

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



**ITEM**  
3.64  
(ID # 3661)

**MEETING DATE:**

Tuesday, March 7, 2017

**FROM :** TREASURER-TAX COLLECTOR:

**SUBJECT:** TREASURER-TAX COLLECTOR: Resolution No. 2017-040 Banning Unified School District General Obligation Bonds, 2016 Election, Series A; 5th Dist.; [\$0] (Vote on Separately)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and adopt Resolution No. 2017-040 authorizing and approving the issuance and sale of Banning Unified School District General Obligation Bonds, 2016 Election, Series A in a principal amount not to exceed \$25,500,000 and approving other related matters.

**ACTION:** Policy

Don Kent, Treasurer-Tax Collector

2/23/2017

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Tavaglione, Washington and Ashley  
Nays: None  
Absent: None  
Date: March 7, 2017  
xc: Treasurer

Kecia Harper-Ihem  
Clerk of the Board

By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost:</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	2016/17

**C.E.O. RECOMMENDATION:** APPROVE

**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. For fiscal accountability, the County Treasurer strongly recommends that school districts not be allowed to negotiate the sale of bonds without his participation.

Banning 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 Trustees adopted a resolution requesting this Board to sell the District's general obligation bonds which have been duly authorized by the voters of the District.

An election was held on November 8, 2016 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 \$25,500,000.

Resolution No. 2017-040 authorizes the issuance and sale of Banning Unified School District General Obligation Bonds, 2016 Election, Series A (the "Series A Bonds") in a principal amount not to exceed \$25,500,000. The proceeds of the Series A Bonds will be used to finance the acquisition and construction of projects, facilities, and equipment approved by the voters.

The Series A 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 A Bonds.

County Counsel has reviewed Resolution No. 2017-040 and has approved it as to form.

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

**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 new and improved District facilities, projects, and equipment.

**ATTACHMENTS (if needed, in this order):**

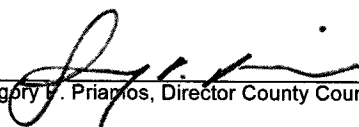

District Map

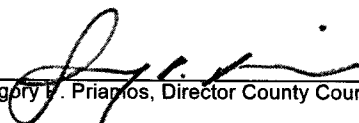
Resolution No. 2017-040

District Resolution

Bond Purchase Agreement

Preliminary Official Statement

	
Gregory V. Priamos, Director County Counsel	Stephanie Pasi
2/21/2017	2/28/2017


Gregory V. Priamos, Director County Counsel
2/21/2017

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**RESOLUTION NO. 2017-040**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, PROVIDING FOR THE ISSUANCE AND SALE OF BANNING UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2016 ELECTION, SERIES A, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED TWENTY FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$25,500,000); PRESCRIBING THE TERMS OF THE BONDS AND THEIR SALE; APPROVING FORM AND AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; AUTHORIZING EXECUTION OF NECESSARY DOCUMENTS; MAKING RELATED FINDINGS AND DETERMINATIONS AND TAKING RELATED ACTIONS**

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**RESOLUTION NO. 2017-040**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, PROVIDING FOR THE ISSUANCE AND SALE OF BANNING UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS, 2016 ELECTION, SERIES A, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED TWENTY FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$25,500,000); PRESCRIBING THE TERMS OF THE BONDS AND THEIR SALE; APPROVING FORM AND AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; AUTHORIZING EXECUTION OF NECESSARY DOCUMENTS; MAKING RELATED FINDINGS AND DETERMINATIONS AND TAKING RELATED ACTIONS**

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

**WHEREAS**, an election was duly called and regularly held in the District, County of Riverside (“County”), State of California (“State”), on November 8, 2016 (“Election”), and thereafter canvassed pursuant to law; and

**WHEREAS**, at such Election there was submitted to, and approved by the requisite 55% favorable vote of the qualified electors of the District, as certified by the Riverside County Registrar of Voters in the official canvassing of the voters, a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot measure

FORM APPROVED COUNTY COUNSEL  
BY:  2/21/17  
DATE: DALE A. GARDNER

1 submitted to the voters, in the maximum principal amount of \$25,500,000, payable from the levy  
2 of an *ad valorem* tax against the taxable property in the District (“Authorization”); and  
3

4       **WHEREAS**, pursuant to the provisions of the California Constitution and the  
5 Authorization, the District may, pursuant to certain of the provisions and limitations of Article 1  
6 of Chapter 1.5 of Part 10 of Division 1 of Title 1 of the California Education Code (“Education  
7 Code”), proceed to borrow funds pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1  
8 of Division 2 of Title 5 of the California Government Code (“Government Code”) of the State of  
9 California, being Section 53506 *et seq.*, and, as applicable, Education Code Sections 15266,  
10 15140 *et seq.*, which authorizes the District Board to issue general obligation bonds through the  
11 County by way of a resolution and compliance with certain statutory requirements; and  
12

13       **WHEREAS**, pursuant to the Authorization and Government Code Sections 53506 *et*  
14 *seq.*, including, but not limited to Government Code Section 53508.7(c) and, as applicable,  
15 Education Code Sections 15266, 15100 *et seq.*, 15140 *et seq.*, the District Board adopted its  
16 Resolution No. 16-17-14 on February 16, 2017 (“District Resolution”), an executed electronic  
17 copy of which has been received by the County Board, requesting the County Board to issue a  
18 series of such authorized school district general obligation bonds, designated such as the  
19 “Banning Unified School District General Obligation Bonds, 2016 Election, Series A,” in an  
20 aggregate principal amount not to exceed \$25,500,000 (“Series A Bonds” or “Bonds”); and  
21

22       **WHEREAS**, pursuant to the District Resolution, the District Board determined that the  
23 Series A Bonds shall be issued only as current interest bonds and will not be issued as bonds  
24 with, including or allowing any compounding of interest as described in Statutes of 2013 Chapter  
25 477; and  
26  
27  
28



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

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

14           **WHEREAS**, the District Board has further requested this County Board to sell the Series  
15 A Bonds to RBC Capital Markets, LLC (“Underwriter”), pursuant to the terms of the proposed  
16 form of Bond Purchase Agreement (“Purchase Agreement”) to be entered into by and among the  
17 County, the District and the Underwriter, subject to the limitations set forth in the District  
18 Resolution and herein; and  
19

20           **WHEREAS**, this County Board desires to make certain determinations and to authorize  
21 the issuance, sale and delivery of the Series A Bonds.  
22

23           **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF**  
24 **THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS FOLLOWS:**  
25

26           **Section 1. Recitals; Incorporation of District Resolution.** The foregoing recitals are  
27 true and correct and are incorporated herein by this reference. The District Resolution, together  
28

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

7       **Section 2. Purpose and Designation of the Bonds.** The Series A Bonds shall be issued  
8 in the name and on behalf of the District in the aggregate Principal Amount of not to exceed  
9 \$25,500,000 for the purposes of: (a) raising money for acquiring and constructing the projects,  
10 facilities and equipment set forth in the Authorization approved by the voters at the Election, as  
11 further described herein; (b) funding interest on the Series A Bonds for a period of time, to be  
12 specified, as authorized by California law; and (c) to pay all necessary legal, financial, printing,  
13 insurance and other contingent costs in connection with the issuance, sale and delivery of the  
14 Series A Bonds, as further set forth herein and subject to the applicable provisions of the  
15 California Constitution and California law including, but not limited to, the Government Code  
16 and the Education Code. Subject to the provisions of Section 6, the Series A Bonds shall be  
17 officially designated as the “**Banning Unified School District General Obligation Bonds, 2016**  
18 **Election, Series A.**”  
19

20       **Section 3. Statutory Authorization.** The Series A Bonds are authorized to be issued  
21 and sold by the County in the name of the District pursuant to the California Constitution, the  
22 Election, the Authorization, the District Resolution, this Resolution, the provisions of  
23 Government Code Sections 53506 *et seq.*, and to the extent applicable, Education Code Sections  
24 15266, 15100 *et seq.* and 15140 *et seq.*  
25

26       **Section 4. Negotiated Sale.** The Series A Bonds shall be sold through a negotiated sale  
27 to the Underwriter upon the direction of a Designated Officer (as defined herein), on behalf of  
28

1 the District, acting together with an authorized representative(s) of the Office of the County  
2 Treasurer and Tax Collector ("Treasurer") of Riverside County. The Series A Bonds shall be  
3 sold pursuant to the applicable provisions of the Government Code, and, as applicable, the  
4 Education Code, the provisions and requirements of the District Resolution and this Resolution,  
5 and the terms and conditions set forth in the Purchase Agreement, as described herein.  
6

7 **Section 5. Approval of Purchase Agreement.** The Series A Bonds will be sold at  
8 negotiated sale by the Treasurer pursuant to the terms and conditions set forth in the Purchase  
9 Agreement, substantially in the form appended hereto as Exhibit "A" and incorporated by  
10 reference herein. The form of the Purchase Agreement is hereby approved and the Treasurer, or  
11 any designated deputy thereof, is hereby authorized to execute and deliver the Purchase  
12 Agreement and the Superintendent, or other Designated Officer (as defined herein) of the  
13 District, is hereby requested to execute the Purchase Agreement, with such changes therein,  
14 deletions therefrom and modifications thereto as the Treasurer, or designated deputy thereof, and  
15 the District may approve, such approval to be conclusively evidenced by his or her execution and  
16 delivery thereof; provided, however, that the principal amount of the Series A Bonds shall be  
17 determined by the District (but in no event to exceed \$25,500,000), the term of the Series A  
18 Bonds shall not exceed the statutory legal maximum, the true interest cost (as defined in the  
19 District Resolution) of the Series A Bonds shall not exceed six percent (6.00%), and the  
20 Underwriter's discount shall not exceed one-half of one percent (0.50%) of the principal amount  
21 of the Series A Bonds (exclusive of any premium or original issue discount on the Series A  
22 Bonds, and any such original issue discount shall not exceed five percent (5.00%) (and further  
23 excluding any amount(s) which may be held by the Underwriter to pay designated costs of  
24 issuance under the terms of the Purchase Agreement). The Treasurer, or designated deputy  
25 thereof, is further authorized to determine the Principal Amount of the Series A Bonds of each  
26 maturity to be specified in the Purchase Agreement for sale by the County, up to an aggregate  
27 Principal Amount of \$25,500,000, to determine, upon consultation with the District, to set or  
28

1 modify redemption terms for the Series A Bonds and to enter into, execute and deliver the  
2 Purchase Agreement, if the conditions set forth in this Resolution are met. The Treasurer is also  
3 authorized to make those determinations and/or approve the matters set out in Section 6 hereof.  
4

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

9 **Section 6. Additional Provisions Concerning Sale of Series A Bonds.** As additional  
10 proceedings of the County in connection with the sale of any of the Series A Bonds authorized  
11 by this Resolution, there is hereby delegated to the Treasurer, or designated deputy thereof, the  
12 power to take the following actions and make the following determinations:  
13

14 (a) To consent to or determine the application of the proceeds of the Series A Bonds  
15 for the purposes stated herein, including, without limitation, the amount of capitalized interest, if  
16 any, that will be funded for the Series A Bonds from the proceeds of the Series A Bonds and the  
17 date or dates through which such capitalized interest will be funded; and/or  
18

19 (b) To omit from, add to or incorporate into the designation and title of the Series A  
20 Bonds contained in Section 2 of this Resolution any provision, or modify such designation or  
21 title in any other manner, in which may be deemed necessary or advisable by the Treasurer, or  
22 designated deputy thereof, in connection with the issuance, sale and delivery of, and security for,  
23 the Series A Bonds and which is not inconsistent with the provisions of this Resolution;  
24

25 **Section 7. Certain Definitions.** As used in this Resolution, the terms set forth below  
26 shall have the following meanings ascribed to them:  
27  
28

1 (a) **“Authorized Investments”** means the Riverside County Investment Pool (or  
2 other investment pools of the County into which the District may lawfully invest its funds), the  
3 Local Agency Investment Fund, any investment authorized pursuant to Sections 16429.1 and  
4 53601 of the Government Code, or in shares in a California common law trust established  
5 pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in  
6 investments permitted by Section 53635 of the Government Code, or in guaranteed investment  
7 contracts in direct general obligations of the United States of America (including State and Local  
8 Government Series Securities) (provided that such investments comply with the requirements of  
9 applicable State law and with Section 148 of the Code, and with the requirements of the Bond  
10 Insurer, if any, and as shall be applicable).

