraph (1)(B)(i) and each IRS information reporting form referred to in paragraph (1)(B)(ii) with its books and records with respect to the Bonds until three years following the last date that any obligation comprising the Bonds is retired.

(C) Interest Earned on Authorized Investments. The interest earned on the moneys deposited in the Building Fund shall be deposited in the Building Fund and used for the purposes of that fund.

1 Except as required to satisfy the requirements of Section 148(f) of the Code, interest
2 earned on the investment of moneys held in the Debt Service Fund shall be retained in the Debt
3 Service Fund and used by the County to pay the Debt Service on the Bonds when due.

4 SECTION 23. Security for the Bonds. There shall be levied on all the taxable
5 property in the District, in addition to all other taxes, a continuing direct *ad valorem* property tax
6 annually during the period the Bonds are Outstanding in an amount sufficient to pay the Debt
7 Service on the Bonds when due, which moneys when collected will be deposited in the Debt
8 Service Fund of the District and used for the payment of the Debt Service on the Bonds when and
9 as the same fall due, and for no other purpose. The tax levy may include an allowance for a
10 reasonably required reserve in accordance with the Tax Certificate (defined below), established
11 for the purpose of ensuring that the tax or assessment actually collected is sufficient to pay the
12 annual debt service requirements on the Bonds due on the subsequent two Interest Payment
13 Dates. The County shall take all actions necessary to levy such *ad valorem* tax in accordance with
14 this Section, Section 15140 of the Education Code and Section 53508.7 of the Government Code.

15 On the Business Day immediately preceding each Interest Payment Date the moneys in
16 the Debt Service Fund, to the extent necessary to pay the Debt Service on the Bonds as the same
17 become due and payable, shall be transferred by the Treasurer to the Paying Agent which, in turn,
18 shall pay such moneys to DTC to pay such principal and interest. DTC will thereupon make
19 payments of Debt Service on the Bonds to the DTC Participants who will thereupon make
20 payments of such principal and interest to the Beneficial Owners of the Bonds. Any moneys
21 remaining in the Debt Service Fund after the Bonds and the interest thereon have been paid in
22 full, or provision for such payment has been made, shall be transferred to the general fund of the
23 District.

24 SECTION 24. Tax Covenant. In order to maintain the exclusion from gross
25 income for federal income tax purposes of interest on the Tax-Exempt Bonds, the District has,
26 pursuant to the District Resolution, covenanted to comply with each applicable requirement of
27 Section 103 and Sections 141 through 150 of the Code. In furtherance of these covenants, the
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1 District has agreed to comply with the covenants contained in the Tax Certificate of the District to
2 be delivered in connection with the issuance of the Bonds (the “**Tax Certificate**”). The District
3 has also agreed to deliver instructions to the Paying Agent as may be necessary in order to
4 comply with the Tax Certificate.

5 SECTION 25. Establishment and Application of Rebate Fund. There is hereby
6 established in trust a special fund designated “Val Verde Unified School District General
7 Obligation Bonds, 2012 Election, Series 2016C Rebate Fund” (the “**Rebate Fund**”) which shall
8 be held by the Treasurer for the account of the District and which shall be kept separate and apart
9 from all other funds and accounts held hereunder. The District shall have the obligation to
10 manage the Rebate Fund in accordance with the provisions of the Tax Certificate.

11 SECTION 26. Negotiated Sale/Method of Sale. Pursuant to the District
12 Resolution, the District has requested that the Bonds shall be sold by negotiated sale to the
13 Underwriter inasmuch as such sale will allow the District to (i) integrate the sale of the Bonds
14 with other public financings undertaken, or to be undertaken, by the District in order to fund its
15 public education facilities; (ii) utilize the services of consultants who are familiar with the
16 financial needs, status and plans of the District; and (iii) control the timing of the sale of the
17 Bonds to the municipal bond market and, potentially, take advantage of interest rate opportunities
18 for favorable sale of the Bonds to such market.

19 SECTION 27. Engagement of Consultants; Parameters of Sale. Pursuant to
20 the District Resolution, Nossaman LLP has been selected as the District’s Bond Counsel, Orrick,
21 Herrington & Sutcliffe LLP, as Disclosure Counsel, Piper Jaffray & Co. as Underwriter, and
22 Fieldman, Rolapp & Associates as Financial Advisor with respect to the authorization, sale and
23 issuance of the Bonds. The Underwriter’s discount shall not exceed 0.45% of the aggregate
24 principal amount of the Bonds issued.

25 SECTION 28. Establishment of Additional Funds and Accounts. If at any
26 time it is deemed necessary or desirable by the District, the Treasurer, the Riverside County
27 Office of Education (the “**County Office of Education**”), or the Paying Agent, the District may
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1 request the Treasurer to establish additional funds under this Resolution and/or accounts within
2 any of the funds or accounts established hereunder.

3 SECTION 29. Request for Necessary County Actions. The Auditor-
4 Controller, the Treasurer, and other officials of the County, are hereby directed to take and
5 authorize such actions as may be necessary pursuant to law to provide for the levy and collection
6 of a property tax on all taxable property of the District sufficient to provide for payment of all
7 Debt Service on the Bonds as the same shall become due and payable as necessary for the
8 payment of the Bonds, and the Clerk of the Board is hereby authorized and directed to deliver
9 certified copies of this Resolution to the Clerk of the District Board. The District has, pursuant to
10 the District Resolution, agreed to reimburse the County for any costs associated with the levy and
11 collection of said tax, upon such documentation of said costs as the County shall reasonably
12 request.

13 SECTION 30. Paying Agent; Appointment and Acceptance of Duties.

14 (a) Zions First National Bank is hereby appointed to fulfill the County's initial
15 duties as authenticating agent, bond registrar, transfer agent and paying agent (collectively, the
16 "Paying Agent") for the Bonds. All fees and expenses incurred for services of the Paying Agent,
17 including its third-party agents, shall be the sole responsibility of the District. The Paying Agent
18 shall keep accurate records of all funds administered by it and all of the Bonds paid and
19 discharged by it.

20 (b) The fees and expenses of the Paying Agent which are not paid as a cost of
21 issuance of the Bonds may be paid in each year from *ad valorem* property taxes levied and
22 collected for the payment thereof, insofar as permitted by law, including specifically Section
23 15232 of the Education Code.

24 (c) Unless otherwise provided, the office of Zions First National Bank
25 designated by the Paying Agent shall be the place for the payment of Principal of, premium, if
26 any, and interest on the Bonds.

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1 SECTION 31. Liability of Paying Agent. The Paying Agent makes no
2 representations as to the validity or sufficiency of this Resolution or of any Bonds issued
3 hereunder or as to the security afforded by this Resolution, and the Paying Agent shall incur no
4 liability in respect hereof or thereof.

5 SECTION 32. Evidence on Which Paying Agent May Act. The Paying Agent,
6 upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or
7 other paper or document furnished to it pursuant to any provision of this Resolution, shall
8 examine such instrument to determine whether it conforms to the requirements of this Resolution
9 and shall be protected in acting upon any such instrument believed by it to be genuine and to have
10 been signed or presented by the proper party or parties. The Paying Agent may consult with
11 counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be
12 full and complete authorization and protection in respect of any action taken or suffered by it
13 under this Resolution in good faith and in accordance therewith.

14 SECTION 33. Ownership of Bonds Permitted. The Paying Agent or the
15 Underwriter may become the Owner of any Bonds.

16 SECTION 34. Resignation or Removal of Paying Agent and Appointment of
17 Successor.

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

26 (b) Any Paying Agent appointed may resign from service as Paying Agent and
27 may be removed at any time by the District as provided in the Paying Agent's service agreement.

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1 If at any time the Paying Agent shall resign or be removed, a new Paying Agent shall be
2 appointed in accordance with applicable law, which shall be either the Treasurer or a bank or trust
3 company doing business in and having a corporate trust office in Los Angeles or San Francisco,
4 California, with at least \$50,000,000 in net assets. Such successor Paying Agent shall signify the
5 acceptance of its duties and obligations hereunder by executing and delivering to the District a
6 written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon
7 appointment and acceptance of a successor Paying Agent.

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

13 SECTION 35. Supplemental Resolutions with Consent of Owners. This
14 Resolution, and the rights and obligations of the County, the District and of the Owners of the
15 Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution
16 adopted by the Board at the request of the District with the written consent of the Owners owning
17 at least 60% in aggregate Principal Amount of the Outstanding Bonds, exclusive of Bonds, if any,
18 owned by the District. Notwithstanding the foregoing, no such modification or amendment shall,
19 without the express consent of the Owner of each Bond affected, reduce the Principal Amount of
20 any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof,
21 extend its maturity or the times for paying interest thereon or change the monetary medium in
22 which Principal and interest is payable, nor shall any modification or amendment reduce the
23 percentage of consents required for amendment or modification. No such Supplemental
24 Resolution shall change or modify any of the rights or obligations of any Paying Agent without
25 its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall
26 be required if the Owners are not directly and adversely affected by such amendment or
27 modification.

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1 SECTION 36. Supplemental Resolutions Effective Without Consent of
2 Owners. For any one or more of the following purposes and at any time or from time to time, a
3 Supplemental Resolution of the County may be adopted, which, without the requirement of
4 consent of the Owners, shall be fully effective in accordance with its terms:

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

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

10 (c) To establish any additional funds or accounts to be held under this
11 Resolution;

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

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

17 SECTION 37. Effect of Supplemental Resolution. Any act done pursuant to a
18 modification or amendment so consented to shall be binding upon the Owners of all the Bonds
19 and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the
20 character of such act may be, and may be done and performed as fully and freely as if expressly
21 permitted by the terms of this Resolution, and after consent relating to such specified matters has
22 been given, no Owner shall have any right or interest to object to such action or in any manner to
23 question the propriety thereof or to enjoin or restrain the District or any officer or agent thereof
24 from taking any action pursuant thereto.

25 SECTION 38. Defeasance. All or any portion of the Outstanding maturities of
26 the Bonds may be defeased prior to maturity in the following ways:

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1 (a) Cash: by irrevocably depositing with an independent escrow agent
2 selected by the District an amount of cash which, together with any amounts transferred from the
3 Debt Service Fund, is sufficient to pay all Bonds Outstanding and designated for defeasance
4 (including all principal thereof, accrued interest thereon and redemption premiums, if any) at or
5 before their maturity date; or

6 (b) Government Obligations: by irrevocably depositing with an independent
7 escrow agent selected by the District noncallable Government Obligations together with any
8 amounts transferred from the Debt Service Fund and any other cash, if required, in such amount
9 as will, together with interest to accrue thereon, in the opinion of an independent certified public
10 accountant, be fully sufficient to pay and discharge all Bonds Outstanding and designated for
11 defeasance (including all principal thereof, accrued interest thereon and redemption premiums, if
12 any) at or before their maturity date;

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

19 For purposes of this Section, "Government Obligations" shall mean:

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

9 SECTION 39. Insurance. Should any Authorized Officer, upon consultation
10 and advice of the Financial Advisor and Bond Counsel, determine it is in the best interests of the
11 District to obtain municipal bond insurance for the Bonds to improve their marketability, the
12 Authorized Officers, each alone, are hereby authorized and directed to sign documents to secure
13 such credit enhancement on such terms and subject to such conditions as may be established by
14 the Authorized Officer signing such agreements, in agreements relating to such credit
15 enhancement.