11  
12 (b) **“Authorized Newspaper”** means a newspaper selected by the District which is  
13 customarily published at least once a day for at least five days (other than legal holidays) in each  
14 calendar week, published in the English language, of general circulation in the County of  
15 Riverside and which has been adjudicated or designated as a “newspaper of general circulation”  
16 pursuant to California law.

17  
18 (c) **“Bond Counsel”** means a firm of nationally recognized bond counsel, initially  
19 Bowie, Arneson, Wiles & Giannone.

20  
21 (d) **“Bond Insurer”** means any insurance company which issues a municipal bond  
22 insurance policy insuring the payment of Principal of, and interest on, all or a portion of the  
23 Series A Bonds.

24  
25 (e) **“Bond Payment Date” or “Interest Payment Date”** means, unless otherwise  
26 provided in the Purchase Agreement as executed and delivered, February 1 and August 1,  
27  
28

1 commencing on the date(s) set forth in the Purchase Agreement, and commencing on the date set  
2 forth in the Purchase Agreement, with respect to the Principal payments on the Series A Bonds.

3  
4 (f) **“Bond Register”** or **“Registration Books”** means the listing of names and  
5 addresses of the then-current registered owners of the Bonds, as maintained by the Paying Agent  
6 in accordance with Section 13 hereof.

7  
8 (g) **“Bonds”** or **“Series A Bonds”** means, collectively, the Banning Unified School  
9 District General Obligation Bonds, 2016 Election, Series A.

10  
11 (h) **“Building Fund”** shall have the meaning set forth in Section 20 hereof.

12  
13 (i) **“Business Day”** means a day which is not a Saturday or Sunday or a day on  
14 which banking institutions are authorized or required by law or executive order to be closed in  
15 California and New York for commercial banking purposes and on which the Federal Reserve  
16 system is not closed.

17  
18 (j) **“Code”** means the Internal Revenue Code of 1986 as in effect on the date of  
19 issuance of the Series A Bonds or (except as otherwise referenced herein) as it may be amended  
20 to apply to obligations issued on the date of issuance of the Series A Bonds, together with  
21 applicable proposed, temporary and final regulations promulgated, and applicable official public  
22 guidance published, under the Code.

23  
24 (k) **“County”** means the County of Riverside, California, a political subdivision of  
25 the State of California organized and existing under the Constitution and laws of the State and  
26 any successor thereto.

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

2  
3           (m)    **“Date of Issuance”** or **“Closing Date”** means the delivery date with respect to  
4 the Series A Bonds, or such other date(s) for the issuance of the Series A Bonds as may be  
5 designated by the Purchase Agreement.

6  
7           (n)     **“Debt Service Fund”** shall have the meaning set forth in Section 20 hereof.

8  
9           (o)     **“Designated Officer(s)”** means the District’s Superintendent, Assistant  
10 Superintendent, Business and Finance, or other persons designated in writing by the District’s  
11 Superintendent as a Designated Officer of the District.

12  
13          (p)     **“District”** or **“School District”** means the Banning Unified School District, a  
14 public school district organized and operating under the Constitution and the laws of the State of  
15 California, and any lawful successor thereto.

16  
17          (q)     **“District Board”** means the Board of Trustees of the District.

18  
19          (r)     **“DTC”** or **“Depository”** means The Depository Trust Company, a limited  
20 purpose trust company organized under the laws of the State of New York in its capacity as  
21 securities depository for the Series A Bonds.

22  
23          (s)     **“Informational Services”** means the Municipal Securities Rulemaking Board,  
24 through its Electronic Municipal Market Access (EMMA) system, and, in accordance with then  
25 current guidelines of the Securities and Exchange Commission, such other addresses and/or such  
26 other services providing information with respect to called bonds as the District may designate in  
27 a written request of the District delivered to the Paying Agent.

1           (t)    **“Letter of Representations”** or **“Representation Letter”** shall have the  
2 meaning set forth in Section 14 hereof.

3  
4           (u)    **“Moody’s”** means Moody’s Investors Service, Inc., a corporation duly organized  
5 and existing under the laws of the State of Delaware and its successors and assigns, except that if  
6 such entity shall be dissolved or liquidated or shall no longer perform the functions of a  
7 securities rating agency, then the term “Moody’s” shall be deemed to refer to any other  
8 nationally recognized securities rating agency selected by the District.

9  
10          (v)    **“Nominee”** means the nominee of the Depository, which may be the Depository,  
11 as determined from time to time pursuant to Section 14 hereof.

12  
13          (w)    **“Office of the Paying Agent”** means the principal office of the Paying Agent in  
14 Los Angeles, California, or such other office as may be specified by the Paying Agent in writing.

15  
16          (x)    **“Official Statement”** shall have the meaning set forth in Section 22 hereof.

17  
18          (y)    **“Outstanding”** means all Series A Bonds theretofore issued by or on behalf of  
19 the District, except:

- 20               (1)    Series A Bonds theretofore canceled by the District or surrendered to the  
21                        District for cancellation;
- 22               (2)    Series A Bonds for the transfer or exchange of or in lieu of or in  
23                        substitution for which other Series A Bonds shall have been authenticated  
24                        and delivered by the District pursuant to the terms hereof; and
- 25               (3)    Series A Bonds paid and discharged pursuant to Sections 18 or 19 hereof.



1           (z)     **“Owner”** or **“Bond Owner”** means the current registered owner of a Series A  
2 Bond or Series A Bonds to whom payments of Principal and interest are made.

3  
4           (aa)    **“Participants”** means those broker-dealers, banks and other financial institutions  
5 from time to time for which DTC holds book-entry certificates as securities depository.

6  
7           (bb)    **“Paying Agent”** means Zions Bank, or such other party as selected by the  
8 Designated Officer of the District, or any successor thereto, acting as the authenticating agent,  
9 bond registrar, transfer agent and paying agent.

10  
11           (cc)    **“Principal”** or **“Principal Amount”** means, with respect to any Series A Bond,  
12 the principal amount stated thereon.

13  
14           (dd)    **“Purchase Agreement”** or **“Bond Purchase Agreement”** means that certain  
15 Bond Purchase Agreement for the purchase and sale of the Series A Bonds by and among the  
16 County, the District and the Underwriter, as such Purchase Agreement shall be executed and  
17 delivered.

18  
19           (ee)    **“Rebate Fund”** shall have the meaning set forth in Section 20 hereof.

20  
21           (ff)    **“Record Date”** means the close of business on the fifteenth day of the month  
22 preceding each Bond Payment Date whether or not such day is a Business Day.

23  
24           (gg)    **“Redemption Notice”** shall have the meaning set forth in Section 9 hereof.

25  
26           (hh)    **“Resolution”** or **“Bond Resolution”** means this Resolution, including the  
27 Exhibits hereto, as adopted by the County Board and as such may be amended pursuant to  
28 Section 29.

1           (ii)    “**Securities Depositories**” means the following: The Depository Trust Company,  
2 with Cede & Co. as its nominee, and in accordance with then current guidelines of the Securities  
3 and Exchange Commission, such other addresses and/or such other securities depositories as the  
4 District may designate in a Written Request of the District delivered to the Paying Agent.

5  
6           (jj)    “**S&P**” means S&P Global Ratings, a business unit of Standard & Poor’s  
7 Financial Services, LLC, a corporation duly organized and existing under the laws of the State of  
8 New York, and its successors and assigns, except that if such entity shall be dissolved or  
9 liquidated or shall no longer perform the functions of a securities rating agency, then the term  
10 “S&P” shall be deemed to refer to any other nationally recognized securities rating agency  
11 selected by the District.

12  
13           (kk)   “**State**” means the State of California.

14  
15           (ll)    “**Tax Certificate**” means the Tax Certificate executed by the District at the time  
16 of issuance of the Series A Bonds relating to the requirements of Section 148 of the Code, as  
17 originally executed and as such may be amended from time to time.

18  
19           (mm)   “**Term Bonds**” means those Series A Bonds for which mandatory sinking fund  
20 redemption dates have been established in the Purchase Agreement.

21  
22           (nn)    “**Transfer Amount**” means, with respect to any Outstanding Series A Bond, the  
23 Principal Amount.

24  
25           (oo)    “**Treasurer**” or “**County Treasurer**” means the Treasurer and Tax Collector of  
26 the County of Riverside, California, or any authorized deputy thereof.

1 (pp) "Underwriter" or "Purchaser" means RBC Capital Markets, LLC, the initial  
2 purchaser of the Series A Bonds as identified in the Purchase Agreement.

3  
4 (qq) "Written Request" means a written request or directive of the District provided  
5 by a Designated Officer.

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

13  
14 All references herein to "Sections" and other subdivisions are to the corresponding  
15 Sections or subdivisions of this Resolution; the words "herein," "hereof," "hereby," "hereunder"  
16 and other words of similar import refer to this Resolution as a whole and not to any particular  
17 Section or subdivision hereof.

18  
19 **Section 8. Terms of Bonds.** The Series A Bonds shall be issued in one series (which  
20 may include one or more sub-Series as set forth herein). The Series A Bonds shall consist of  
21 current interest bonds.

22  
23 The Series A Bonds shall be issued as fully-registered bonds, without coupons, in the  
24 denominations of \$5,000 Principal Amount or any integral multiple thereof.

25  
26 The Series A Bonds shall be dated the Date of Issuance, and shall bear interest at the rate  
27 or rates consistent with the interest cost limitations set forth in Section 5, payable on February 1  
28

1 and August 1 of each year, commencing on the date specified in the Purchase Agreement  
2 (subject to the terms of the Purchase Agreement, as executed and delivered) (each, an "Interest  
3 Payment Date"), the actual interest rate or rates and the actual maturity schedule to be fixed at  
4 the time of sale. Each Series A Bond shall be issued in denominations of \$5,000 Principal  
5 Amount or integral multiples thereof, and shall bear interest from the Interest Payment Date next  
6 preceding the date of authentication thereof unless it is authenticated as of a day during the  
7 period from the 16th day of the month next preceding any Interest Payment Date to the Interest  
8 Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date, or  
9 unless it is authenticated on or before the Record Date prior to the initial Interest Payment Date,  
10 in which event it shall bear interest from the Date of Issuance, computed using a year of 360  
11 days, comprised of twelve 30-day months; provided, however, that if at the time of  
12 authentication of any Series A Bond, interest is then in default on Outstanding Series A Bonds,  
13 such Series A Bond shall bear interest from the Interest Payment Date to which interest has  
14 previously been paid or made available for payment thereon. The foregoing terms shall be  
15 subject to the terms of the Purchase Agreement as executed and delivered.

16  
17 The Series A Bonds will be sold as provided for herein; notwithstanding anything herein  
18 to the contrary, the terms of the Series A Bonds, as set forth in this Resolution, may be amended  
19 prior to delivery in accordance with the provisions of the Purchase Agreement. The Series A  
20 Bond maturities may be adjusted by the Treasurer and the Designated Officer(s), in consultation  
21 with the Underwriter and the District, as appropriate, to provide funds to finance school  
22 facilities, capital projects and equipment as set forth in the Authorization, pay for the costs of  
23 issuance of the Series A Bonds and furnish funds as needed for capitalized interest purposes,  
24 provided that the total par amount of the Series A Bonds shall not exceed \$25,500,000. In the  
25 event of a conflict or inconsistency between this Resolution and the Purchase Agreement relating  
26 to the terms of the Series A Bonds, the provisions of the Purchase Agreement shall be  
27 controlling.

1           **Section 9. Redemption Provisions.**

2  
3           (a)    Optional Redemption. The terms for the optional redemption of the Series A  
4 Bonds shall be as set forth in the Purchase Agreement.

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

12  
13           (c)    [Reserved].

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

1           (e) Form of Notice of Redemption. The Paying Agent shall give notice of the  
2 redemption of the Series A Bonds ("Redemption Notice") at the expense of the District. Such  
3 notice shall specify: (a) that the Series A Bonds or a designated portion thereof are to be  
4 redeemed; (b) if less than all of the then outstanding Bonds are to be called for redemption, shall  
5 designate the numbers (or state that all Series A Bonds between two stated numbers both  
6 inclusive have been called for redemption) and CUSIP® numbers, if any, of the Series A Bonds  
7 to be redeemed; (c) the date of notice and the date of redemption; (d) the place or places where  
8 the redemption will be made; and (e) descriptive information regarding the Series A Bonds and  
9 the specific Series A Bonds to be redeemed, including the dated date, interest rate and stated  
10 maturity date of each. Such notice shall further state that on the specified date there shall  
11 become due and payable upon each Series A Bond to be redeemed, the portion of the Principal  
12 Amount of such Series A Bond to be redeemed, together with interest accrued, to the date of  
13 redemption, and redemption premium(s), if any, and that from and after such date interest with  
14 respect thereto shall cease to accrue, as applicable.