16 In the event the District purchases bond insurance for the Bonds, and to the extent that the
17 Bond Insurer makes payment of the principal of or interest on the Bonds, it shall become the
18 Owner of such Bonds with the right to payment of principal or interest on the Bonds, and shall be
19 fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To
20 evidence such subrogation (i) in the case of subrogation as to claims of past due interest, the
21 Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for the
22 Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by
23 the Bond Insurer for the payment of such interest to the Owners of the Bonds, and (ii) in the case
24 of subrogation as to claims for past due principal, the Paying Agent shall note the Bond Insurer as
25 subrogee on the registration books for the Bonds maintained by the Paying Agent upon surrender
26 of the Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond
27 Insurer.

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SECTION 40. Approval of Actions; Miscellaneous.

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

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

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

SECTION 41. Further Actions Authorized. It is hereby covenanted that the County, and its appropriate officials, have duly taken all actions necessary to be taken by them, and will take any additional actions necessary to be taken by them, for carrying out the provisions of this Resolution.

SECTION 42. Conflicts. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Purchase Contract, the Purchase Contract prevails to the extent of the inconsistency or conflict. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Tax Certificate, the Tax Certificate prevails to the extent of the inconsistency or conflict.

SECTION 43. Recitals. All the recitals in this Resolution above are true and correct and the Board so finds, determines and represents.

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SECTION 44. Effective Date. This Resolution shall take effect immediately upon its passage.

SECTION 45. Clerk's Certificate. The Clerk of the Board is hereby directed to provide certified copies of this Resolution to the Treasurer, the County Auditor and Controller and to Bond Counsel immediately following its adoption at the following address:

Nossaman LLP
18101 Von Karman Avenue, Suite 1800
Irvine, California 92612
Attn: Albert R. Reyes

[REMINDER OF THIS PAGE IS BLANK]

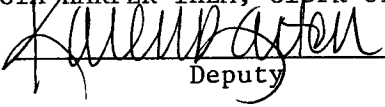
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The foregoing Resolution was on the 23 day of August, 2016, adopted by the Board of Supervisors of the County of Riverside.

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

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EXHIBIT A
FORM OF BOND

REGISTERED
NO.

REGISTERED
\$

VAL VERDE UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, 2012 ELECTION, SERIES 2016C

INTEREST RATE: MATURITY DATE: DATED AS OF: CUSIP
____% per annum August 1, ____ _____, 2016 _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Val Verde Unified School District (the "District") in Riverside County, California, for value received, promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Interest Payment Dates"), commencing February 1, 2017. This bond will bear interest from the Interest Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Interest Payment Date to the Interest Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before January 15, 2017, in which event it shall bear interest from the Date of Delivery. Interest on this bond shall be computed on the basis of a 360-day year of twelve 30-day months. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the Register maintained by the Paying Agent, initially Zions First National Bank as agent of the Treasurer and Tax Collector of Riverside County. Principal is payable upon presentation and surrender of this bond at the principal corporate trust office of the Paying Agent. Interest is payable by check mailed by the Paying Agent on each Interest Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the bond register maintained by the Paying Agent at the close of business on the 15th day of the calendar month next preceding that Interest Payment Date (the "Record Date"). The Owner of Bonds in the aggregate principal amount of \$1,000,000 or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This bond is one of an authorization of bonds approved to raise money for the purposes authorized by voters of the District at the Election (defined herein) and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant

1 to the laws of the State of California, and the requisite vote of the electors of the District cast at a
2 general election held on June 5, 2012 (the "Election"), upon the question of issuing bonds in the
3 amount of \$178,000,000, a resolution of the Board of Supervisors of the County of Riverside
4 adopted on August 30, 2016 (the "County Resolution") and the resolution of the Board of
5 Education of the District adopted on August 16, 2016 (the "Bond Resolution"). This bond is being
6 issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the
California Government Code. This bond and the issue of which this bond is one are payable as to
both principal and interest solely from the proceeds of the levy of *ad valorem* property taxes on all
property subject to such taxes in the District, which taxes are unlimited as to rate or amount in
accordance with California Education Code Sections 15250 and 15252.

7 The bonds of this issue comprise \$ _____ Principal Amount of Current Interest Bonds, of
8 which this bond is a part (collectively, the "Bonds").

9 This bond is exchangeable and transferable for bonds of like tenor, maturity and principal
10 amount and in authorized denominations at the principal corporate trust office of the Paying
11 Agent by the Registered Owner, upon presentation and surrender hereof to the Paying Agent,
12 together with a request for exchange or an assignment signed by the Registered Owner or by a
13 person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the
14 terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer
shall be paid by the transferor. The District and the Paying Agent may deem and treat the
Registered Owner as the absolute Owner of this bond for the purpose of receiving payment of or
on account of principal or interest and for all other purposes, and neither the District nor the
Paying Agent shall be affected by any notice to the contrary.

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

19 The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to
20 their fixed maturity dates. The Bonds maturing on or after August 1, 20__ are subject to
21 redemption on or after August 1, 20__ or on any date thereafter at the option of the District, as a
whole or in part, at a redemption price equal to the principal amount of the Bonds called for
redemption, plus interest accrued thereon to the date fixed for redemption, without premium.

22 The Bonds maturing on August 1, 20__ are subject to mandatory sinking fund redemption
23 on August 1 of each year on and after August 1, 20__, at a redemption price equal to the principal
24 amount thereof, together with accrued interest to the date fixed for redemption, without premium.
25 The principal amounts represented by such Bonds to be so redeemed and the dates therefore and
the final payment date is as indicated in the following table:

<u>Redemption Dates</u>	<u>Principal Amounts</u>
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TOTAL

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The principal amount to be redeemed in each year shown above will be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000, by any portion of the Term Bonds optionally redeemed prior to the mandatory sinking fund redemption date.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions thereof of such maturity to be redeemed shall be selected by lot by the Paying Agent in such manner as the Paying Agent in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called by the Paying Agent in any order of maturity as directed by the District or, if the Paying Agent is not so directed, in the inverse order of maturity.

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

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

[REMAINDER OF PAGE LEFT BLANK]

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

6 VAL VERDE UNIFIED SCHOOL DISTRICT

7 By: _____ (Facsimile Signature)
8 President of the Board of Education

9 COUNTERSIGNED:

10 _____ (Facsimile Signature)
11 Clerk to the Board of Education

12 CERTIFICATE OF AUTHENTICATION

13 This bond is one of the bonds described in the Bond Resolution referred to herein which
14 has been authenticated and registered on _____, 2016.

15 ZIONS FIRST NATIONAL BANK, as agent of the
16 TREASURER AND TAX COLLECTOR OF
17 RIVERSIDE COUNTY, as Paying Agent

18 By: _____
19 Authorized Representative

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ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

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

LEGAL OPINION

The following is a true copy of the opinion rendered by Nossaman LLP in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

(Facsimile Signature)
Clerk to the Board of Education

(Form of Legal Opinion)

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EXHIBIT B
FORM OF PURCHASE CONTRACT

§ _____
VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)
General Obligation Bonds, 2012 Election, Series 2016C

PURCHASE CONTRACT

_____, 2016

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

Board of Education
Val Verde Unified School District
975 West Morgan Street
Perris, California 92571

Ladies and Gentlemen:

Piper Jaffray & Co. (the "Underwriter"), acting on its own behalf and not as a fiduciary agent, offers to enter into this Purchase Contract (the "Purchase Contract") with the County of Riverside (the "County") and the Val Verde Unified School District (the "District"), which, upon the acceptance hereof thereby, will be binding upon the County, the District and the Underwriter. This offer is made subject to the written acceptance of this Purchase Contract by the District and delivery of such acceptance to us at or prior to 11:59 P.M., California Time, on the date hereof. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Official Statement (defined below) or, if not defined in the Official Statement, in the County Resolution (defined below).

The County and the District acknowledge and agree that (i) the purchase and sale of the Bonds (as defined herein) pursuant to this Purchase Contract is an arm's-length commercial transaction among the County, the District and the Underwriter, and that the Underwriter has financial and other interests that differ from those of the County and District; (ii) in connection with such transaction, the Underwriter is acting solely as principals and not as an agent or fiduciary of the County or the District, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the County or the District with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or are currently advising the County or the District on other matters) or (y) any other obligation to the County or the District except the obligations expressly set forth in this Purchase Contract (iv) and each of the County and the District has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds. The District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required disclosure under Rule G-17 of the Municipal

Securities Rulemaking Board (the "MSRB"). The District acknowledges and represents that it has engaged Fieldman Rolapp & Associates, Irvine, California, as its municipal advisor (as defined in Securities and Exchange Commission Rule 15Ba1) and will rely solely on the financial advice of Fieldman Rolapp & Associates (the "Financial Advisor"), as municipal advisor with respect to the Bonds.

1. Purchase and Sale of the Bonds. Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the County for reoffering to the public, and the County hereby agrees to sell in the name of and on behalf of the District to the Underwriter for such purpose, all (but not less than all) of \$ _____ aggregate initial principal amount of the District's General Obligation Bonds, 2012 Election, Series 2016C (the "Bonds"). The Bonds shall be dated the date of delivery thereof and shall be payable as to interest on each February 1 and August 1, commencing February 1, 2017, and shall be paid at maturity as shown in Exhibit A hereto. The final maturity dates, interest rates, yields (or yields to redemption, as applicable) and redemption provisions of the Bonds are shown in Exhibit A hereto, which exhibit is incorporated by reference herein.

The Underwriter shall purchase the Bonds at a price of \$ _____ (which is equal to the principal amount of the Bonds of \$ _____, plus net original issue premium of \$ _____, and less an underwriting discount of \$ _____). Pursuant to Section 13 hereof, the District shall direct the Underwriter to wire a portion of the purchase price to a fiscal agent for the payment of costs of issuance of the Bonds.

2. The Bonds. The Bonds shall otherwise be as described in the Official Statement (defined herein), and shall be issued and secured pursuant to the provisions of the Resolution of the Board of Supervisors of the County adopted on August 30, 2016 (the "County Resolution") and the Resolution of the District adopted on August 16, 2016 (the "District Resolution," and together with the County Resolution, the "Resolutions"), this Purchase Contract and Section 53506 *et seq.* of the California Government Code (the "Act").

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Contract and the Resolutions. The Bonds shall bear CUSIP numbers; be in fully registered book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"); and initially be in authorized denominations of Five Thousand Dollars (\$5,000) principal amount, or any integral multiple thereof.

The net proceeds of the Bonds are expected to be applied to (i) pay the costs of Projects authorized at the June 5, 2012, election conducted within the District and (ii) pay the costs of issuance of the Bonds.

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

4. Public Offering of the Bonds. The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering prices or yields to be set forth on the inside cover page of the Official Statement. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering prices or yields as it deems necessary in connection with the marketing of the Bonds.

5. Review of Official Statement. The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated _____, 2016 (the "Preliminary Official Statement"), which has been duly authorized and prepared by the District for use by the Underwriter in connection with the sale of the Bonds. The District represents that it deems the Preliminary Official Statement to be final, except for either revision or addition of the offering price(s), interest rate(s), yield(s) to maturity, redemption provisions, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule"). The Underwriter and the District understand and agree that the County shall have no responsibility or obligation whatsoever in connection with the preparation and approval of the Preliminary Official Statement and the Official Statement, nor for satisfying any obligations of the District under the Rule.

The Underwriter agrees that prior to the time the final Official Statement (as defined herein) 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 electronic distribution (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 within one business day after receipt thereof from the District, but in no event later than the Closing (as defined below).

6. Closing. At 9:00 A.M., California Time, on _____, 2016 or at such other time or on such other date as shall have been mutually agreed upon by the County, the District and the Underwriter (the "Closing"), the County will deliver to the Underwriter, through the facilities of DTC in New York, New York, or at such other place as we may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Nossaman LLP ("Bond Counsel"), in Irvine, California, the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price set forth in Section 1 hereof in immediately available funds by wire transfer to the account or accounts designated by the County.

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

(a) Due Organization. The District is a unified school district duly organized and validly existing under the laws of the State of California, with the power request the County to issue the Bonds pursuant to the Act.

(b) Due Authorization. (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power and authority to enter into this Purchase Contract and the Continuing Disclosure Certificate, to adopt the District Resolution, to perform its obligations under each such document or instrument, to approve the Official Statement and to carry out and effectuate the transactions contemplated by this Purchase Contract and the District Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the District Resolution, the Continuing Disclosure Certificate and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Contract, assuming the due authorization, execution and delivery thereof by the Underwriter and the County, constitutes a valid and legally binding obligation of the District, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the state of California; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract.

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

(d) Internal Revenue Code. The District has complied with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the Bonds, except as may be described in or contemplated by the Official Statement or otherwise disclosed in writing to the Underwriter.

(e) No Conflicts. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Purchase Contract, the Continuing Disclosure Certificate, the District Resolution and the Bonds, and the compliance with the provisions hereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State of California or any

existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(f) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices of the District or of the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, the collection of *ad valorem* property taxes contemplated by the Resolutions and the application thereof to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract or the Resolutions or contesting the powers of the District or its authority with respect to the Bonds, the District Resolution or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the operations or financial condition of the District or the consummation of the transactions contemplated by this Purchase Contract or the Resolutions, (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the exemption of such interest from California personal income taxation.

(g) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, the District will not have issued, and no other person or entity, including the County, will have issued in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement or otherwise consented to in writing by the Underwriter.

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

(i) Continuing Disclosure. In accordance with the requirements of the Rule and pursuant to the District Resolution, at or prior to the Closing, the District shall have duly authorized, executed and delivered a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") on behalf of each obligated person for which financial and/or operating data is presented in the Official Statement. The Continuing Disclosure Certificate shall be substantially in the form attached to the Official Statement in Appendix ___. Except as disclosed in the Official Statement, the District has not, within the past five years, fail to comply in a material respect with any of its previous undertakings pursuant to the Rule to provide annual reports or notice of material events.

(j) Official Statement Accurate and Complete. The Preliminary Official Statement, at the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. At the date hereof and on the date of Closing, the Final Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the Final Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein. If the Official Statement is supplemented or amended pursuant to Section 9(f) hereof, at the time of each such supplement or amendment thereto and at all time subsequent thereto during the period up to and including the Closing, the Official Statement, as so supplemented or amended, will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading

(k) Levy of Tax. The District hereby agrees to take any and all actions as may be required by the County or otherwise necessary in order to arrange for the levy and collection of *ad valorem* taxes for payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the Auditor-Controller of the County a copy of the District Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Bonds, in accordance with Education Code Section 15140(c) and policies and procedures of the County.

(l) No Material Adverse Change. The financial statements of, and other financial information regarding the District, in the Official Statement fairly present the financial position and results of the District as of the dates and for the periods therein set forth. Prior to the Closing, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the District.

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

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

(a) Power. The County has the power under the Constitution and laws of the state of California to issue the Bonds in the name and on behalf of the District pursuant to the Act.

(b) Due Authorization. (i) At or prior to the Closing, the County will have taken all action required to be taken by it to authorize the issuance and delivery of the

Bonds; (ii) the County has full legal right, power and authority to enter into this Purchase Contract, to adopt the County Resolution, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract and the County Resolution; (iii) the execution and delivery or adoption of, and the performance by the County of the obligations contained in the Bonds, the County Resolution and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Contract, assuming the due authorization, execution and delivery thereof by the Underwriter and the District, constitutes a valid and legally binding obligation of the County, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the state of California; and (v) the County has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract.

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

(d) No Conflicts. To the best knowledge of the County, the issuance of the Bonds, and the execution, delivery and performance of this Purchase Contract, the County Resolution and the Bonds, and the compliance with the provisions hereof do not conflict with or constitute on the part of the County a violation of or default under, the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the County is a party or by which it is bound or to which it is subject.

(e) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the County, threatened against the County: (i) in any way affecting the existence of the County or in any way challenging the respective powers of the several offices of the County or of the titles of the officials of the County to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, the collection of *ad valorem* property taxes contemplated by the Resolutions and the application thereof to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this

Purchase Contract or the Resolutions or contesting the powers of the County or its authority with respect to the Bonds, the County Resolution or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the consummation of the transactions contemplated by this Purchase Contract or the Resolutions or (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part.

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

(g) Levy of Tax. The County hereby agrees to take any and all actions as may be required arrange for the levy and collection of *ad valorem* taxes for payment of the Bonds, and the deposit and investment of Bond proceeds.

9. Covenants of the District. The District covenants and agrees with the Underwriter that:

(a) Securities Laws. 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 it is not so subject as of the date hereof;

(b) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds for the purposes specified in the Resolutions;

(c) 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 Contract is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto being herein called the "Official Statement") in such quantities as may be requested by the Underwriter not later than five (5) business days following the date this Purchase Contract is signed, in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

(d) Subsequent Events. The District hereby agrees to notify the Underwriter of any event or occurrence that may affect the accuracy or completeness of any information set forth in the Official Statement relating to the District until the date which is ninety (90) days following the Closing;

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

(f) Amendments to Official Statement. During the period ending on the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the District and the Underwriter), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriter, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, at its own expense, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

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

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

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

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

(c) The Underwriter has, and has had, no financial advisory relationship, as that term is defined in California Government Code Section 53590(c) or MSRB Rule

G-23, with the County or the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

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

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

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Purchase Contract, the 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 Underwriter; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) each of the County and the District shall perform or have performed all of their obligations required under or specified in the Resolutions, this Purchase Contract, the Continuing Disclosure Certificate or the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, pending or threatened which has any of the effects described in Section 9(f) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Marketability. The Underwriter shall have the right to cancel their obligation to purchase the Bonds if, between the date of this Purchase Contract and the Closing, customer orders have been canceled (evidenced by canceled trade tickets provided to the County and the District) due to the market price or marketability of the Bonds being materially adversely affected, in the reasonable judgment of the Underwriter, by the occurrence of any of the following:

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

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

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

(3) the formal declaration of war by Congress or a new major engagement in or escalation of military hostilities by order of the President of the United States, or the occurrence of any other declared national or international emergency, calamity or crisis that interrupts or causes discord to the operation of the financial markets or otherwise in the United States or elsewhere;

(4) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(5) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(6) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency 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;

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

(8) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has

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

(9) there shall have occurred any materially adverse change in the affairs or financial condition of the District.

(e) Delivery of Documents. At or prior to the date of the Closing, the Underwriter shall receive sufficient copies of the following documents in each case dated as of the date of Closing and satisfactory in form and substance to the Underwriter:

(1) Opinions of Bond Counsel. (i) An approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the date of Closing, addressed to the District in substantially the form set forth in the Preliminary Official Statement as Appendix C; and (ii) a reliance letter from Bond Counsel to the effect that the Underwriter can rely upon such opinion;

(2) Supplemental Opinion of Bond Counsel. A supplemental opinion of Bond Counsel addressed to the District and the Underwriter, in form and substance acceptable to the Underwriter, dated as of the Closing, substantially to the following effect:

(i) the description of the Bonds and statements in the Official Statement on the cover page thereof and under the captions "INTRODUCTION," "THE BONDS", "OTHER LEGAL MATTERS – Continuing Disclosure" and "TAX MATTERS," to the extent they purport to summarize certain provisions of the Resolutions, the Continuing Disclosure Certificate, and Bond Counsel's opinion regarding the treatment of interest on the Bonds under California or federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, information concerning the Depository Trust Company or related to its book-entry only system, or with respect to Appendices A, B, E or F of the Official Statement;

(ii) this Purchase Contract and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the District and, assuming the due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the District enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as such enforcement may be subject to the application of equitable principles and the exercise of

judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the state of California; and

(iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended; and

(3) Disclosure Counsel Letter. A letter from Orrick, Herrington & Sutcliffe LLP, Irvine, California, dated the date of Closing and addressed to the District and the Underwriter, substantially to the effect that based on such counsel's participation in conferences with representatives of the Underwriter, the District, the District's financial advisor and others, during which conferences the contents of the Official Statement and related matters were discussed, and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the District, as a matter of fact and not opinion, that during the course of its engagement as Disclosure Counsel no information came to the attention of such counsel's attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement as of its date (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, Appendices B, C, E or F thereto, or DTC or its book-entry only system included therein, as to which such counsel need express no opinion or view) contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(4) District Certificate. A certificate signed by appropriate officials of the District to the effect that (i) such officials are authorized to execute this Purchase Contract, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has complied with all the terms of the Resolutions and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing, and, as to the District, such documents are in full force and effect, (iv) such District officials have reviewed the Official Statement and on such basis certify that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (v) the Bonds being delivered on the date of Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the Resolutions, (vi) no event concerning the District has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement in light of the circumstances in which they were made not misleading, and (vii) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by

any court or public body, pending or, to the best knowledge of such officials, threatened against the District, contesting in any way the completeness or accuracy of the Official Statement, the issuance of the Bonds by the County on behalf of the District or the due adoption of the Resolutions;

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

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

(7) Ratings. Evidence satisfactory to the Underwriter that (i) the Bonds shall have been rated “___” by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC (“S&P”) (or such other equivalent rating as such rating agencies may give), and (ii) that any such ratings have not been revoked or downgraded;

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

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

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

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

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

(ii) 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 date of Closing.