15  
16           (f) Provision of Notice of Redemption. Any Redemption Notice shall be mailed,  
17 first class postage, to the registered Owners of the Series A Bonds, to a Securities Depository and  
18 to a national Information Service, and by first class mail, postage prepaid, to the District and the  
19 County and the respective Owners of any registered Series A Bonds designated for redemption at  
20 their addresses appearing on the Bond Register, in every case at least twenty (20) days, but not  
21 more than forty-five (45) days, prior to the designated redemption date; provided that neither  
22 failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of  
23 the proceedings for the redemption of such Series A Bonds nor entitle the Owner thereof to  
24 interest beyond the date given for redemption. A certificate provided by the Paying Agent that  
25 notice of such redemption has been given as herein provided shall be conclusive as against all  
26 parties, and it shall not be open to a Bond Owner to show that he or she failed to receive notice  
27 of such redemption. In case of the redemption as permitted herein of all of the Outstanding  
28

1 Bonds of any one maturity, notice of redemption shall be given by mailing as herein provided,  
2 except that the notice of redemption need not specify the serial numbers of the Series A Bond of  
3 such maturity.

4  
5 Neither failure to receive or failure to send, to the Securities Depositories or  
6 Informational Services, any Redemption Notice nor any defect in any such Redemption Notice  
7 so given shall affect the sufficiency of the proceedings for the redemption of the affected Series  
8 A Bonds. Neither the failure to receive such notice, the failure to send such notice, nor any  
9 defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption  
10 of such Series A Bonds or the cessation of accrual of interest represented thereby from and after  
11 the redemption date.

12  
13 (g) Contingent Redemption; Rescission of Redemption. Any Redemption Notice  
14 may specify that redemption of the Series A Bonds designated for redemption on the specified  
15 date will be subject to the receipt by the District of monies sufficient to cause such redemption  
16 (and will specify the proposed source of such monies), and the District, the County and the  
17 Paying Agent will have no liability to the Owners of any Series A Bonds, or any other party, as a  
18 result of the District's failure to redeem the Series A Bonds designated for redemption as a result  
19 of insufficient monies therefor.

20  
21 Additionally, the District may rescind any optional redemption of the Series A Bonds,  
22 and notice thereof, for any reason on any date prior to the date fixed for such redemption by  
23 causing written notice of the rescission to be given to the Owners of the Series A Bonds so called  
24 for redemption. Notice of rescission of redemption shall be given in the same manner in which  
25 notice of redemption was originally given. The actual receipt by the Owner of any Series A  
26 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to  
27 receive such notice or any defect in such notice shall not affect the validity of the rescission.

1 Neither the District nor the County will have any liability to the Owners of any Series A Bonds,  
2 or any other party, as a result of the District's decision to rescind redemption of any Series A  
3 Bonds pursuant to the provisions of this subsection.

4  
5 (h) Payment of Redeemed Bonds. When a Redemption Notice has been given  
6 substantially as provided for herein, and, when the amount necessary for the redemption of the  
7 Series A Bonds called for redemption (Principal, and interest, as applicable, and premium(s), if  
8 any) is set aside for that purpose in the Debt Service Fund, as provided herein (and subject to the  
9 provisions of the foregoing subparagraph), the Series A Bonds designated for redemption shall  
10 become due and payable on the date fixed for redemption thereof and upon presentation and  
11 surrender of such Bonds at the place specified in the Redemption Notice, such Series A Bonds  
12 shall be redeemed and paid at the redemption price from funds held in the Debt Service Fund.

13  
14 Each check issued or other transfer of funds made by the Paying Agent for the purpose of  
15 redeeming Series A Bonds shall bear or include the CUSIP® number identifying, by issue and  
16 maturity, the Series A Bonds being redeemed with the proceeds of such check or other transfer.

17  
18 If on such redemption date, money for the redemption of all the Series A Bonds to be  
19 redeemed as provided in this Section, together with interest to such redemption date, shall be  
20 available therefor, and if notice of redemption thereof shall have been given as aforesaid, then  
21 from and after such redemption date, interest with respect to the Series A Bonds to be redeemed  
22 shall cease to accrue. All money held for the redemption of Series A Bonds shall be held in trust  
23 for the account of the registered Owners of the Series A Bonds so to be redeemed. All unpaid  
24 interest payable at or prior to the designated redemption date shall continue to be payable to the  
25 respective Owners, but without interest thereon.



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

5  
6 If on such redemption date, money for the redemption of all the Series A Bonds to be  
7 redeemed as provided in this Section 9, together with interest to such redemption date, shall be  
8 held by the Paying Agent so as to be available therefor on such redemption date, and if notice of  
9 redemption thereof shall have been given as aforesaid, then from and after such redemption date,  
10 interest with respect to the Series A Bonds to be redeemed shall cease to accrue and become  
11 payable. All money held by or on behalf of the Paying Agent for the redemption of Series A  
12 Bonds shall be held in trust for the account of the Owners of the Series A Bonds so to be  
13 redeemed.

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

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

8  
9 (l) Cancellation of Redeemed Bonds. All Series A Bonds paid at maturity or  
10 redeemed prior to maturity pursuant to the provisions of this Section and Section 16 shall be  
11 canceled upon surrender thereof and be delivered to or upon the order of the County and the  
12 District. All or any portion of a Series A Bond purchased by the Treasurer or the District  
13 pursuant to subsection (j) above shall be canceled by the Paying Agent, and the Paying Agent  
14 shall provide a written certification of such cancellation and destruction to the District.

15  
16 (m) Bonds No Longer Outstanding. When any Series A Bonds (or portion(s) thereof),  
17 which have been duly called for redemption prior to maturity under the provisions of this  
18 Resolution, or with respect to which irrevocable instructions to call for redemption prior to  
19 maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory  
20 to it, and sufficient monies shall be held by the Paying Agent irrevocably in trust for the payment  
21 of the redemption price of such Series A Bonds or portions thereof, and, in the case of Series A  
22 Bonds, accrued interest with respect thereto to the date fixed for redemption, all as provided in  
23 this Resolution, then such Series A Bonds shall no longer be deemed outstanding and shall be  
24 surrendered to the Paying Agent for cancellation.

25  
26 **Section 10. Form of Bonds; Temporary Bonds; CUSIP® Numbers.** The Series A  
27 Bonds shall be substantially in conformity with the standard form of registered school district  
28

1 bonds, the form of which is attached hereto as Exhibit "B" and incorporated herein by this  
2 reference as if set forth in full, with necessary or appropriate variations, omissions and insertions  
3 as may be permitted or required by this Resolution and to conform with the requirements of the  
4 Purchase Agreement. One bond certificate shall be issued for each maturity of the Series A  
5 Bonds of the same interest rate.

6  
7 The Series A Bonds may be initially issued in temporary form exchangeable for  
8 definitive Series A Bonds when ready for delivery. The temporary Series A Bonds may be  
9 printed or typewritten, shall be of such denominations as may be determined by the Treasurer  
10 and the District, and may contain such reference to any of the provisions of this Resolution as  
11 may be appropriate. Every temporary Bond shall be executed by the County upon the same  
12 conditions and in substantially the same manner as the definitive Series A Bonds. If the County  
13 issues temporary Series A Bonds, it will execute and furnish definitive Series A Bonds without  
14 delay, and thereupon the temporary Series A Bonds may be surrendered, for cancellation, in  
15 exchange therefor at the principal office of the Paying Agent and the Paying Agent shall deliver  
16 in exchange for such temporary Series A Bonds an equal aggregate Principal amount of  
17 definitive Series A Bonds of authorized denominations. Until so exchanged, the temporary Series  
18 A Bonds shall be entitled to the same benefits pursuant to this Resolution as definitive Series A  
19 Bonds executed and delivered hereunder.

20  
21 CUSIP® identification numbers shall be imprinted on the Series A Bonds, but such  
22 numbers shall not constitute a part of the contract evidenced by the Series A Bonds and any error  
23 or omission with respect thereto shall not constitute cause for refusal of the Purchaser to accept  
24 delivery of and pay for the Series A Bonds. In addition, failure on the part of the County or the  
25 District to use such CUSIP® numbers in any notice to Owners of the Series A Bonds shall not  
26 constitute an event of default or any violation of the District's contract with such Owners and  
27 shall not impair the effectiveness of any such notice.

1           **Section 11. Execution of Bonds; Authentication.**   The Series A Bonds shall be  
2 executed by the manual or facsimile signature of the Chair of the County Board (“Chair”) and  
3 the Treasurer, or any designated deputy of the Treasurer, and countersigned by the manual or  
4 facsimile signature of the Clerk of the County Board or any designated deputy, and the official  
5 seal of the County affixed thereto. The facsimile signatures of the Chair, the Treasurer and the  
6 Clerk of the County Board may be printed, lithographed, engraved, typewritten or otherwise  
7 mechanically reproduced. The County Board hereby directs that the provisions of Education  
8 Code Sections 15181 and 15182 shall apply to such execution of the Series A Bonds.

9  
10           No Series A Bond shall be valid or obligatory for any purpose or shall be entitled to any  
11 security or benefit under this Resolution unless and until the certificate of authentication printed  
12 on the Series A Bond is signed by the Paying Agent as authenticating agent for the Series A  
13 Bonds. Authentication by the Paying Agent shall be conclusive evidence that the Series A Bond  
14 so authenticated has been duly issued, signed and delivered under this Resolution and is entitled  
15 to the security and benefit of this Resolution.

16  
17           **Section 12. Delivery of Bonds.** The proper officials of the County, in cooperation with  
18 the District and the District’s agents and consultants, shall cause the Series A Bonds to be  
19 prepared and, following their sale, shall have the Series A Bonds executed and delivered (as set  
20 forth herein), to the original purchaser (Underwriter) upon payment of the purchase price in  
21 immediately available funds as set forth in the Purchase Agreement.

22  
23           **Section 13. Bond Registration; Transfers.** As hereinafter provided, the Bonds shall be  
24 delivered in a form and with such terms as will permit them to be in book-entry only form,  
25 deposited with DTC. If the book-entry only system is no longer in effect, the District will cause  
26 the Paying Agent to maintain and keep at its principal corporate trust office all books and records  
27 necessary for the registration, exchange and transfer of certificated Bonds as provided in this  
28

1 Section ("Bond Register") and which Bond Register shall, upon reasonable notice, be open to  
2 inspection by the District. While the book-entry only system is in effect, such books need not be  
3 kept, as the Bonds will be represented by one Bond for each maturity registered in the name of  
4 Cede & Co., as nominee for DTC.

5  
6 Subject to the provisions of Section 14 below, the person in whose name a Bond is  
7 registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all  
8 purposes of this Resolution. Payment of or on account of the Principal, premium(s), if any, and  
9 interest on any Bond, as applicable, shall be made only to or upon the order of the Owner  
10 thereof; the District, the County and the Paying Agent shall not be affected by any notice to the  
11 contrary, but the registration may be changed as provided in this Section. All such payments  
12 shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds,  
13 including interest, to the extent of the amount or amounts so paid.

14  
15 Any Bond may be exchanged for Bonds of the same series (and sub-series, as applicable)  
16 of any other authorized denomination upon presentation and surrender at the principal corporate  
17 trust office of the Paying Agent, together with a request for exchange signed by the Owner or by  
18 a person legally empowered to do so in a form satisfactory to the Paying Agent in its capacity as  
19 bond registrar. Any Bond may, in accordance with its terms (but only if the District determines  
20 no longer to maintain the book-entry only status of the Bonds, DTC determines to discontinue  
21 providing such services and no successor securities depository is named or DTC requests the  
22 District to deliver certificated securities to particular DTC Participants, as deemed below), be  
23 transferred, upon the books required to be kept pursuant to the provisions of this Section, by the  
24 Owner, in person or by his or her duly authorized attorney, upon surrender of such Bond for  
25 cancellation at the office of the Paying Agent, accompanied by delivery of a written instrument  
26 of transfer in a form approved by the Paying Agent, duly executed.

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

10  
11 Any Bond surrendered to the Paying Agent for payment, retirement, exchange,  
12 replacement or transfer shall be canceled by the Paying Agent. The District and the County may  
13 at any time deliver to the Paying Agent for cancellation any previously authenticated and  
14 delivered Series A Bonds that the District and the County may have acquired in any manner  
15 whatsoever, and those Series A Bonds shall be promptly canceled by the Paying Agent. Written  
16 reports of the surrender and cancellation of Bonds shall be made to the District and the County  
17 by the Paying Agent and updated annually. The canceled Series A Bonds shall be destroyed by  
18 the Paying Agent in accordance with its procedures as confirmed in writing to the District.

19  
20 Neither the District, the County nor the Paying Agent will be required to: (a) issue or  
21 transfer any Bonds during a period beginning the day after the Record Date next preceding any  
22 Interest Payment Date or beginning on the date of selection of Bonds to be redeemed and ending  
23 with the close of business on the Interest Payment Date or day on which the applicable notice of  
24 redemption is given, as applicable, or (b) transfer any Bonds which have been selected or called  
25 for redemption in whole or in part.  
26  
27  
28

1           **Section 14. Book-Entry System.** Except as provided below, the owner of all of the  
2 Bonds shall be The Depository Trust Company (DTC), and the Bonds shall be registered in the  
3 name of Cede & Co., as nominee for DTC. The Bonds shall be initially executed and delivered  
4 in the form of a single, fully-registered Bond for each maturity (which may be typewritten).  
5 Upon initial execution and delivery, as provided for herein, the ownership of such Bond shall be  
6 registered in the Bond Register in the name of the Nominee identified below as nominee of The  
7 Depository Trust Company, and its successors and assigns. Except as hereinafter provided, all of  
8 the Outstanding Bonds shall be registered in the Bond Register in the name of the nominee of the  
9 Depository, which may be the Depository, as determined from time to time pursuant to this  
10 Section ("Nominee"). With respect to the Bonds registered in the Bond Register in the name of  
11 the Nominee, neither the District nor the Paying Agent shall have any responsibility or obligation  
12 to any broker-dealers, banks and other financial institutions from time to time for which the  
13 Depository holds Bonds as securities depository ("Participant") or to any person on behalf of  
14 which such a Participant holds an interest in the Bonds. Without limiting the immediately  
15 preceding sentence, neither the District nor the Paying Agent shall have any responsibility or  
16 obligation (unless the District is at such time the Depository) with respect to (i) the accuracy of  
17 the records of the Depository, the Nominee, or any Participant with respect to any ownership  
18 interest in the Bonds, (ii) the delivery to any Participant or any other person, other than an Owner  
19 of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any  
20 notice of redemption, (iii) the selection by the Depository and its Participants of the beneficial  
21 interests in the Bonds to be redeemed in the event the District redeems the Bonds in part, or (iv)  
22 the payment to any Participant or any other person, other than an Owner of a Bond as shown in  
23 the Bond Register, of any amount with respect to the Principal, premium(s), if any, or interest on  
24 the Bonds. The District and the Paying Agent may treat and consider the person in whose name  
25 each Bond is registered in the Bond Register as the holder and absolute Owner of such Bond for  
26 the purpose of payment of Principal, premium(s), if any, of and interest, as applicable, with  
27 respect to such Bond, for the purpose of giving notices of redemption, if applicable, and other  
28

1 matters with respect to such Bond, for the purpose of registering transfers with respect to such  
2 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all Principal,  
3 premium(s), if any, and interest on the Bonds, as applicable, only to or upon the order of the  
4 respective Owner of the Bond, as shown in the Bond Register, or his respective attorney duly  
5 authorized in writing, and all such payments shall be valid and effective to fully satisfy and  
6 discharge the District's obligations with respect to payment of Principal, premium(s), if any, and  
7 interest on the Bonds, as applicable, to the extent of the sum or sums so paid. No person other  
8 than an Owner of a Bond, as shown in the Bond Register, shall receive a Bond evidencing the  
9 obligation of the District to make payments of Principal, premium(s), if any, and interest, as  
10 applicable. Upon delivery by the Depository to the Owners of the Bonds and the District of  
11 written notice to the effect that the Depository has determined to substitute a new nominee in  
12 place of the Nominee, and subject to the provisions herein with respect to Record Dates, the  
13 word Nominee in this Resolution shall refer to such nominee of the Depository.

14  
15 In order to qualify the Bonds for the Depository's book-entry system, the District is  
16 executing and delivering to the Depository a Representation Letter. The execution and delivery  
17 of the Representation Letter shall not in any other way limit the provisions of this Section or in  
18 any other way impose upon the District any obligation whatsoever with respect to persons having  
19 interests in the Bonds other than the owners of the Bonds, as shown on the Bond Register. In  
20 addition to the execution and delivery of the Representation Letter, the District shall take such  
21 other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the  
22 Bonds for the Depository's book-entry program.

23  
24 In the event: (i) the Depository determines not to continue to act as securities depository  
25 for the Bonds; or (ii) the Depository shall no longer so act and gives notice to the District of such  
26 determination, then the District will discontinue the book-entry system with the Depository. If  
27 the District determines to replace the Depository with another qualified securities depository, the  
28



1 District shall prepare or direct the preparation of a new single, separate, fully registered Bond,  
2 per maturity, registered in the name of such successor or substitute qualified securities depository  
3 or its nominee. If the District fails to identify another qualified securities depository to replace  
4 the Depository, then the Bonds shall no longer be restricted to being registered in the Bond  
5 Register in the name of the Nominee, but shall be registered in whatever name or names owners  
6 of the Bonds transferring or exchanging Bonds shall designate, in accordance with provisions of  
7 this Resolution, and the District shall prepare and deliver Bonds to the owners thereof for such  
8 purpose.

9  
10 If the District determines to replace the Depository with another qualified securities  
11 depository, the District shall prepare or direct the preparation of a new single, separate, fully-  
12 registered Bond, per maturity, registered in the name of such successor or substitute qualified  
13 securities depository or its nominee. If the District fails to identify another qualified securities  
14 depository to replace the Depository, then the Bonds shall no longer be restricted to being  
15 registered in the Bond Register in the name of the Nominee, but shall be registered in whatever  
16 name or names owners of the Bonds transferring or exchanging Bonds shall designate, in  
17 accordance with provisions of this Resolution, and the District shall prepare and deliver Bonds to  
18 the owners thereof for such purpose.

19  
20 In the event of a reduction in aggregate Principal amount of Bonds Outstanding or an  
21 advance refunding of part of the Bonds Outstanding, Depository in its discretion, (a) may request  
22 the District to prepare and issue a new Bond or (b) may make an appropriate notation on the  
23 Bond indicating the date and amounts of such reduction in Principal, but in such event the  
24 District records maintained by the Paying Agent shall be conclusive as to what amounts are  
25 Outstanding on the Bond, except in the case of final maturity in which case the Bond must be  
26 presented to the Paying Agent prior to payment.

1 Notwithstanding any other provisions of this Resolution to the contrary, so long as any  
2 Bond is registered in the name of the Nominee, all payments with respect to Principal,  
3 premium(s), if any, and interest on such Bond and all notices with respect to such Bond shall be  
4 made and given, respectively, as provided in the Representation Letter or as otherwise instructed  
5 by the Depository and acceptable to the District. The initial depository under this Section shall  
6 be the Depository. The initial nominee shall be Cede & Co., as Nominee of the Depository.

7  
8 None of the County, the District or the Paying Agent shall have any responsibility for  
9 transmitting payments to, communicating with, notifying, or otherwise dealing with any  
10 beneficial owners of the Series A Bonds and neither the County, the District nor the Paying  
11 Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or  
12 to any other party, including the Depository or its Nominee for any failure of the Depository or  
13 its Nominee to provide notices, distribute payments on the Series A Bonds nor take other actions  
14 concerning the beneficial owners of the Series A Bonds which are the responsibility of the  
15 Depository or its Nominee. As to the District, the foregoing is subject to the express provisions  
16 of the Representation Letter.

17  
18 **Section 15. Paying Agent.**

19 (a) At the request and direction of the District, Zions Bank is hereby confirmed as the  
20 initial authenticating agent, bond registrar, transfer agent and paying agent for the Series A  
21 Bonds. All fees and expenses incurred for services of the Paying Agent shall be the sole  
22 responsibility of the District, subject to the terms hereof. The Paying Agent may also function as  
23 the dissemination agent for the Bonds and if so acting, shall perform all duties and obligations as  
24 set forth in the Continuing Disclosure Certificate, as described in Section 23 hereof.

25  
26 (b) The Paying Agent may, at any time, resign as Paying Agent upon 60 days' prior  
27 written notice to the Treasurer and the District, and the Paying Agent may be removed at any  
28

1 time upon 30 days' written notice by the District. If at any time the Paying Agent shall resign or  
2 be removed, the District shall appoint a successor Paying Agent, with the written consent of the  
3 Treasurer, which shall be a bank or trust company doing business in and having a principal  
4 corporate trust office in the County or Los Angeles County, California, or such other location  
5 within the State as the District shall expressly consent to, with at least \$250,000,000 in assets and  
6 willing and able to accept the office on reasonable and customary terms and authorized by law to  
7 perform all the duties imposed upon it by this Resolution. Such Paying Agent shall signify the  
8 acceptance of its duties and obligations hereunder by executing and delivering to the District a  
9 written acceptance thereof. Resignation or removal of the Paying Agent shall be effective only  
10 upon appointment and acceptance of a successor Paying Agent. The Paying Agent shall keep  
11 accurate records of all funds administered by it and of all Series A Bonds paid and discharged by  
12 it. Such records shall be provided, upon reasonable request and reasonable notice to the Paying  
13 Agent, in a format mutually agreeable to the District, the Paying Agent and the County.

14  
15 (c) In the event of the resignation or removal of the Paying Agent, such Paying Agent  
16 shall pay over, assign and deliver any monies held by it as Paying Agent to its successor. In the  
17 event of a replacement of the Paying Agent, the Paying Agent shall serve in such capacity until  
18 the successor Paying Agent has accepted such position and appointment. The County shall  
19 promptly cause to be mailed, at the District's direction and expense, the name and principal  
20 corporate trust office address of the Paying Agent appointed to replace any resigned or removed  
21 Paying Agent to the Informational Services and to DTC.

22  
23 (d) Any company or association into which a successor Paying Agent may be merged  
24 or converted or with which it may be consolidated or any company resulting from any merger,  
25 conversion or consolidation to which it shall be a party or any company or association to which  
26 the Paying Agent may sell or transfer all or substantially all of its corporate trust business,  
27 provided that such company or association shall be eligible under Section 15(b), shall be the  
28

1 successor to the Paying Agent and vested with all of the title to the trust estate and all of the  
2 trust, powers, discretions, immunities, privileges and all other matters as was its predecessor,  
3 without the execution or filing of any paper or further act, anything herein to the contrary  
4 notwithstanding. All costs associated with the Paying Agent's merger or consolidation with  
5 another bank or trust company shall be paid by the successor Paying Agent. No expense  
6 resulting from such merger or consolidation shall be billed to the District.

7  
8 (e) The Paying Agent may, to the extent permitted by applicable law, become the  
9 Owner of any of the Outstanding Series A Bonds.

10  
11 (f) The District shall be responsible to pay all fees, costs and expenses of the Paying  
12 Agent, subject to the provisions of Section 17 hereof.

13  
14 (g) All documents received by the Paying Agent under the provisions of this  
15 Resolution shall be retained in its possession at the Office of the Paying Agent and shall be  
16 subject during business hours and upon reasonable notice to the inspection of the District or the  
17 Owners and their agents and representatives duly authorized in writing.

18  
19 **Section 16. Payment of Principal and Interest.** The Principal, premium(s), if any, and  
20 interest on, the Series A Bonds, as applicable, shall be payable in lawful money of the United  
21 States of America without deduction for the services of the Paying Agent. Interest on the Series  
22 A Bonds shall be paid on each Bond Payment Date by check mailed by first-class mail to the  
23 person in whose name the Bond is registered, and to that person's address appearing on the Bond  
24 Register (as described in Section 13) on the Record Date. The Owner of an aggregate Principal  
25 Amount of Series A Bonds, of \$1,000,000 or more may request, in writing, prior to the close of  
26 business on the Record Date preceding each Interest Payment Date, to the Paying Agent that  
27  
28

1 such Owner be paid interest by wire transfer to the bank within the continental United States and  
2 account number on file with the Paying Agent as of the Record Date.

3  
4 Payments of Principal and redemption premium(s), if any, shall be payable at maturity or  
5 redemption upon surrender at the Office of the Paying Agent, or such other location as the  
6 Paying Agent shall designate to the County and the District in writing. In the event the Paying  
7 Agent shall provide written notice of a change in the location for payment of Principal and  
8 redemption premium(s) on the Bonds, as applicable, the Paying Agent shall thereafter provide  
9 notice of such change to the Informational Services and Securities Depositories of such change.  
10 The Paying Agent is hereby authorized to pay the Series A Bonds when duly presented for  
11 payment at maturity and to cancel all Series A Bonds upon payment thereof.