(10) Official Statement. A certificate of the appropriate official of the District evidencing his or her determinations respecting the Preliminary Official Statement in accordance with the Rule;

(11) Continuing Disclosure Certificate. An executed copy of the Continuing Disclosure Certificate, substantially in the form presented in the Official Statement as Appendix __ thereto, along with evidence satisfactory to Disclosure Counsel and the Underwriter that the District is in compliance with its disclosure obligations under the Rule;

(12) County Counsel Opinion. An opinion of County Counsel, addressed to the County, to the District and the Underwriter, in substantially the form attached as Appendix B hereto;

(13) Underwriter's Counsel Opinion. An opinion of Kutak Rock LLP, counsel to the Underwriter ("Underwriter's Counsel"), dated as of the Closing, and in a form and substance satisfactory to the Underwriter;

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

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

(f) Termination. Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the County to the Underwriter as provided in Section 6 hereof, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect except with respect to the obligations of the District and the Underwriter under Section 13 hereof.

If the District is unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Contract or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be cancelled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be

given to the District in writing, or by telephone confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing in its sole discretion.

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

13. Expenses. (a) The District shall pay, and the Underwriter shall have no obligation to pay, the following expenses incident to the issuance of the Bonds: (i) the cost of the preparation and reproduction of the Resolutions; (ii) the fees and disbursements of Bond Counsel, Disclosure Counsel and the Financial Advisor; (iii) the cost of the preparation, printing and delivery of the Bonds; (iv) the fees for bond ratings; (v) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement; (vi) the initial fees, if any, of the Paying Agent; (vii) expenses for travel, lodging, and meals related to rating agency visits and other meetings connected to the authorization, sale, issuance and distribution of the Bonds; and (viii) all other fees and expenses incident to the issuance and sale of the Bonds. The Underwriter is hereby directed to wire at the Closing a portion of the purchase price of the Bonds equal to \$_____ to Zions First National Bank, as fiscal agent on behalf of the District, for the payment of the above-described costs.

(b) Notwithstanding any of the foregoing, the Underwriter shall pay all out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, the fees of counsel to the Underwriter, and other expenses (except those expressly provided above) without limitation, except travel and related expenses in connection with the bond ratings.

(c) Notwithstanding Section 11(f) hereof, the District hereby agrees, in the event the purchase and sale of the Bonds does not occur as contemplated hereunder, to reimburse the Underwriter for any costs described in Subsection 13(a)(vii) above that are attributable to District personnel.

14. Notices. Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing, if to the County, to the Treasurer-Tax Collector, County of Riverside, 4080 Lemon Street, 4th Floor, Riverside, California 92501, if to the District, to the Val Verde Unified School District, 975 West Morgan Street, Perris, California 92571, Attention: Darrin Watters, Deputy Superintendent, Business Services, or if to the Underwriter, to Piper Jaffray & Co., 50 California Street, Suite 3100, San Francisco, California 94111, Attention: Jeffrey A. Baratta.

15. Parties in Interest; Survival of Representations and Warranties. This Purchase Contract when accepted by the County and the District in writing as heretofore specified shall constitute the entire agreement among the County, the District and the

Underwriter. This Purchase Contract is made solely for the benefit of the County and 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 representations, warranties and agreements of the County and the District in this Purchase Contract shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Contract.

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

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

Very truly yours,

PIPER JAFFRAY & CO., as Underwriter

By: _____
Managing Director

The foregoing is hereby agreed to and accepted at ____ p.m., California Time, as of the date first above written:

VAL VERDE UNIFIED SCHOOL DISTRICT

By: _____
R. Darrin Watters
Deputy Superintendent, Business Services

The foregoing is hereby agreed to and accepted at ____ p.m., California Time, as of the date first above written:

COUNTY OF RIVERSIDE, CALIFORNIA

By: _____
Treasurer-Tax Collector

Approved as to form:

COUNTY COUNSEL

By: _____
Deputy County Counsel

APPENDIX A

PRINCIPAL AMOUNTS, INTEREST RATES,
YIELDS, MATURITIES, AND REDEMPTION PROVISIONS

§ _____
VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)
General Obligation Bonds, 2012 Election, Series 2016C

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

⁽¹⁾ Yield to call at par on August 1, 20__.

REDEMPTION PROVISIONS

Optional Redemption. The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their fixed maturity dates. The Bonds maturing on or after August 1, 20__ are subject to redemption on any date on or after August 1, 20__, at the option of the District, as a whole or in part, at a redemption price equal to the principal amount of the Bonds called for redemption plus interest accrued thereon to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The Bonds maturing on August 1, 20__ are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20__, at a redemption price equal to the principal amount thereof as of the date fixed for redemption, together with interest accrued to the date set for such redemption, without premium. The principal amount represented by such Term Bonds to be so redeemed and the redemption dates therefor, and the final payment date is as indicated in the following table:

Redemption Date (August 1)	Principal Amount
-------------------------------	------------------

⁽¹⁾ Maturity.

APPENDIX B

OPINION OF COUNTY COUNSEL

[Closing Date]

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

Board of Education
Val Verde Unified School District
975 West Morgan Street
Perris, California 92571

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

Re: \$ _____ Val Verde Unified School District General Obligation Bonds, 2012
Election, Series 2016C

Ladies and Gentlemen:

This opinion is rendered and delivered in connection with the issuance by the Board of Supervisors of the County of Riverside (the "County") on behalf of the Val Verde Unified School District (the "District") of \$ _____ aggregate principal or issue amount of the District's General Obligation Bonds, 2012 Election, Series 2016C (the "Bonds"). The Bonds are being issued pursuant to a resolution of the Board of Supervisors of the County adopted on August 30, 2016 (the "County Resolution"), at the request of the District made pursuant to a resolution adopted by its Board of Education on August 16, 2016 (the "District Resolution").

In rendering this opinion, we have examined the County Resolution, the Bond Purchase Contract, dated _____, 2016 (the "Purchase Contract"), by and among the County, the District and Piper Jaffray & Co., as Underwriter, and such other documents, records and instruments and made such investigations of law and fact as we have deemed necessary to render the opinions expressed herein.

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

1. The County is a political subdivision duly organized and validly existing pursuant to the Constitution and the laws of the State.

2. The County Resolution approving and authorizing the execution, sale and delivery of the Purchase Contract and the issuance of the Bonds was duly adopted at a meeting of the governing body of the County, which was called and held pursuant to law and with all

public notice required by law and at which a quorum was present and acting at the time of adoption, has not been modified, amended, rescinded or revoked and is in full force and effect on the date hereof.

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

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

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

Very truly yours,

County Counsel

By: _____
Deputy County Counsel

VAL VERDE UNIFIED SCHOOL DISTRICT

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ISSUANCE OF THE VAL VERDE UNIFIED SCHOOL DISTRICT (RIVERSIDE COUNTY, CALIFORNIA) GENERAL OBLIGATION BONDS, 2012 ELECTION, SERIES 2016C, AND ACTIONS RELATED THERETO

WHEREAS, a duly called election was held in the Val Verde Unified School District (the "District"), Riverside County (the "County"), State of California, on June 5, 2012 (the "Election") and thereafter canvassed pursuant to law;

WHEREAS, at the Election there was submitted to and approved by the requisite fifty-five percent or more vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$178,000,000, payable from the levy of an ad valorem property tax by the County against the taxable property in the District (the "2012 Authorization");

WHEREAS, the County has previously issued and sold, on behalf of the District, \$40,540,000 aggregate principal amount of its General Obligation Bonds, 2012 Election, 2013 Series A and \$38,949,540.30 aggregate principal amount of its General Obligation Bonds, 2012 Election, Series 2015B, all under the 2012 Authorization;

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

WHEREAS, at this time this Board of Education (the "Board") has determined that it is necessary and desirable to issue the third series of bonds under the 2012 Authorization in an aggregate principal amount not-to-exceed \$21,000,000, and to be styled as "Val Verde Unified School District (Riverside County, California) General Obligation Bonds, 2012 Election, Series 2016C" (the "Bonds");

WHEREAS, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Government Code"), the Bonds are authorized to be issued for purposes set forth in the ballot submitted to the voters at the Election;

WHEREAS, this Board desires to request the County Board to issue the Bonds in one or more Series of Taxable or Tax-Exempt Current Interest Bonds (as such terms are defined herein);

WHEREAS, this Board desires to appoint certain professionals to provide services related to the issuance of the Bonds; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general

obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED BY THE BOARD OF EDUCATION OF THE VAL VERDE UNIFIED SCHOOL DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, AS FOLLOWS:

SECTION 1. Authorization for Issuance of the Bonds. The Board hereby requests the County Board to issue the Bonds pursuant to Government Code sections 53506 *et seq.*, and to the extent applicable, Education Code Sections 15100 *et seq.* and 15264 *et seq.*, in an aggregate principal amount not-to-exceed \$21,000,000, in one or more Series of Taxable or Tax-Exempt Current Interest Bonds, to be styled as the “Val Verde Unified School District (Riverside County, California) General Obligation Bonds, 2012 Election, Series 2016C,” with appropriate additional Series designation if more than one Series of Bonds are issued, to raise money for certain purposes authorized by the voters of the District at the Election (the “Projects”), and to pay all necessary legal, financial, engineering and contingent costs in connection therewith. The Bonds shall be dated as of a date to be determined by the Authorized Officers (defined below), shall bear interest at a rate not to exceed that authorized at the Election, shall be payable upon such terms and provisions as shall be set forth in the Bonds, and shall mature on the dates and in the amounts set forth in the Official Statement (defined herein).

SECTION 2. Paying Agent. The Board hereby appoints the Paying Agent, as defined in Section 5 hereof, to act as paying agent, bond registrar, authentication agent and transfer agent for the Bonds on behalf of the District. The Board hereby approves the payment of the reasonable fees and expenses of the Paying Agent, including its third-party agents, as they shall become due and payable. The fees and expenses of the Paying Agent which are not paid as a cost of issuance of the Bonds may be paid in each year from *ad valorem* property taxes levied and collected for the payment thereof, insofar as permitted by law, including specifically Section 15232 of the Education Code.