12  
13 In the event any payment is required to be made hereunder on a day which is not a  
14 Business Day, such payment shall be made on the next succeeding Business Day with the same  
15 effect as if made on such non-Business Day.

16  
17 The Series A Bonds are the general obligations of the District secured by *ad valorem*  
18 taxes levied and collected pursuant to the Authorization, the California Constitution and State  
19 law and do not constitute an obligation of the County except to provide for the levy and  
20 collection of the *ad valorem* taxes and payment of funds to the Paying Agent as set forth in  
21 Section 17 hereof. No part of any fund of the County is pledged or obligated to the payment of  
22 the Series A Bonds.

23  
24 **Section 17. Source of Payment; Security for the Series A Bonds.** Pursuant to the  
25 California Constitution, the Authorization and California law, there shall be levied by the  
26 County, pursuant to Education Code Sections 15250 *et seq.*, on all the taxable property in the  
27 District located within the County, in addition to all other taxes, a continuing direct *ad valorem*  
28

1 tax annually during the period the Series A Bonds are Outstanding, commencing in Fiscal Year  
2 2017/2018, or as shall be applicable given the debt service requirements of the Series A Bonds as  
3 issued and delivered, in an amount sufficient to pay the Principal of, and interest on, the Series A  
4 Bonds when due, which monies when collected will be placed in the Debt Service Fund.

5  
6 The funds held in the Debt Service Fund are irrevocably pledged for the payment of the  
7 Principal of, interest on and redemption premium(s), if any, on, the Series A Bonds when and as  
8 the same fall due along with administrative costs and expenses for the Series A Bonds including  
9 fees and expenses of the Paying Agent.

10  
11 The funds held in the Debt Service Fund, to the extent necessary to pay the Principal,  
12 premium(s), if any, and interest on the Series A Bonds as the same become due and payable,  
13 shall be transferred by the County to the Paying Agent as necessary to pay the Principal,  
14 premium(s), if any and interest on the Series A Bonds, as applicable, as set out in California law,  
15 and in the District Resolution and herein.

16  
17 Funds held in the Debt Service Fund, to the extent necessary to pay the Principal of,  
18 interest on, and redemption premium(s), if any, on the Series A Bonds as the same become due  
19 and payable, shall be transferred by the Treasurer, or the Treasurer's designee or deputy, to the  
20 Paying Agent (sufficiently in advance of each Interest Payment Date to allow for timely payment  
21 by the Paying Agent of Principal of, interest on, and redemption premium(s), if any, on the  
22 Series A Bonds, as applicable) who in turn, shall pay such monies to the Depository to pay the  
23 Principal of, interest on, and redemption premium(s), if any, on the Series A Bonds, as  
24 applicable, when due. The Depository will thereupon make payments of Principal of, interest on,  
25 and redemption premium(s), if any, on the Series A Bonds, as applicable, to the Depository  
26 Participants who will thereupon make payments of Principal, interest and redemption  
27 premium(s), if any, to the beneficial owners of the Series A Bonds. The County, the District and  
28

1 the Paying Agent shall have no responsibility for transmitting payments to, communicating with,  
2 notifying, or otherwise dealing with any beneficial owners of the Series A Bonds, except as  
3 expressly provided for herein, and neither the County, the District nor the Paying Agent shall  
4 have any responsibility or obligation, legal or otherwise, to the beneficial owners of the Series A  
5 Bonds or to any other party, including the Depository or its successor, beyond those  
6 responsibilities expressly set forth herein. Any monies remaining in the Debt Service Fund after  
7 all of the Series A Bonds, the interest thereon, and redemption premium(s), if any, as applicable,  
8 have been paid, or provision for such payment has been made, shall be transferred to the General  
9 Fund of the District pursuant to the Education Code Section 15235, or any successor section  
10 thereto.

11  
12 **Section 18. Defeasance.** The Series A Bonds may be defeased prior to maturity in the  
13 following ways:

14  
15 (a) Cash: By irrevocably depositing with a bank or trust company, in escrow, an  
16 amount of cash which, together with amounts then on deposit in the Debt Service Fund,  
17 is sufficient to pay all Series A Bonds Outstanding, including all Principal and interest  
18 and premium(s), if any; or

19  
20 (b) Defeasance Securities: By irrevocably depositing with a bank or trust company,  
21 in escrow, noncallable Defeasance Securities, permitted under Section 149(d) of the Code  
22 thereto together with cash, if required, in such amount as will, in the opinion of an  
23 independent certified public accountant, together with interest to accrue thereon and  
24 monies then on deposit in the Debt Service Fund, together with the interest to accrue  
25 thereon, be fully sufficient to pay and discharge all Series A Bonds (including all  
26 Principal and interest represented thereby and redemption premium(s), if any) at or  
27 before their maturity date;

1  
2 *then*, notwithstanding that any Series A Bonds shall not have been surrendered for payment, all  
3 obligations of the District and the County with respect to all Outstanding Series A Bonds shall  
4 cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid  
5 from funds deposited pursuant to paragraphs (a) or (b) of this Section 18, to the Owners of the  
6 Series A Bonds not so surrendered and paid all sums due with respect thereto.

7  
8 For purposes of this Section and Section 19, "Defeasance Securities" shall mean:

9  
10 Direct and general obligations of the United States of America (including State and Local  
11 Government Series), or obligations that are unconditionally guaranteed as to principal and  
12 interest by the United States of America, including (in the case of direct and general obligations  
13 of the United States of America) evidence of direct ownership or proportionate interests in future  
14 interest or principal payments of such obligations. In the case of investments in such  
15 proportionate interests, such proportionate interests shall be limited to circumstances wherein (a)  
16 a bank or trust company acts as custodian and holds the underlying Defeasance Obligations; (b)  
17 the owner of the investment is the real party in interest and has the right to proceed directly and  
18 individually against the obligor of the underlying Defeasance Obligations; and (c) the underlying  
19 Defeasance Obligations are held in a special account, segregated from the custodian's general  
20 assets, and are not available to satisfy any claim of the custodian, any person claiming through  
21 the custodian, or any person to whom the custodian may be obligated; provided that such  
22 obligations are rated or assessed at the highest then-prevailing United States Treasury securities  
23 credit rating at the time of purchase.

24  
25 For purposes of this Section 18, and Section 19, the escrow agent bank and verification  
26 agent shall be selected by the District. Any such escrow bank or trust company shall conform to  
27  
28



1 the successor paying agent requirements of Section 15 hereof. All costs for defeasance of the  
2 Series A Bonds shall be paid by the District.

3  
4 **Section 19. Partial Defeasance.** A portion of the then-Outstanding maturities of the  
5 Series A Bonds may be defeased prior to maturity in the following ways:

6  
7 (a) Cash: by irrevocably depositing with a bank or trust company, in escrow, an  
8 amount of cash which, together with amounts then on deposit in the Debt Service Fund,  
9 is sufficient to pay the designated Outstanding maturities of Series A Bonds, including all  
10 Principal and interest and premium(s), if any; or

11  
12 (b) Defeasance Securities: by irrevocably depositing with a bank or trust company,  
13 in escrow, noncallable Defeasance Securities, permitted under Section 149(d) of the Code  
14 together with cash, if required, in such an amount as will, in the opinion of an  
15 independent certified public accountant, together with interest to accrue thereon, be fully  
16 sufficient to pay and discharge the designated maturities of Series A Bonds (including all  
17 Principal and interest represented thereby and redemption premium(s), if any) at or  
18 before their maturity date;

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

1           **Section 20. Establishment of Funds; Disposition of Proceeds of the Bonds;**

2           **Investment.**

3

4           (a)     The net proceeds from the sale of the Series A Bonds, to the extent of the net  
5 allocated Principal Amount thereof, shall be paid to the County to the credit of the fund hereby  
6 created and established by the County and to be designated as the “Banning Unified School  
7 District General Obligation Bonds, 2016 Election, Series A Bonds Building Fund” (“Building  
8 Fund”) of the District, and shall be kept separate and distinct from all other District and County  
9 funds, and those proceeds shall be used solely for the purpose for which the Series A Bonds are  
10 being issued and for payment of permissible costs of issuance of the Series A Bonds and  
11 provided further that such proceeds shall be applied solely to authorized purposes for which the  
12 Series A Bonds were authorized as directed in writing by the District. Such purposes include  
13 payment for any costs of issuance of the Series A Bonds. The County shall have no obligation to  
14 ensure that the proceeds are applied in accordance with the preceding sentence. The interest  
15 earned on the monies deposited to the Building Fund, or any account(s) thereof, shall be  
16 deposited to such Fund, and corresponding account(s), and such monies shall be used for the  
17 purposes for which the Series A Bonds were authorized at the direction of the District.

18

19           (b)     The accrued interest, if any, and any premium(s) received by the County or the  
20 District from the sale of the Series A Bonds (if any, after all or a portion of any bond insurance  
21 premium(s) and any other allowable costs of issuance are paid by the Underwriter therefrom  
22 pursuant to the provisions of the Purchase Agreement), as well as tax revenues collected by the  
23 County pursuant to Section 17 hereof and Sections 15250 *et seq.* of the Education Code, shall be  
24 deposited and kept separate and apart in the fund established and held by the Treasurer and  
25 designated as the “Banning Unified School District General Obligation Bonds, 2016 Election,  
26 Series A Bonds Debt Service Fund” (“Debt Service Fund”) for the Series A Bonds and used for  
27 payments of Principal of, interest on, and redemption premium(s), if any, as applicable, on the

1 Series A Bonds when and as such become due. *Ad valorem* taxes collected by the County,  
2 pursuant to State law and Section 17 hereof shall be deposited by the County into the Debt  
3 Service Fund and applied, pursuant to the provisions of State law and this Resolution, only for  
4 payments of Principal of, interest on and redemption premium(s), if any, on the Series A Bonds  
5 as and when due. Funds held in the Debt Service Fund are irrevocably pledged to the payment  
6 of Principal of, interest on and redemption premium(s), if any, on the Series A Bonds when due.  
7 Except as required below to satisfy the requirements of Section 148(f) of the Code, as may be  
8 applicable, interest earned on investments of monies held in the Debt Service Fund shall be  
9 retained in the Debt Service Fund and used to pay Principal of, interest on, and redemption  
10 premium(s), if any, on the Series A Bonds when and as such become due. Prior to each such  
11 Bond Payment Date (and subject to the applicable provisions of Section 17 hereof), the Treasurer  
12 shall transfer to the Paying Agent, for subsequent disbursement to the beneficial Owners of the  
13 Series A Bonds, pursuant to the provisions hereof, monies from the Debt Service Fund sufficient  
14 to pay Principal of, interest on and premium(s) (if any) on the Series A Bonds due on such Bond  
15 Payment Date. The Paying Agent shall hold all such monies transferred to it, pursuant to the  
16 foregoing sentence, uninvested. If, after payment in full of all Principal, redemption premium(s),  
17 if any, and interest on the Series A Bonds, as applicable, there remain funds in the Debt Service  
18 Fund, any such excess amounts shall be transferred to the General Fund of the District.

19  
20 (c) The District shall, at such time as shall be necessary, establish and create the  
21 "Banning Unified School District General Obligation Bonds, Series A, Rebate Fund" ("Rebate  
22 Fund"), which fund shall be kept separate and distinct from all other District funds, and into  
23 which the District shall deposit, or direct deposit of, funds used to satisfy any requirement to  
24 make rebate payments to the United States pursuant to Section 148 of the Code and the Treasury  
25 Regulations promulgated thereunder as shall be applicable to the Series A Bonds. The principal  
26 requirements for rebate payments applicable to the Series A Bonds shall be as set forth in the  
27 Tax Certificate as executed and delivered by the District. The Rebate Fund (if and when  
28

1 established pursuant to the requirements of the Tax Certificate) may, at the discretion of the  
2 District, be held by the Paying Agent or the County. Responsibility for determining and  
3 calculating rebate payments, if any, due with regard to the Series A Bonds are the responsibility  
4 of the District as further set forth in Section 24. Monies in the Rebate Fund shall be invested in  
5 compliance with the limitations of the Code.

6  
7 (d) Any excess proceeds of the Series A Bonds in the Building Fund, inclusive of  
8 interest earnings, not needed for the authorized purposes set forth herein shall be transferred to  
9 the Debt Service Fund and applied to the payment of Principal of, interest on, and redemption  
10 premium(s), if any, on the Series A Bonds at the written direction of the District. If, after  
11 payment in full of the Series A Bonds, there remain excess proceeds and/or interest earnings, any  
12 such excess amounts shall be transferred to the General Fund of the District to be applied in  
13 accordance with law.

14  
15 (e) All proceeds of the Series A Bonds and interest earning thereon shall be invested  
16 by the County, on behalf of, and pursuant to the written direction(s) of, the District, in  
17 Authorized Investments. Absent other written investment directions provided to the County  
18 from the District, the Treasurer shall invest monies in the Building Fund and the Debt Service  
19 Fund pursuant to State law and the then-current investment policy of the County. All  
20 investments of proceeds of the Series A Bonds and monies held in the Debt Service Fund shall  
21 comply with the limitations of Education Code Section 15146(g). The Treasurer assumes no  
22 responsibility for the reporting, reconciling and monitoring in or for the investment of proceeds  
23 of the Series A Bonds where such investment is in an investment not under the control or  
24 management of the Treasurer or Treasurer's office.

25  
26 **Section 21. Bond Insurance.** In the event the District elects to purchase bond insurance  
27 for all or a portion of the Series A Bonds, and to the extent that the Bond Insurer makes payment  
28

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

19  
20 **Section 22. Preliminary Official Statement; Official Statement.** The District shall  
21 authorize, and shall be responsible for, preparing a Preliminary Official Statement and final  
22 Official Statement for the Series A Bonds meeting the requirements of Securities and Exchange  
23 Commission ("SEC") Rule 15c2-12. Such Preliminary Official Statement and final Official  
24 Statement are collectively referred to herein as the "Official Statement." Neither the County  
25 Board nor any officer of the County has prepared or reviewed the Official Statement of the  
26 District describing the Series A Bonds, and this County Board and the various officers of the  
27 County take no responsibility for the contents or distribution thereof; provided, however, that  
28

1 solely with respect to a section(s) contained, or to be contained, therein describing the County's  
2 investment policy, current portfolio holdings, and valuation procedures, as they may relate to  
3 funds of the District held by the County Treasurer, the County Treasurer is hereby authorized  
4 and directed to prepare and review such information for inclusion in the Official Statement and  
5 the Preliminary Official Statement, and to certify in writing prior to or upon the issuance of the  
6 Series A Bonds that the information contained in such section(s) does not contain any untrue  
7 statement of a material fact or omit to state any material fact necessary in order to make the  
8 statements made therein, in the light of the circumstances under which they are made, not  
9 misleading.

10  
11 **Section 23. Continuing Disclosure.** “Continuing Disclosure Certificate” shall mean  
12 that certain Continuing Disclosure Certificate to be delivered by the District, as originally  
13 executed and as it may be amended from time to time in accordance with the terms thereof.

14  
15 The District has covenanted and agreed that it will comply with and carry out all of the  
16 terms and conditions of the Continuing Disclosure Certificate (as defined above), which shall be  
17 entered into by District and delivered at the time of delivery of the Series A Bonds.  
18 Notwithstanding any other provisions of this Resolution, failure of the District to comply with  
19 the Continuing Disclosure Certificate shall not be considered a default by the District hereunder  
20 or under the Series A Bonds; however, any underwriter or any holder or beneficial Owner of the  
21 Series A Bonds may take such actions as may be necessary and appropriate to compel  
22 performance, including seeking mandate or specific performance by court order.

23  
24 **Section 24. Tax and Arbitrage Matters.**

25 (a) The District has represented that it shall not take any action, or fail to take any  
26 action if such action or failure to take such action would adversely affect the exclusion from  
27 gross income of the interest payable on the Series A Bonds under Section 103 of the Code.

1  
2 (b) The District has covenanted to restrict the use of the proceeds of the Series A  
3 Bonds in such manner and to such extent, if any, as may be necessary, so that the Series A Bonds  
4 will not constitute "arbitrage bonds" under Section 148 of the Code and the applicable  
5 regulations prescribed under that section or any successor section. Calculations for determining  
6 arbitrage requirements, and payment of any required monies, are the sole responsibility of the  
7 District.

8  
9 (c) The District, in order to maintain the exclusion from gross income for federal  
10 income tax purposes of the interest on the Series A Bonds, has covenanted to comply with each  
11 applicable requirement of Section 103 and Sections 141 through 150 of the Code, as set forth in  
12 the Tax Certificate to be delivered by the District on the Closing Date and executed by the  
13 District, and which shall be, upon its execution and delivery, incorporated herein by this  
14 reference as a source of guidance for compliance with such provisions.

15  
16 (d) The District has covenanted to at all times do and perform all other acts and  
17 things necessary or desirable and within its powers to assure, for the purposes of California  
18 personal and federal income taxation, that the tax-exempt status of the interest paid on the Series  
19 A Bonds to the recipients thereof will be preserved.

20  
21 (e) Notwithstanding any other provision of this Resolution to the contrary, upon the  
22 District's failure to observe, or refusal to comply with, the above covenants, no person other than  
23 the Owners of the Series A Bonds shall be entitled to exercise any right or remedy as may be  
24 provided to such Owners under this Resolution on the basis of the District's failure to observe, or  
25 refusal to comply with, the above covenants.

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

12  
13           **Section 26. Execution of Documents by Bond Owners.** Any request, consent or other  
14 instrument required by this Resolution to be signed and executed by Bond Owners may be in any  
15 number of concurrent writings of substantially similar tenor and may be signed or executed by  
16 such Bond Owners in person or by their agent or agents duly appointed in writing. Proof of the  
17 execution of any such request, consent or other instrument or of a writing appointing any such  
18 agent shall be sufficient for any purpose of this Resolution and shall be conclusive in favor of the  
19 County, and the District, if made in the manner provided in this Section 26.

20  
21           The fact and date of the execution by any person of any such request, consent or other  
22 instrument or writing may be proved by the affidavit of a witness of such execution or by the  
23 certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof  
24 to take acknowledgements of deeds, certifying that the person signing such request, consent or  
25 other instrument or writing acknowledged to him the execution thereof.

26  
27           The ownership of the Series A Bonds shall be proved by the Bond Register. Any request,  
28



1 consent or vote of the Owner of any Series A Bond shall bind every future Owner of the same  
2 Series A Bond and the Owner of any Series A Bond issued in exchange therefor or in lieu  
3 thereof, in respect of anything done or suffered to be done by the County or the District, in  
4 pursuance of such request, consent or vote.

5  
6 **Section 27. Unclaimed Monies.** Notwithstanding any of the foregoing provisions of  
7 this Resolution, and subject to the escheat laws of the State, any monies held by the Paying  
8 Agent for the payment of the Principal of, redemption premium(s), if any, or interest on Series A  
9 Bonds, as applicable, remaining unclaimed for one year after the corresponding maturity or  
10 redemption date for such Series A Bonds shall be returned by the Paying Agent to the Treasurer,  
11 with any and all interest accrued thereon, for deposit into the Debt Service Fund.  
12 Notwithstanding any other provisions of this Resolution, and subject to the escheat laws of the  
13 State, any monies held in any fund created pursuant to this Resolution, or by the Paying Agent in  
14 trust, for the payment of the Principal of, redemption premium(s), if any, or interest on Series A  
15 Bonds and remaining unclaimed for one year after the Principal of all of the Series A Bonds have  
16 become due and payable (whether by maturity or upon prior redemption) shall be, after payment  
17 in full of the Series A Bonds, transferred to the General Fund of the District to be applied in  
18 accordance with law; provided, however, that the Paying Agent, or the District, before making  
19 such payment, shall cause notice to be mailed to the Owners of all Bonds that have not been  
20 paid, by first-class mail at the addresses on the Bond Register, postage prepaid, not less than 90  
21 days prior to the date of such payment.

22  
23 **Section 28. Conditions Precedent.** This County Board determines that all acts and  
24 conditions necessary to be performed by the County precedent to and in the issuing of the Series  
25 A Bonds, in order to make them legal, valid and binding general obligations of the District have  
26 been performed and have been met, or will at the time of delivery of the Bonds have been  
27 performed and have been met, in regular and due form as required by law; that this County  
28

1 Board has the power and is obligated to levy *ad valorem* taxes for the payment of the Bonds and  
2 the interest thereon without limitation as to rate or amount upon all property within the District  
3 subject to taxation (except for certain classes of personal property); and that no statutory or  
4 Constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of  
5 the Series A Bonds.

6  
7 **Section 29. Amendments.** The County may from time to time (which may be at the  
8 request of the District, made in writing), and at any time, without notice to or consent of any of  
9 the Owners, by action of the County Board, amend the provisions of this Resolution for any of  
10 the following reasons:

11  
12 (a) to cure any ambiguity, to correct or supplement any provision herein which may  
13 be inconsistent with any other provision herein or therein, or to make any other provision with  
14 respect to matters or questions arising under this Resolution, provided that such action shall not  
15 adversely affect the interests of the Bond Owners;

16  
17 (b) to add to the covenants and agreements of and the limitations and the restrictions  
18 upon the District contained in this Resolution which are not contrary to or inconsistent with this  
19 Resolution as theretofore in effect; and/or

20  
21 (c) to modify, alter, amend or supplement this Resolution in any other respect which  
22 is not materially adverse to the Bond Owners.

23  
24 In the event of any such amendment, the County shall promptly provide the District and  
25 the Paying Agent with copies of such amendment and the action of the County Board approving  
26 such amendment. Notice of any such amendment shall also be provided to the Owners by the  
27 District in the next occurring Annual Report provided by the District under the terms of the  
28

1 Continuing Disclosure Agreement.  
2

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

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

17 The provisions of this Section shall not prevent any Owner from accepting any  
18 modification or amendment as to the particular Series A Bonds held by such Owner.  
19

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

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

5  
6           **Section 32. Approval of Actions.** Officers of the County Board and County officials  
7 and staff, including the Treasurer and the County Auditor and Controller, or their designee(s),  
8 are hereby authorized and directed, jointly and severally, to do any and all things and to execute  
9 and deliver any and all documents which they may deem necessary or advisable in order to  
10 proceed with the issuance, sale and delivery of the Series A Bonds and otherwise carry out, give  
11 effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken  
12 by such officers, officials and staff are hereby ratified, confirmed and approved.

13  
14           **Section 33. Partial Invalidity; Severability.** If any one or more of the covenants or  
15 agreements, or portions thereof, provided in this Resolution to be performed should be contrary  
16 to law, then such covenant or covenants, such agreement or agreements, or such portions thereof,  
17 shall be null and void and shall in no way affect the validity of this Resolution or of the Series A  
18 Bonds; but the Bond Owners shall retain all rights and benefits accorded to them under any  
19 applicable provisions of law. The County Board hereby declares that it would have adopted this  
20 Resolution and each and every other section, paragraph, subdivision, sentence, clause and phrase  
21 hereof and would have authorized the issuance of the Series A Bonds pursuant hereto  
22 irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences,  
23 clauses or phrases of this Resolution or the application thereof to any person or circumstance  
24 may be held to be unconstitutional, unenforceable or invalid.

25  
26           **Section 34. Compliance With Law.** All acts, conditions and things required by law to  
27 be done and performed in strict conformity with the laws authorizing the issuance of general  
28

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

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

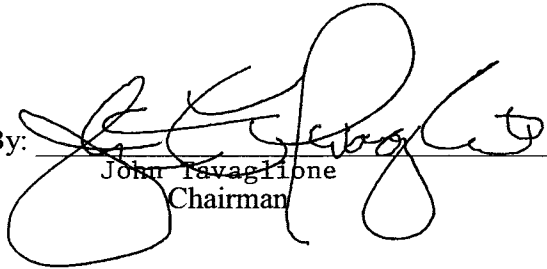
**Section 36. Clerk's Certificate.** The Clerk of the County Board is hereby directed to provide certified copies of this Resolution to the Treasurer and the County Auditor and Controller and to Bond Counsel immediately following its adoption at the following address:

Bowie, Arneson, Wiles & Giannone  
4920 Campus Drive  
Newport Beach, CA 92660  
Attn: Robert E. Anslow

[Remainder of this page intentionally left blank]

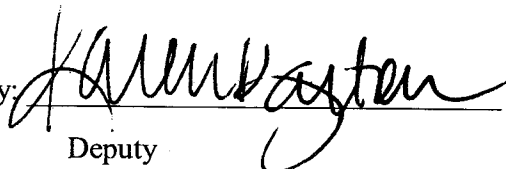
The foregoing Resolution was on the 7th day of March, 2017,  
adopted by the Board of Supervisors of the County of Riverside.