SECTION 3. Terms and Conditions of Sale. The Bonds are hereby authorized to be sold to the Underwriter (defined herein) at a negotiated sale upon the direction of the Superintendent of the District (the “Superintendent”) or the Deputy Superintendent, Business Services (the “Deputy Superintendent, Business Services,” and together with the Superintendent, the “Authorized Officers”). A negotiated sale will allow the District to (i) integrate the sale of the Bonds with other public financings undertaken, or to be undertaken, by the District in order to fund its public education facilities; (ii) utilize the services of consultants who are familiar with the financial needs, status and plans of the District; and (iii) control the timing of the sale of the Bonds to the municipal bond market and, potentially, take advantage of interest rate opportunities for favorable sale of the Bonds to such market. The Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract, as described below.

SECTION 4. Approval of Purchase Contract. The form of Purchase Contract by and among the County, the District and the Underwriter relating to the Bonds, substantially in the form on file with the Clerk to the Board, is hereby approved and the Authorized Officers, each alone, are hereby authorized to execute and deliver the Purchase Contract, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that (i) the maximum interest rates on the Bonds shall not exceed that authorized by law, and (ii) the underwriting discount, excluding original issue discount, shall not exceed 0.45% of the aggregate principal amount of the Bonds issued. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Bonds to be specified in the Purchase Contract for sale by the District up to \$21,000,000 and to enter into and execute the Purchase Contract with the Underwriter, if the conditions set forth in this Resolution are satisfied.

SECTION 5. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) **“Bond Counsel”** means Nossaman LLP or any other firm selected by the District that is a nationally recognized bond counsel firm.

(b) **“Building Fund”** means the fund known as the “Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2016C Building Fund” created pursuant to the County Resolution.

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

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

(e) **“County Resolution”** means the resolution of the County authorizing the issuance of the Bonds.

(f) “**Current Interest Bonds**” means Bonds, the interest on which is payable semiannually on each Interest Payment Date specified for each such Bond as designated and maturing in the years and in the amounts set forth in the Official Statement.

(g) “**Date of Delivery**” means the date of initial issuance and delivery of the Bonds, or such other date as shall be set forth in the Purchase Contract or Official Statement.

(h) “**Debt Service**” shall mean the Principal of, premium, if any, and interest on the Bonds then-due for payment.

(i) “**Disclosure Counsel**” means Orrick, Herrington & Sutcliffe LLP, as the firm selected by the District to prepare the Preliminary Official Statement and final Official Statement.

(j) “**Financial Advisor**” means Fieldman Rolapp & Associates, as Financial Advisor to the District.

(k) “**Interest Payment Date**” means February 1 and August 1 in each year, commencing on February 1, 2017, or as otherwise specified in the Purchase Contract.

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

(m) “**Paying Agent**” means initially the Treasurer, or any other Paying Agent as shall be named in the Purchase Contract or Official Statement, and afterwards any successor financial institution, acting as paying agent, transfer agent, authentication agent and bond registrar for the Bonds. The Treasurer is authorized to contract with a third party to carry out the services of Paying Agent hereunder and has initially selected Zions First National Bank to serve as its agent with respect to its Paying Agent duties with respect to the Bonds.

(n) “**Principal**” or “**Principal Amount**” means, with respect to any Bond, the initial principal amount thereof.

(o) “**Projects**” means the capital improvements delineated in the ballot presented to and approved by the voters of the District at the Election.

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

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

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

(s) **“Treasurer”** means the Treasurer and Tax Collector of the County, or any designated deputy thereof.

(t) **“Underwriter”** means Piper Jaffray & Co.

SECTION 6. Costs of Issuance. Costs of Issuance are hereby authorized to be paid either from premium withheld by the Underwriter upon the sale of the Bonds, or from the Principal Amount of the Bonds. To the extent Costs of Issuance are paid from such proceeds, the District may direct that a portion of the proceeds of the Bonds received from the Underwriter, in lieu of being deposited into the Building Fund, be deposited in the fund of the District known as the “Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2016C Costs of Issuance Fund” (the “Costs of Issuance Fund”) and kept separate and distinct from all other District funds, and those proceeds shall be used solely for the purpose of paying Costs of Issuance of the Bonds. The Costs of Issuance Fund may be held and administered by the Paying Agent or any other fiscal agent designated by the District. Notwithstanding the foregoing, all or a portion of the Costs of Issuance may be paid by the Underwriter, by the Paying Agent or by a fiscal agent designated for such purpose.

Any amounts retained for payment of Costs of Issuance to be returned to the District pursuant to the Purchase Contract, to the extent such amounts were retained from the Principal Amount of the Bonds, shall be transferred to the Building Fund. Any amounts retained for payment of Costs of Issuance to be returned to the District pursuant to the Purchase Contract, to the extent such amounts were retained from premium withheld by the Underwriter upon the sale of the Bonds, shall be transferred to the fund known as the “Val Verde Unified School District General Obligation Bonds, 2012 Election, Series 2016C Debt Service Fund” (the “Debt Service Fund”) created pursuant to the County Resolution.

SECTION 7. Tax Covenant. In order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, the District hereby covenants to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Internal Revenue Code of 1986, as amended. In furtherance of these covenants, the District agrees to comply with the covenants contained in the Tax Certificate of the District to be delivered in connection with the issuance of the Bonds (the “Tax Certificate”). The District hereby agrees to deliver instructions to the Paying Agent as may be necessary in order to comply with the Tax Certificate.

SECTION 8. Legislative Determinations. The Board hereby determines that all acts and conditions necessary to be performed thereby or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

SECTION 9. Official Statement. The Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Clerk to the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriter to be used in connection with the offering and sale of the Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the

Preliminary Official Statement “final” pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriter a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as an Authorized Officer executing such final Official Statement shall approve. The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds and is directed to deliver copies of any final Official Statement to the purchasers of the Bonds. Execution of the Official Statement shall conclusively evidence the District’s approval of the Official Statement.

The Board understands and agrees that the County shall have no responsibility or obligation whatsoever in connection with the preparation and approval of the Preliminary Official Statement and the Official Statement, nor for satisfying any obligations of the District under Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934 (the “Rule”).

SECTION 10. Insurance. Should any Authorized Officer, upon consultation and advice of the Financial Advisor and Bond Counsel, determine it is in the best interests of the District to obtain municipal bond insurance for the Bonds to improve their marketability, the Authorized Officers, each alone, are hereby authorized and directed to sign documents to secure such credit enhancement on such terms and subject to such conditions as may be established by the Authorized Officer signing such agreements, in agreements relating to such credit enhancement.

SECTION 11. Request of the County; Resolution to Treasurer. The County Board is hereby requested to assist the District in the issuance and sale of the Bonds; in order to meet the requirements of law and the procedures of the County with respect to such a request, the Clerk of the Board is hereby directed to lodge a certified copy of this Resolution with the Clerk of the County Board and with the Superintendent of Schools of the County promptly following adoption hereof.

SECTION 12. Request to County to Levy Tax. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of *ad valorem* property taxes in each year sufficient to pay all Debt Service coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to pay all such principal and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds.

SECTION 13. Nonliability of County. Notwithstanding anything to the contrary contained herein, in the Bonds or in any other document mentioned herein, except as set forth in the resolution to be adopted by the County Board authorizing the issuance of the Bonds, neither the County, nor its officials, officers, employees or agents shall have any liability in connection with the transactions contemplated hereby, the Bonds are not a debt of the County or a pledge of the County's full faith and credit, and the Bonds and any liability in connection therewith shall be paid solely from *ad valorem* property taxes lawfully levied to pay the Debt Service on the Bonds, which taxes shall be unlimited as to rate or amount. The County shall bear no responsibility for the acquisition, construction or installation of the Projects, or any part thereof.

SECTION 14. Reimbursement of County Costs. The District shall reimburse the County for all costs and expenses incurred by the County, its officials, officers, agents and employees in issuing or otherwise in connection with the issuance of the Bonds.

SECTION 15. Other Actions, Determinations and Approvals.

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

(b) The Board hereby appoints Piper Jaffray & Co., as the Underwriter. The Board hereby also appoints Fieldman Rolapp & Associates, as Financial Advisor, Nossaman LLP, as Bond Counsel, and Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel, all with respect to issuance and sale of the Bonds.

SECTION 16. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the District and dated as of the Date of Delivery, as originally executed and as it may be amended from time to time in accordance with the terms thereof. The Board hereby approves the form of Continuing Disclosure Certificate appended to the Preliminary Official Statement on file with the Clerk to the Board, and the Authorized Officers, each alone, are hereby authorized to execute the Continuing Disclosure Certificate with such changes thereto as the Authorized Officers executing the same shall approve, such approval to be conclusively evidenced by such execution and delivery. Noncompliance with the Continuing Disclosure Certificate shall not result in acceleration of the Bonds.

SECTION 17. Further Actions Authorized. It is hereby covenanted that the District, and its appropriate officials, have duly taken all actions necessary to be taken by them, and will take any additional actions necessary to be taken by them, for carrying out the provisions of this Resolution.

SECTION 18. Conflicts. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Purchase Contract, the Purchase Contract prevails to the extent of the inconsistency or conflict. If there is any inconsistency or conflict

between any provision of this Resolution and any provision of the Tax Certificate, the Tax Certificate prevails to the extent of the inconsistency or conflict.

SECTION 19. Recitals. All the recitals in this Resolution above are true and correct and the Board so finds, determines and represents.

SECTION 20. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 16th day of August, 2016.

AYES:

NOES:

ABSENT:

ABSTENTIONS:

President, Board of Education
Val Verde Unified School District

Attest:

Clerk to the Board of Education
Val Verde Unified School District

CLERK'S CERTIFICATE

I, Julio Gonzalez, Clerk to the Board of Education of the Val Verde Unified School District (the "District"), hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of the District duly and regularly and legally held at the regular meeting place thereof on August 16, 2016, of which meeting all of the members of the Board had due notice and at which a quorum was present.