COUNTY OF RIVERSIDE:

By:   
John Tavaglione  
Chairman

ATTEST:

Kecia Harper-Ihem, Clerk to the  
Board of Supervisors of the  
County of Riverside

By:   
Deputy

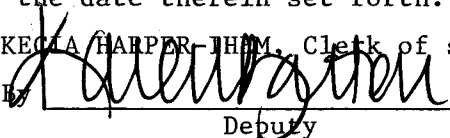
ROLL CALL:

Ayes: Jeffries, Tavaglione, Washington 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

48

  
Deputy

**EXHIBIT "A"**

**FORM OF BOND PURCHASE AGREEMENT**

\$ \_\_\_\_\_  
**BANNING UNIFIED SCHOOL DISTRICT  
(RIVERSIDE COUNTY, CALIFORNIA)  
GENERAL OBLIGATION BONDS,  
2016 ELECTION, SERIES A**

**BOND PURCHASE AGREEMENT**

\_\_\_\_\_, 2017

Board of Supervisors  
County of Riverside  
4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside California 92502

Board of Trustees  
Banning Unified School District  
161 West Williams Street  
Banning, California 92220

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC, as underwriter (the "Underwriter"), acting on its own behalf and not as the County's or the District's (as defined herein) fiduciary or agent, offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with the County of Riverside (the "County") and Banning Unified School District (the "District"), which, upon the County's and the District's acceptance hereof, will be binding upon the County, the District and the Underwriter. This offer is made subject to the written acceptance of this Purchase Agreement by the County and the District and delivery of such acceptance to the Underwriter at or prior to 11:59 p.m., California time, on the date hereof, and if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the County and the District.

**Section 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 agree to purchase from the County for reoffering to the public, and the County hereby agrees to sell, in the name and on behalf of the District, to the Underwriter for such purpose, all (but not less than all) of \$\_\_\_\_\_ aggregate principal amount of the District's General Obligation Bonds, 2016 Election, Series A (the "Bonds").

The Underwriter shall purchase the Bonds at a price of \$\_\_\_\_\_ (which is equal to the aggregate principal amount of the Bonds of \$\_\_\_\_\_, plus [net] original issue premium of \$\_\_\_\_\_ and less an Underwriter's discount of \$\_\_\_\_\_).

[At the request of, and on behalf of, the District, the Underwriter shall pay from Bond proceeds, the premium for the municipal bond insurance policy (the "Policy") in an amount not to exceed \$\_\_\_\_\_ to \_\_\_\_\_ (the "Insurer").]

The County and the District acknowledge and agree that: (a) the purchase and sale of the Bonds under this Purchase Agreement is an arm's-length commercial transaction



between the County, the District and the Underwriter; (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and not as the agent or fiduciary of the County or the District; (c) the Underwriter has not assumed a fiduciary responsibility in favor of the County or the District with respect to: (i) the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the District on other matters); or (ii) any other obligation to the County or the District except the obligations expressly set forth in this Purchase Agreement; and (d) the County and the District have each consulted with their own legal, financial and other advisors to the extent they have deemed appropriate in connection with this transaction.

The District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter's disclosure under Rule G-17 of the Municipal Securities Rulemaking Board ("MSRB").

**Section 2. The Bonds.** The Bonds shall be dated their date of delivery (the "Date of Delivery") and shall be payable as to interest on each February 1 and August 1, commencing August 1, 2017. The Bonds shall bear interest at the rates, shall mature on the dates and in the years, and shall be subject to redemption, as shown on Exhibit A hereto which is incorporated herein by reference, and 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 Trustees of the District adopted on \_\_\_\_, 2017 (the "District Resolution") and the Resolution of the Board of Supervisors of the County adopted on \_\_\_\_, 2017 (the "County Resolution" and together with the District Resolution, the "Resolutions") and Section 53506 et Seq. of the Government Code of the State of California (the "State"), Section 15100 et seq. of the Education Code of the State of California and other applicable law (collectively, the "Act"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Official Statement or, if not defined in the Official Statement, in the County Resolution.

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement and the Resolutions. The Bonds shall be in book-entry form, shall bear CUSIP numbers, and shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). The Bonds shall initially be in authorized denominations of \$5,000 principal amount or any integral multiple thereof. Zions Bank shall act as the initial paying agent, bond registrar, authentication agent and transfer agent for the Bonds (the "Paying Agent").

The proceeds of the Bonds will be applied by the District to finance certain capital improvements for the District as specified in the District bond proposition submitted to the voters at the November 8, 2016 election (the "Election").

**Section 3. Use of Documents.** The County and the District hereby authorize the Underwriter to use, in connection with the offer and sale of the Bonds, this Purchase Agreement, the Continuing Disclosure Certificate (defined herein), the Preliminary Official Statement (defined below) and the Official Statement and 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 Agreement, except as such other documents shall otherwise provide. The Resolutions, Purchase Agreement, Continuing Disclosure Certificate and Official Statement are collectively referred to as the "Legal Documents." The

County and the District do not object to distribution of the Official Statement in electronic form.

**Section 4. Public Offering of the Bonds.** The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering prices or yields to be set forth on the cover or inside cover pages of the Official Statement and as set forth in Appendix A hereto. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering prices or yields as they deem necessary in connection with the marketing of the Bonds; provided that the Underwriter shall not change the interest rates on the Bonds set forth in Appendix A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. The Underwriter reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market; and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

**Section 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 \_\_\_\_\_, 2017 (the "Preliminary Official Statement"). The District represents that it has deemed the Preliminary Official Statement to be final, except for either revision or addition of the offering price(s), interest rate(s), yield(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s), redemption provisions and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), and consents to and ratifies the use and distribution by the Underwriter of the Preliminary Official Statement in connection with the public offering of the Bonds by the Underwriter.

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

The Underwriter agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system within one business day after receipt thereof from the District, but in no event later than the Closing (as defined below).

**Section 6. Closing.** At 8:00 a.m., California time, on \_\_\_\_\_, 2017 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" or the "Closing Date"), the County will deliver, or cause to be delivered, to the Underwriter, through the facilities of DTC utilizing DTC's FAST delivery system, or as the County, the District and the Underwriter may otherwise 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 Bowie, Arneson, Wiles & Giannone ("Bond Counsel"), in Newport Beach, California, the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds by wire transfer to or upon the order of the District.

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

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

(c) **Consents.** No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained; provided, however, that the 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 Internal Revenue Code of 1986, as amended, with respect to the Bonds, and the District shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable State tax, of the interest on the Bonds.

(e) **No Conflicts.** To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of the Legal Documents to which the District is a party and the Bonds, and the compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a 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 or of the titles of the officials of the District to such offices; or (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of any of the Bonds, or the application of the proceeds of the sale of the Bonds, or the collection or levy of taxes contemplated by the Resolutions and available to pay the principal of and interest on

the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds or the Legal Documents or contesting the powers of the District or its authority with respect to the Bonds or the Legal Documents to which the District is a party or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (iii) in which a final adverse decision could (A) materially adversely affect the operations of the District or the consummation of the transactions contemplated by the Legal Documents, (B) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part, or (C) adversely affect the exclusion of the interest paid on the 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, neither the District directly, nor any other governmental agency or other body, including the County, on behalf of the District will have issued in the name and on behalf of the District any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement 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 shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

(i) **Continuing Disclosure.** At or prior to the Closing, the District shall have duly authorized, executed and delivered a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"). The Continuing Disclosure Certificate shall comply with the provisions of the Rule and be substantially in the form attached to the Preliminary Official Statement and Official Statement in Appendix C. Except as otherwise described in the Official Statement, the District has not failed during the previous five years to comply in all material respects with any previous undertakings in a written Continuing Disclosure Certificate or agreement under the Rule.

(j) **Official Statement Accurate and Complete.** The Preliminary Official Statement, as of its date and at the date hereof, did not and does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. At the date hereof and on the date of Closing Date, the 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 or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If the Official Statement is supplemented or amended pursuant to paragraph (g) of Section 9 of this Purchase Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the Closing Date, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which made, not misleading.

(k) **Financial Statements of District.** The financial statements of the District contained in the Preliminary Official Statement and final Official Statement fairly present the financial position and results of operations of the District as of the dates and for the periods therein set forth, and, since the date thereof, there has been no material adverse change in the financial position or results of operations of the District.

(l) **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 taxes and payment of the Bonds.

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

(a) **Due Organization.** The County is a political subdivision duly organized and validly existing under the laws of the State, with full legal power to issue the Bonds 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 the Legal Documents to which it is a party, 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 the Legal Documents to which it is a party; (iii) the execution and delivery or adoption of, and the performance by the County of the obligations contained in the Bonds and the Legal Documents to which the County is a party have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Agreement constitutes a valid and legally binding obligation of the County; and (v) the County has duly authorized the consummation by it of all transactions contemplated by this Purchase Agreement.

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

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

(e) **Litigation.** As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the County, threatened against the County: (i) in any way affecting the existence of the County or in any way challenging the respective powers of the several offices or of the titles of the officials of the County to such offices; or (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of any of the Bonds, or the application of the proceeds of the sale of the Bonds, or the collection or levy of taxes contemplated by the County Resolution and available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds or the Legal Documents or contesting the powers of the County or its authority with respect to the Bonds or the Legal Documents to which the County is a party or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (iii) in which a final adverse decision could (A) materially adversely affect the operations of the County or the consummation of the transactions contemplated by the Legal Documents, (B) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part, or (C) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the exemption of such interest from California personal income taxation.

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

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

(h) **Levy of Tax.** The County 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 taxes and payment of the Bonds.

**Section 9. Representations 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 of the Closing Date, which representations and warranties shall survive the Closing:

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

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

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

(d) The Underwriter has, and has had, no financial advisory relationship 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.

(e) The Underwriter represents that it is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

**Section 10. Covenants of the County and the District.** The County and the District covenant and agree with the Underwriter that:

(a) **Securities Laws.** The County and the District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter if and as the Underwriter may reasonably request, at the Underwriter's cost and expense, 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 neither the County nor the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof.

(b) **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 business day following the date this Purchase Agreement is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter, the County 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, 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 County and the District hereby agree to notify the Underwriter of any event or occurrence that may affect in any material respect the accuracy or completeness of any information set forth in the Official Statement relating to the County or the District until the date which is 30 days following the Closing.

(e) **Filings.** The County and the District authorize the Underwriter to file, to the extent required by the applicable rules promulgated by the Securities and Exchange Commission or the MSRB, and the Underwriter agrees to file or cause to be filed, the Official Statement with (i) the MSRB or its designee (including the MSRB's Electronic Municipal Market Access system); or (ii) other repositories approved from time to time by the Securities and Exchange Commission (either in addition to or in lieu of the filing referred to above). If an amended Official Statement is prepared in accordance with Section 10(g) of this Purchase Agreement during the "Primary Offering Disclosure Period" (as defined below), and if required by an applicable Securities and Exchange Commission Rule or MSRB rule, the Underwriter shall also

make the required filings of the amended Official Statement. The "Primary Offering Disclosure Period" is used as defined in MSRB Rule G-32 and shall end on the twenty-fifth day after the Closing Date.

(f) **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.

(g) **Amendments to the Official Statement.** During the period ending on the twenty-fifth day after the End of the Underwriting Period (or such other period as may be agreed to by the County, the District and the Underwriter), neither the County nor the District (i) shall supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter, provided that the Underwriter may not unreasonably withhold such approval and that the Underwriter may not object to such amendments or supplements if they result in a correction of the Official Statement; and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the County or the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriter, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Agreement, the "End of the Underwriting Period" is used as defined in the Rule and shall occur on the later of (A) the Closing Date; 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 Closing Date, or otherwise agreed to by the County, the District and the Underwriter, the County and the District may assume that the End of the Underwriting Period is the Closing Date.

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

(a) **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 Closing Date; and the County and the



District shall be in compliance with each of the agreements made by them in this Purchase Agreement.

(b) **Obligations Performed.** At the time of the Closing, (i) the Official Statement and the Legal Documents shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the County and the District shall perform or have performed all of its obligations required under or specified in the Legal Documents, 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 Agreement (and not reversed on appeal or otherwise set aside), or to the best knowledge of the County or the District, pending or threatened which has any of the effects described in Section 7(f) hereof or contesting in any way the completeness or accuracy of the Official Statement.