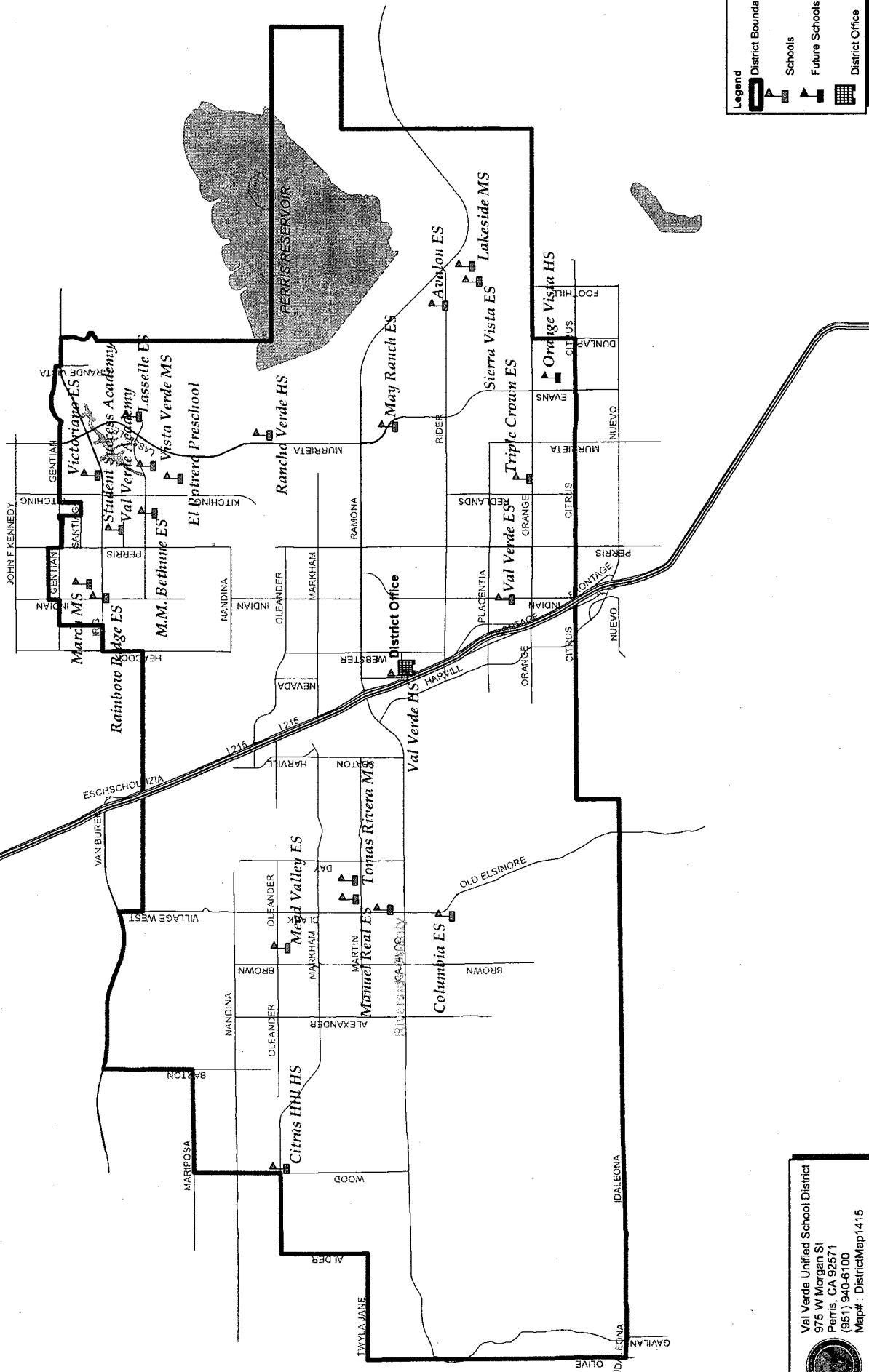
I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: September __, 2016

Clerk to the Board of Education
Val Verde Unified School District


Val Verde Unified School District



Legend

- District Boundary
- Schools
- Future Schools
- District Office

Val Verde Unified School District
 975 W Morgan St
 Perris, CA 92571
 (951) 940-6100
 Map#: DistrictMap1415



PRELIMINARY OFFICIAL STATEMENT DATED _____, 2016

NEW ISSUES — BOOK-ENTRY ONLY

Rating: Standard & Poor's "___"
(See "MISCELLANEOUS – Rating" herein.)

In the opinion of Nossaman LLP, Irvine, California, Bond Counsel, based on existing statutes, regulations, rulings and court decisions and assuming, among other matters, compliance with certain covenants, interest on the Series 2016 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Series 2016 Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxable income, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income. In the further opinion of Bond Counsel, interest on the Series 2016 Bonds is, under existing law, exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding other federal or State tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "TAX MATTERS."

VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)

\$ _____ *
General Obligation Bonds,
2012 Election, Series 2016C

\$ _____ *
2016 General Obligation Refunding Bonds,
Series A (2018 Crossover Refunding)

Dated: Date of Delivery

Due: August 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 Val Verde Unified School District (Riverside County, California) General Obligation Bonds, 2012 Election, Series 2016C (the "Series 2016C Bonds") are issued by the County of Riverside, California (the "County"), on behalf of the Val Verde Unified School District, located in the County (the "District"), to finance specific construction, repair and improvement projects approved by the voters of the District. The Series 2016C Bonds were authorized at an election of the voters of the District held on June 5, 2012, at which at least 55% of the voters voting on the proposition voted to authorize the issuance and sale of \$178,000,000 principal amount of bonds of the District. The Series 2016C Bonds are being issued under the laws of the State of California (the "State") and pursuant to a resolution of the Board of Supervisors of the County, adopted on August 30, 2016, and a resolution of the Board of Education of the District, adopted on August 16, 2016.

The Val Verde Unified School District (Riverside County, California) 2016 General Obligation Refunding Bonds, Series A (2018 Crossover Refunding) (the "Series 2016 Refunding Bonds") are being issued by the District (i) to pay, when due, the interest on the Series 2016 Refunding Bonds to and including August 1, 2018 (the "Crossover Date"), (ii) to advance refund on, a crossover basis, a portion of the outstanding Val Verde Unified School District (Riverside County, California) General Obligation Bonds, 2008 Election, 2008 Series A (such refunded portion being referred to herein as the "Prior Bonds"), and (iii) to pay costs of issuance of the Series 2016 Refunding Bonds. The Series 2016 Refunding Bonds are being issued under the laws of the State and pursuant to a resolution of the Board of Education of the District, adopted on August 16, 2016. The Series 2016C Bonds and the Series 2016 Refunding Bonds are referred to collectively herein as the "Series 2016 Bonds."

The Series 2016C 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 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 of and interest on the Series 2016C Bonds, all as more fully described herein. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2016 BONDS" herein.

Prior to and on the Crossover Date, the Series 2016 Refunding Bonds will be secured by and payable solely from proceeds of the Series 2016 Refunding Bonds deposited into an escrow fund established therefor and earnings thereon. After the Crossover Date, the Series 2016 Refunding Bonds will be, without any further action on the part of the District or the owners or beneficial owners of the Series 2016 Refunding Bonds, payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. Subject to the redemption of the Prior Bonds on the Crossover Date, the Board of Supervisors of the County is empowered and 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 of and interest on the Series 2016 Refunding Bonds due after the Crossover Date, all as more fully described herein. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2016 BONDS" herein.

The Series 2016 Bonds will be issued as current interest bonds in denominations of \$5,000 principal amount or any integral multiple thereof, all as shown on the inside front cover hereof. Interest on the Series 2016 Bonds is payable on each February 1 and August 1 to maturity, commencing February 1, 2017. Principal of the Series 2016 Bonds is payable on August 1 in each of the years and in the amounts set forth on the inside front cover hereof.

Each series of the Series 2016 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 2016 Bonds. Individual purchases of the Series 2016 Bonds will be made in book-entry form only. Purchasers will not receive physical delivery of the Series 2016 Bonds purchased by them. See "THE SERIES 2016 BONDS – Form and Registration" herein. Payments of the principal of and interest on the Series 2016 Bonds will be made by Zions Bank, a division of ZB, National Association, as paying agent, registrar and transfer agent with respect to each series of the Series 2016 Bonds, to DTC for subsequent disbursement to DTC Participants, who will remit such payments to the beneficial owners of the Series 2016 Bonds. See "THE SERIES 2016 BONDS – Payment of Principal and Interest" herein.

* 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.

The Series 2016 Bonds are subject to redemption prior to maturity as described herein. See “THE Series 2016 Bonds — Redemption” herein.

Each series of the Series 2016 Bonds will be offered when, as and if issued by the District and received by the Underwriter, subject to the approval of legality by Nossaman LLP, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Irvine, California, as Disclosure Counsel to the District; and for the Underwriter by Kutak Rock LLP, Denver, Colorado, as Underwriter's Counsel. It is anticipated that the Series 2016 Bonds, in definitive form, will be available for delivery through the facilities of DTC on or about September __, 2016.

Piper Jaffray & Co.

Dated: _____, 2016

MATURITY SCHEDULE*

BASE CUSIP¹: _____

\$ _____ *

**VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)**

General Obligation Bonds, 2012 Election, Series 2016C

\$ _____ Serial Current Interest Bonds

Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP Number ¹	Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP Number ¹
2018	\$	%	%		2032	\$	%	%	
2019					2033				
2020					2034				
2021					2035				
2022					2036				
2023					2037				
2024					2038				
2025					2039				
2026					2040				
2027					2041				
2028					2042				
2029					2043				
2030					2044				
2031					2045				

\$ _____ % Term Series 2016C Bonds due August 1, 20__ – Yield ___% CUSIP Number¹ – ___

\$ _____ *

**VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)**

2016 General Obligation Refunding Bonds, Series A (2018 Crossover Refunding)

Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP Number ¹
2019	\$	%	%	
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				

\$ _____ % Term Series 2016 Refunding Bonds due August 1, 20__ – Yield ___% CUSIP Number¹ – ___

* Preliminary; subject to change.

¹ CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2016 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, the Underwriter or their agents or counsel assumes responsibility for the accuracy of such numbers.

**VAL VERDE UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)**

BOARD OF EDUCATION

Shelly Yarbrough, *President*
Suzanne Stotlar, *Vice President*
Julio Gonzalez, *Clerk*
Marla Kirkland, *Member*
Michael M. Vargas, *Member*

DISTRICT ADMINISTRATORS

Michael R. McCormick, *Superintendent*
R. Darrin Watters, *Deputy Superintendent*
Kristin Merritt, *Director of Fiscal Services*

PROFESSIONAL SERVICES

Financial Advisor

Fieldman, Rolapp & Associates
Irvine, California

Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
Irvine, California

**Paying Agent, Escrow Agent, Registrar and
Transfer Agent**

Zions Bank, a division of ZB, National Association
Los Angeles, California

Bond Counsel

Nossaman LLP
Irvine, California

Underwriter's Counsel

Kutak Rock LLP
Denver, Colorado

Verification Agent

Causey Demgen & Moore P.C.
Denver, Colorado

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This Official Statement does not constitute an offering of any security other than the original offering of the Series 2016 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 2016 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 2016 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 2016 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 2016 Bonds.

In connection with this offering, the Underwriter may overallocate or effect transactions which stabilize or maintain the market prices of the Series 2016 Bonds at levels above those that 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 2016 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.

VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)

\$ _____ *
General Obligation Bonds,
2012 Election, Series 2016C

\$ _____ *
2016 General Obligation Refunding Bonds,
Series A (2018 Crossover Refunding)

INTRODUCTION

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2016 Bonds to potential investors is made only by means of the entire Official Statement.

General

This Official Statement, which includes the cover page and appendices hereto, is provided to furnish information in connection with the sale of (i) \$ _____ * aggregate principal amount of Val Verde Unified School District (Riverside County, California) General Obligation Bonds, 2012 Election, Series 2016C (the "Series 2016C Bonds"), and (ii) \$ _____ * aggregate principal amount of Val Verde Unified School District (Riverside County, California) 2016 General Obligation Refunding Bonds, Series A (2018 Crossover Refunding) (the "Series 2016 Refunding Bonds"), all as indicated on the inside front cover hereof, to be offered by the Val Verde Unified School District (the "District"). The Series 2016C Bonds and the Series 2016 Refunding Bonds are collectively referred to herein as the "Series 2016 Bonds."

This Official Statement speaks only as of its date, and the information contained herein is subject to change. The District has no obligation to update the information in this Official Statement, except as required by the Continuing Disclosure Certificates to be executed by the District. See "OTHER LEGAL MATTERS – Continuing Disclosure."

The purpose of this Official Statement is to supply information to prospective buyers of the Series 2016 Bonds. Quotations from and summaries and explanations of the Series 2016 Bonds, the resolutions of the Board of Education of the District providing for the issuance of each series of the Series 2016 Bonds, the resolution of the Board of Supervisors of the County of Riverside (the "County") providing for the issuance of the Series 2016C Bonds and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or owners of any of the Series 2016 Bonds.

Copies of documents referred to herein and information concerning the Series 2016 Bonds are available from the District by contacting: Val Verde Unified School District, 975 West Morgan Street, Perris, California 92571, Attention: Deputy Superintendent. The District may impose a charge for copying, handling and mailing such requested documents.

* Preliminary; subject to change.

The District

The District services an area of approximately 67 square miles located in the County, including portions of the Cities of Moreno Valley and Perris and adjacent unincorporated areas of the County and has a fiscal year 2016-17 enrollment of approximately 19,965 students. The District currently operates 12 elementary schools, four middle schools, three high schools, one continuation high school, one virtual academy, one opportunity school and one preschool. Total assessed valuation of taxable property in the District in fiscal year 2015-16 is \$6,700,970,746. The District operates under the jurisdiction of the Riverside County Superintendent of Schools.

For additional information about the District, see APPENDIX A – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET” and APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2015.”

THE SERIES 2016 BONDS

Authority for Issuance; Plan of Finance

Series 2016C Bonds. The Series 2016C Bonds are issued under the provisions of California Government Code Section 53506 *et seq.*, applicable provisions of California Education Code (the “Education Code”) Section 15100 *et seq.* and Article XIII A of the California Constitution and pursuant to a resolution of the Board of Supervisors of the County, adopted on August 30, 2016 (the “County New Money Resolution”), and a resolution of the Board of Education of the District, adopted on August 16, 2016 (the “District New Money Resolution” and, together with the County New Money Resolution, the “New Money Resolutions”).

At an election held on June 5, 2012, the District received authorization under Measure L to issue bonds of the District in an aggregate principal amount not to exceed \$178,000,000 to update computers and technology in classrooms, science labs and libraries, provide facilities and equipment for career training education, and construct new high school facilities (the “2012 Authorization”). Measure L required approval by at least 55% of the votes cast by eligible voters within the District and received an approval vote of approximately 62%. The County, on behalf of the District, has previously issued the Val Verde Unified School District (County of Riverside, California) General Obligation Bonds, 2012 Election, 2013 Series A (the “Series 2013A Bonds”) and Val Verde Unified School District (County of Riverside, California) General Obligation Bonds, 2012 Election, Series 2015B (the “Series 2015B Bonds”), in the respective aggregate principal amounts of \$40,540,000 and \$38,949,540.30. The Series 2016C Bonds represent the third series of the authorized bonds to be issued under the 2012 Authorization and are being issued to finance authorized projects. See “– *Application and Investment of Series 2016 Bond Proceeds*” herein.

Series 2016 Refunding Bonds. The Series 2016 Refunding Bonds are issued by the District pursuant to the Constitution and laws of the State, including Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code and other applicable provisions of law, and pursuant to a resolution adopted by the Board of Education of the District on August 16, 2016, providing for the issuance of the Series 2016 Refunding Bonds (the “Refunding Resolution” and, together with the New Money Resolutions, the “Resolutions”). Proceeds from the Series 2016 Refunding Bonds will be used by the District (i) to pay, when due, the interest on the Series 2016 Refunding Bonds to and including August 1, 2018 (the “Crossover Date”), (ii) to advance refund on, a crossover basis, a portion of the outstanding Val Verde Unified School District (Riverside County, California) General Obligation Bonds, 2008

Election, 2008 Series A (the "Series 2008A Bonds"), and (iii) to pay costs of issuance of the Series 2016 Refunding Bonds.

Concurrently with the issuance of the Series 2016 Refunding Bonds, the District will enter into an Escrow Agreement (defined herein), pursuant to which the District will deposit a portion of the proceeds of the Series 2016 Refunding Bonds into the Escrow Fund (defined herein), and such proceeds will be used to purchase certain United States Obligations (defined herein), the maturing principal of which, together with interest earnings thereon and any other proceeds of the Series 2016 Refunding Bonds held as cash, will be sufficient to pay (i) the interest on the Series 2016 Refunding Bonds due prior to the Crossover Date, and (ii) the principal of the Series 2008A Bonds to be refunded on the Crossover Date. See "–Plan of Refunding" and "–Estimated Sources and Uses of Funds" below.

Form and Registration

Each series of the Series 2016 Bonds will be issued in fully registered form only, without coupons, in denominations of \$5,000 principal amount or integral multiples thereof. Each series of the Series 2016 Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Series 2016 Bonds. Purchases of Series 2016 Bonds under the DTC book-entry system must be made by or through a DTC participant, and ownership interests in Series 2016 Bonds will be recorded as entries on the books of said participants. Except in the event that use of this book-entry system is discontinued for the Series 2016 Bonds, beneficial owners ("Beneficial Owners") will not receive physical certificates representing their ownership interests. See APPENDIX F – "BOOK-ENTRY ONLY SYSTEM."

Payment of Principal and Interest

The Series 2016 Bonds will be issued as current interest bonds, all as set forth on the inside front cover page hereof. The Series 2016 Bonds will be dated as of their date of delivery, and bear interest at the rates set forth on the inside front cover page of this Official Statement, payable on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing on February 1, 2017, computed on the basis of a 360-day year consisting of twelve 30-day months. Each Series 2016 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Interest Payment Date to that Interest Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the 15th day of the calendar month immediately preceding the first Interest Payment Date, in which event it shall bear interest from the date of delivery of the Series 2016 Bonds.

The principal of the Series 2016 Bonds is payable in lawful money of the United States of America upon the surrender thereof at the principal corporate trust office of Zions Bank, a division of ZB, National Association as paying agent (the "Paying Agent") at the maturity thereof or upon redemption prior to maturity. Interest on the Bonds is payable in lawful money of the United States of America by check mailed on each Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to the registered owner thereof (the "Owner") at such Owner's address as it appears on the bond registration books kept by the Paying Agent or at such address as the Owner may have filed with the Paying Agent for that purpose, except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least \$1,000,000 of outstanding Series 2016 Bonds who shall have requested in writing such method of payment of interest prior to the close of business on the 15th day of the calendar month immediately preceding an Interest Payment Date. So long as the Series 2016 Bonds are held by Cede & Co., as nominee of DTC, payment shall be made by wire transfer. See APPENDIX F – "BOOK-ENTRY ONLY SYSTEM."

Redemption

Optional Redemption of Series 2016C Bonds. The Series 2016C Bonds maturing on or before August 1, 20__, are not subject to optional redemption prior to their respective stated maturity dates. The Series 2016C Bonds maturing on or after August 1, 20__, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to the principal amount of the Series 2016 Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

Optional Redemption of Series 2016 Refunding Bonds. The Series 2016 Refunding Bonds maturing on or before August 1, 20__, are not subject to optional redemption prior to their respective stated maturity dates. The Series 2016 Refunding Bonds maturing on or after August 1, 20__, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to the principal amount of the Series 2016 Refunding Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption of Series 2016C Bonds. The \$_____ Term Series 2016C Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
†	\$

† Maturity.

The principal amount to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000 principal amount, by any portion of the Term Series 2016C Bonds maturing on August 1, 20__ optionally redeemed prior to the mandatory sinking fund redemption date.

Mandatory Sinking Fund Redemption of Series 2016 Refunding Bonds. The \$_____ Term Series 2016 Refunding Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
	\$

†

† Maturity.

The principal amount to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000 principal amount, by any portion of the \$_____ Term Series 2016 Refunding Bonds maturing on August 1, 20__ optionally redeemed prior to the mandatory sinking fund redemption date.

Selection of Series 2016 Bonds for Redemption. If less than all of the Series 2016 Bonds are called for redemption, such Series 2016 Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District. Whenever less than all of the outstanding Series 2016 Bonds of any one maturity are designated for redemption, the Paying Agent shall select the outstanding Series 2016 Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Series 2016 Bond shall be deemed to consist of individual Series 2016 Bonds of denominations of \$5,000 principal amount which may be separately redeemed.

Notice of Redemption. Notice of redemption of any Series 2016 Bond will be given by the Paying Agent not less than 20 nor more than 45 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the bond registration books, and (ii) as may be further required in accordance with the applicable Continuing Disclosure Certificate. See APPENDIX D – “FORMS OF CONTINUING DISCLOSURE CERTIFICATES.”

Each notice of redemption will contain the following information: (i) the date of such notice; (ii) the name of the Series 2016 Bonds and the date of issue of the Series 2016 Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Series 2016 Bonds to be redeemed; (vi) if less than all of the Series 2016 Bonds of any maturity are to be redeemed, the distinctive numbers of the Series 2016 Bonds of each maturity to be redeemed; (vii) in the case of Series 2016 Bonds redeemed in part only, the respective portions of the principal amount of the Series 2016 Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Series 2016 Bonds to be redeemed; (ix) a statement that such Series 2016 Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent or at such other place or places designated by the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Series 2016 Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice. The actual receipt by the Owner of any Series 2016 Bond or by any securities depository or information service of notice of redemption shall not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, shall not affect the validity of the proceedings for the redemption of such Series 2016 Bonds or the cessation of interest on the date fixed for redemption.

Effect of Notice of Redemption. When notice of redemption has been given substantially as described above and when the redemption price of the Series 2016 Bonds called for redemption is set

aside, the Series 2016 Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Series 2016 Bonds at the place specified in the notice of redemption, such Series 2016 Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series 2016 Bonds so called for redemption after such redemption date shall look for the payment of such Series 2016 Bonds and the redemption premium thereon, if any, only to moneys on deposit for the purpose in the respective interest and sinking fund of the District within the County treasury (each "Debt Service Fund") or the trust fund established for such purpose pursuant to the respective Resolutions. All Series 2016 Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

Right to Rescind Notice. The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Series 2016 Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the related Debt Service Fund of the District or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series 2016 Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Series 2016 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

Defeasance of Series 2016 Bonds

The District may pay and discharge any or all of any series of the Series 2016 Bonds by depositing in trust with the Paying Agent for such series or an escrow agent at or before maturity, money or non-callable Government Obligations, in an amount which will, together with any amounts transferred from the related Debt Service Fund and the interest to accrue thereon and available moneys then on deposit in the related Debt Service Fund of the District, be fully sufficient to pay and discharge the indebtedness on such Series 2016 Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

Pursuant to the New Money Resolutions, the term "Government Obligations" means "direct and general obligations of the United States of America, obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), or "prerefunded" municipal obligations rated in the highest rating category by Moody's Investors Service, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating ("Moody's") or S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, its successors and assigns ("S&P"). In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by either Moody's or S&P."

Unclaimed Moneys

All money which the Paying Agent has received from any source and set aside for the purpose of paying or redeeming any of the Series 2016 Bonds is required to be held in trust for the respective Owners of such Series 2016 Bonds, but any money which shall be so set aside or deposited by the Paying Agent and which shall remain unclaimed by the Owners of such Series 2016 Bonds for a period of one year after the date on which any payment or redemption with respect to such Series 2016 Bonds shall have become due and payable is required to be transferred to the General Fund of the District; provided, however, that the Paying Agent, before making such payment, is required to cause notice to be mailed to the Owners of such Series 2016 Bonds, by first-class mail, postage prepaid, not less than 90 days prior to the date of such payment to the effect that said money has not been claimed and that after a date named therein any unclaimed balance of said money then remaining is required to be transferred to the General Fund of the District. Thereafter, the Owners of such Series 2016 Bonds shall look only to the General Fund of the District for payment of such Series 2016 Bonds.

Plan of Refunding

The proceeds of the Series 2016 Refunding Bonds will be issued by the District (i) to pay, when due, the interest on the Series 2016 Refunding Bonds to and including the Crossover Date, (ii) to advance refund on, a crossover basis, the District's outstanding Series 2008A Bonds, maturing on August 1 in the years [2019 through 2024, inclusive, 2027, 2030 and 2033] (the "Prior Bonds"), and (iii) to pay costs of issuance of the Series 2016 Refunding Bonds.

VAL VERDE UNIFIED SCHOOL DISTRICT (Riverside County, California) Prior Bonds to be Refunded

Maturities to be Refunded	Principal Amount to be Refunded	CUSIP Number ⁽²⁾ (91882R)	Redemption Date	Redemption Price
August 1, 2019	\$980,000	AS1	August 1, 2018	100%
August 1, 2020	1,040,000	AT9	August 1, 2018	100
August 1, 2021	1,110,000	AU6	August 1, 2018	100
August 1, 2022	1,180,000	AV4	August 1, 2018	100
August 1, 2023	1,270,000	AW2	August 1, 2018	100
August 1, 2024	1,365,000	AX0	August 1, 2018	100
August 1, 2027	4,625,000	AY8	August 1, 2018	100
August 1, 2030	5,375,000	AZ5	August 1, 2018	100
August 1, 2033	6,615,000	BA9	August 1, 2018	100

The maturities of the District's outstanding Series 2008 Bonds listed in the following table will not be refunded with proceeds of the Series 2016 Refunding Bonds.

⁽²⁾ CUSIP numbers are provided for convenience of reference only. Neither the District nor the Underwriter takes any responsibility for the accuracy of such CUSIP numbers.

**VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)
Unrefunded Series 2008 Bonds**

Maturity Date	Unrefunded Principal Amount	CUSIP Number ⁽²⁾
August 1, 2017	\$860,000	797138FN9
August 1, 2018	915,000	797138 FS8

The proceeds of the Series 2016 Refunding Bonds will be deposited in accordance with the Escrow Agreement, dated as of _____ 1, 2016 (the “Escrow Agreement”) by and between the District and Zions Bank, a division of ZB, National Association, as escrow bank (the “Escrow Bank”) in a special fund or funds to be held by the Escrow Bank (the “Escrow Fund”). The amounts deposited in the Escrow Fund will be used to purchase [non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America] (collectively, the “United States Obligations”), the principal of and interest on which (together with any uninvested amount) will be sufficient to enable the Escrow Bank (i) for the benefit of the registered owners of the Series 2016 Refunding Bonds, to pay, when due, the interest on the Series 2016 Refunding Bonds to the Crossover Date, and (ii) on the Crossover Date (provided there are sufficient funds on such date to pay the interest due on the Series 2016 Refunding Bonds and to redeem the Prior Bonds at the redemption price), for the benefit of Owners of the Prior Bonds, to pay the redemption price of the Prior Bonds (equal to 100% of the principal amount thereof), which amounts shall be held in trust by the Escrow Bank for the registered owners of the Series 2016 Refunding Bonds and the Prior Bonds.

The sufficiency of the amounts deposited into and of the investments held in the Escrow Fund to effect the payment of interest on the Series 2016 Refunding Bonds to the Crossover Date and the refunding of the Prior Bonds will be verified by Verification Agent (defined herein). See “ESCROW VERIFICATION” herein. After the Crossover Date, the Series 2016 Refunding Bonds will be payable solely from the proceeds of *ad valorem* property taxes levied therefor. See “SECURITY AND SOURCES OF PAYMENTS FOR THE SERIES 2016 BONDS” herein.

Amounts on deposit with the Escrow Bank pursuant to the Escrow Agreement are not available to pay debt service on the Series 2016C Bonds or, subsequent to the Crossover Date, the Series 2016 Refunding Bonds. The Series 2016C Bonds and, after the Crossover Date, the Series 2016 Refunding Bonds are payable from *ad valorem* taxes to be levied on property within the District pursuant to the California Constitution and other State law. The Board of Supervisors of the County is empowered and 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 of and interest on the Series 2016C Bonds and, after the Crossover Date, the Series 2016 Refunding Bonds. The proceeds of the levy shall be deposited to the credit of the related Debt Service Fund of the District. Such proceeds shall be applied for the payment of principal of and interest on the Series 2016C Bonds and, after the Crossover Date, the Series 2016 Refunding Bonds. Moneys in such Debt Service Fund will be invested on behalf of the District in any one or more investments generally permitted to school districts authorized pursuant to Section 53601 et seq. or Section 53635 et seq. of the California Government Code by the County Treasurer Tax-Collector, and consistent with the investment policy of the County. See APPENDIX E – “COUNTY OF RIVERSIDE POOLED INVESTMENT FUND AND INVESTMENT POLICY.”

Application and Investment of Series 2016 Bond Proceeds

The proceeds from the sale of the Series 2016C Bonds, to the extent of the principal amount thereof, will be deposited in the County treasury to the credit of the building fund of the District established with respect to the Series 2016C Bonds pursuant to the New Money Resolutions (the "Building Fund") and shall be accounted for together with the proceeds of other bonds of the District separately from all other District and County funds. Such proceeds shall be applied solely for the purposes for which the Series 2016C Bonds were authorized. The purchase price received to the extent of any accrued interest, shall be paid to the County to the credit of the Debt Service Fund for the Series 2016C Bonds and used for payment of principal of, premium, if any, and interest on the Series 2016C Bonds then-due for payment, and for no other purpose. A portion of the premium received from the sale of the Series 2016C Bonds may be transferred to the respective Debt Service Fund or applied to the payment of the costs of issuance of the Series 2016C Bonds, or some combination of deposits.

All funds held by the Riverside County Treasurer-Tax Collector (the "County Treasurer") in the Building Fund and the related Debt Service Fund are expected to be invested at the sole discretion of the County Treasurer on behalf of the District in such investments as are authorized by Section 53601 and following of the California Government Code and the investment policy of the County, as either may be amended or supplemented from time to time. See APPENDIX E - "COUNTY OF RIVERSIDE POOLED INVESTMENT FUND AND INVESTMENT POLICY" for a description of the permitted investments under the investment policy of the County.

Estimated Sources and Uses of Funds

The proceeds of the Series 2016C Bonds are expected to be applied as follows:

**VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)
General Obligation Bonds, 2012 Election, Series 2016C**

Estimated Sources and Uses of Funds

Sources of Funds:

Aggregate Principal Amount of Series 2016C Bonds [Plus/Less] Original Issue [Premium/Discount]	\$	
Total Sources of Funds	\$	

Uses of Funds:

Deposit to Building Fund	\$	
Deposit to Debt Service Fund ⁽¹⁾		
Costs of Issuance ⁽²⁾		
Underwriter's Discount ⁽³⁾		
Total Uses of Funds	\$	

⁽¹⁾ Consists of premium received by the District.

⁽²⁾ Includes legal fees, rating agency fees, financial advisory fees, bond insurance premium, if any, printing fees and other miscellaneous expenses the Underwriter has contracted to pay.

⁽³⁾ Exclusive of costs of issuance the Underwriter has contracted to pay.

The proceeds of the Series 2016 Refunding Bonds are expected to be applied as follows:

**VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)
2016 General Obligation Refunding Bonds, Series A (2018 Crossover Refunding)**

Estimated Sources and Uses of Funds

Sources of Funds:

Aggregate Principal Amount of Series 2016 Refunding Bonds [Plus/Less] Original Issue [Premium/Discount]	\$	
Total Sources of Funds	\$	

Uses of Funds:

Escrow Fund	\$	
Costs of Issuance ⁽¹⁾		
Underwriter's Discount		
Total Uses of Funds	\$	

⁽¹⁾ Includes legal fees, rating agency fees, financial advisory fees, bond insurance premium, in any, printing fees, verification agent fees and other miscellaneous expenses.

Debt Service

Debt service on each series of the Series 2016 Bonds, assuming no early redemptions, is as shown in the following tables.

**VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)
General Obligation Bonds, 2012 Election, Series 2016C
and
2016 General Obligation Refunding Bonds, Series A (2018 Crossover Refunding)**

Period Ending August 1,	Series 2016C Bonds		Series 2016 Refunding Bonds		Total Debt Service
	Principal	Interest	Principal	Interest	
2018	\$	\$	\$	\$	\$
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
Total:	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>