(d) **Marketability.** The Underwriter shall have the right to cancel the Underwriter's obligation to purchase the Bonds if, between the date hereof and the Closing, the market price or marketability or the ability of the Underwriter to enforce contracts for the sale of the Bonds have been materially adversely affected, in the judgment of the Underwriter, by reason of any of the following:

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

(A) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service (the "IRS"), with the purpose or effect, directly or indirectly, of changing, directly or indirectly, the federal income tax consequences or State tax consequences of the interest on the Bonds or of obligations of the general character of the Bonds in the hands of the holders thereof; or

(B) by or on behalf of the Securities and Exchange Commission (the "SEC"), or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or would be in violation of any provision of the federal securities laws;

(ii) any outbreak or escalation or hostilities affecting the United States, the declaration by the United States of a national emergency or war, or engagement in or material escalation of major military hostilities by the

United States or the occurrence of any other national emergency, calamity or crisis relating to the effective operation of the government or the financial community in the United States;

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

(iv) 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;

(v) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the SEC, 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;

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

(vii) any fact or event shall exist or have existed that, in the Underwriter's judgment, requires or has required an amendment of or supplement to the Official Statement;

(viii) the occurrence, since the date hereof, of any materially adverse change in the affairs or financial condition of the District;

(ix) the suspension by the SEC of trading of any outstanding securities of the District;

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

(xi) any amendment shall have been made to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the District, its property, income, securities (or interest thereon) or

the validity or enforceability of the levy of taxes to pay principal of and interest on the Bonds;

(xii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading and, in either such event, the County or the District refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds;

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

(xiv) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred.

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

(i) *Opinions.*

(A) *Opinion of Bond Counsel.* (I) An approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the Closing Date, addressed to the County and the District, in substantially the form set forth in Appendix A of the Preliminary Official Statement and the Official Statement and (II) a reliance letter from Bond Counsel to the effect that the Underwriter may rely upon such approving opinion of Bond Counsel.

(B) *Supplemental Opinions of Bond Counsel.* Supplemental opinions of Bond Counsel in form and substance satisfactory to the Underwriter, dated the Closing Date and addressed to the Underwriter, to the effect that:

(1) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions "INTRODUCTION," (excluding statements under the subheading "- Bond Owners' Risks," "-Forward Looking Statements" and "-Other Information") "THE BONDS," (excluding statements under the subheading "-Book-Entry Only System") "TAX MATTERS," "LEGAL MATTERS" (excluding statements under the subheading "-Financial Statements") and "APPENDIX A - Form

of Opinion of Bond Counsel" to the extent they purport to summarize certain provisions of the Bonds, the Resolutions, the Continuing Disclosure Certificate, and the form and content of Bond Counsel's approving opinion with respect to the Bonds, fairly and accurately summarize the matters purported to be summarized therein; provided further that Bond Counsel need not express any opinion with respect to any financial or statistical data, [statements concerning the Insurer, the Policy] or information concerning The Depository Trust Company or related to its book-entry-only system;

(2) assuming due authorization, execution and delivery by the other parties thereto, the Continuing Disclosure Certificate and this Purchase Agreement have each been duly authorized, executed and delivered by the respective parties thereto and constitute legal, valid and binding obligations of the District and with respect to this Purchase Agreement, the County, 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 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; and

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

(C) *Disclosure Counsel Letter.* A letter of Stradling Yocca Carlson & Rauth, a Professional Corporation dated the Closing Date and addressed to the District, substantially to the effect that based on such counsel's participation in conferences with representatives of the Underwriter, the financial advisor to the District, the County, the District and others, during which conferences the contents of the Official Statement and related matters were discussed, and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the District 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 and as of the Closing Date (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, Appendices B, C, D and E, or any information about 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 required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(D) *Underwriter's Counsel Opinion.* The opinion of Dannis Woliver Kelley, Long Beach, California, counsel to the Underwriter, in form and substance acceptable to the Underwriter.

(ii) *District Certificates.* A certificate signed by appropriate officials of the District to the effect that (A) such officials are authorized to execute this Purchase Agreement; (B) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the Closing Date; (C) the District has complied with all the terms of the Legal Documents to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect; (D) to the best of the District's knowledge, no litigation is pending or threatened (either in State or federal courts) (i) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (ii) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Legal Documents or the Continuing Disclosure Certificate or (iii) in any way contesting the existence or powers of the District; (E) such District officials have reviewed the Preliminary Official Statement and the Official Statement and on such basis certify that the Preliminary Official Statement, as of its date, and the Official Statement, as of its date and as of the Closing Date, does not contain any untrue statement of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading (excluding therefrom information regarding DTC and its book-entry only system); and (F) the Bonds being delivered on the Closing Date to the Underwriter under this Purchase Agreement substantially conform to the descriptions thereof contained in the Resolutions.

(iii) *County Certificates.* A certificate signed by an appropriate official of the County in form and substance satisfactory to the Underwriter to the effect that (i) such official is authorized to execute this Purchase Agreement, (ii) the representations, agreements and warranties of the County herein are true and correct in all material respects as of the date of Closing, (iii) the County has complied with all of the terms of the Legal Documents to which it is a party and such Legal Documents are in full force and effect as of the date of this Purchase Agreement and as of the Closing Date, (iv) the Bonds being delivered on the Closing Date to the Underwriter under this Purchase Agreement substantially conform to the descriptions thereof in the County Resolution;

(iv) *Paying Agent Certificate.* 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 Paying Agent's knowledge, no litigation is pending or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the authentication and delivery by the Paying Agent of any of the Bonds, or (B) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or any agreement with the Paying Agent.

(v) *Tax Certificate.* A non-arbitrage tax certificate of the District in form satisfactory to Bond Counsel.

(vi) *Ratings.* Evidence satisfactory to the Underwriter that the Bonds shall have been rated ["\_\_\_\_\_" reflecting the issuance of the Policy by the Insurer and] "\_\_\_\_\_" by Standard & Poor's Global Ratings, a business unit of Standard & Poor's Financial Services LLC, and that such rating has not been revoked or downgraded.

(vii) *District Resolution.* A certificate, together with fully executed copies of the District Resolution, of the Secretary to or the Clerk of the District's Board of Trustees to the effect that:

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

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

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

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

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

(ix) An opinion of County Counsel, addressed to the Underwriter, substantially in the form of Appendix B hereto.

(x) *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.

(xi) *Continuing Disclosure Certificate.* An executed copy of the Continuing Disclosure Certificate, substantially in the form presented in the Official Statement as Appendix C thereto.

(xii) *Paying Agency Agreement.* An executed copy of the Paying Agency Agreement.

(xiii) *Insurance Policy.* The Policy of the Insurer for the Bonds, and any other documents executed in connection therewith.

(xiv) *Insurer Certificate.* A certificate of the Insurer, dated the Closing Date, signed by an authorized officer of said Insurer.

(xv) *Insurer Opinion.* An opinion of counsel to the Insurer, dated the Closing Date, addressed to the Underwriter and in form and substance satisfactory to the Underwriter.

(xvi) *Form 8038-G.* Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

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

(xviii) *Other Documents.* Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence: (A) compliance by the County and the District with legal requirements; (B) the truth and accuracy, as of the time of Closing, of the representations of the County and the District herein contained and of the Official Statement; and (C) the due performance or satisfaction by the County and the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the County and the District.

(f) **Termination.** Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the 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 shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be cancelled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the County and the District in writing, or by telephone or telegraph, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the County and the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing in its sole discretion.

**Section 12. Conditions to Obligations of the District.** The performance by the County and the District of their obligations is conditioned upon (a) the performance by the Underwriter of their obligations hereunder, and (b) receipt by the County, the District and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than the District.

**Section 13. Expenses.** Except as herein described, all expenses and costs of the District incident to the performance of its obligations in connection with the authorization, execution, sale and delivery of the Bonds to the Underwriter shall be paid for by the District from proceeds of the Bonds including, without limitation: (a) the cost of the preparation and reproduction of the Resolutions; (b) the fees and disbursements of Bond Counsel and Disclosure Counsel; (c) the cost of the preparation, printing and delivery of the Bonds; (d) the fees, if any, for Bond ratings, including all necessary travel expenses; (e) the cost of the printing and distribution of the Preliminary Official Statement and Official Statement; (f) the initial fees of the Paying Agent; (g) the fees and disbursements of the District's financial advisor; (i) County costs and expenses, if any, and (i) all other fees and expenses incident to the issuance and sale of the Bonds, except for as provided below.

Notwithstanding any of the foregoing, the Underwriter shall pay all out-of-pocket expenses of the Underwriter, including the fees and disbursements of Underwriter's Counsel, the California Debt and Investment Advisory Commission fee, and CUSIP Bureau registration fees, travel and other expenses (except those expressly provided above), without limitation.

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 above that are attributable to District personnel.

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

**Section 14. Notices.** Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the County, to the Office of the Treasurer-Tax Collector, County of Riverside 4080 Lemon Street, 4<sup>th</sup> Floor, Riverside, California 92502, if to the District, to the Superintendent at the address set forth on the first page hereof, or if to the Underwriter, to the Underwriter, 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, Attention: Christen Villalobos.

**Section 15. Parties in Interest; Survival of Representations and Warranties.** This Purchase Agreement when accepted by the County and the District in writing as heretofore specified shall constitute the entire agreement between the County, the District and the Underwriter. This Purchase Agreement is made solely for the benefit of the County, the District and the Underwriter (including the successors or assigns of the Underwriter). The term "successor" shall not include any owner of any Bonds merely by virtue of such ownership. No other 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 Agreement shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Agreement. If any provision of this Purchase Agreement is, or is held or deemed to be, invalid, illegal or unenforceable for any reason, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

**Section 16. Severability.** In the event any provision of this Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 17. Nonassignment.** Notwithstanding anything stated to the contrary herein, neither party hereto may assign or transfer its interest herein, or delegate or transfer any of its obligations hereunder, without the prior written consent of the other party hereto.

**Section 18. Entire Agreement.** This Purchase Agreement, when executed by the parties hereto, shall constitute the entire agreement of the parties hereto (including their permitted successors and assigns, respectively).



**Section 19. Execution in Counterparts.** This Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

*[Remainder of page intentionally left blank.]*

**Section 20. Applicable Law.** This Purchase Agreement shall be interpreted, governed and enforced in accordance with the laws of the State applicable to contracts made and performed in such State.

Very truly yours,

RBC CAPITAL MARKETS, LLC, as Underwriter

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

The foregoing is hereby agreed to and accepted  
at \_\_\_\_\_ P.M. Pacific Time, this \_\_\_\_ day  
of \_\_\_\_\_, 2017:

COUNTY OF RIVERSIDE

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

BANNING UNIFIED SCHOOL DISTRICT

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

**APPENDIX A**

**INTEREST RATES, REOFFERING YIELDS, MATURITIES, AND  
REDEMPTION PROVISIONS**

**\$\_\_\_\_\_**  
**Banning Unified School District**  
**(Riverside County, California)**  
**General Obligation Bonds, 2016 Election, Series A**

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2017				
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				

**Optional Redemption**

The Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to maturity. The Bonds maturing on or after August 1, 20\_\_, may be redeemed before maturity at the option of the District, from any source of available funds, on any date on or after August 1, 20\_\_ at a redemption price of par, plus accrued interest to the date of redemption.

**Mandatory Redemption**

The Term 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, together with accrued interest to the date fixed for redemption, without premium. The principal amounts represented by such Term Bonds to be so redeemed, the dates therefor and the final principal payment date are as indicated in the following table:

<u>Redemption Date</u> <u>(August 1)</u>	<u>Principal Amount</u> <u>to be Redeemed</u>
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(1) Maturity.

In the event that a portion of the Term Bonds maturing on August 1, 20\_\_ is optionally redeemed prior to maturity, the remaining mandatory sinking fund payments shown above shall be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000 of principal amount, in respect of the portion of such Term Bonds optionally redeemed.

**APPENDIX B**

**OPINION OF COUNTY COUNSEL**

Board of Trustees  
Banning Unified School District  
161 West Williams Street  
Banning, California 92220

RBC Capital Markets, LLC  
777 S. Figueroa Street, Suite 850  
Los Angeles, California 90017

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 Banning Unified School District (the "District") of \$\_\_\_\_\_ aggregate principal amount of bonds designated "Banning Unified School District General Obligation Bonds, 2016 Election, Series A" (the "Bonds"). The Bonds are issued pursuant to a Resolution of the Board of Trustees of the District adopted on \_\_\_\_\_, 2017 (the "District Resolution") and a Resolution of the Board of Supervisors of the County adopted on \_\_\_\_\_, 2017 (the "County Resolution").

In rendering this opinion, we have examined the District Resolution, the County Resolution and the Bond Purchase Agreement, dated \_\_\_\_\_, 2017 ("Purchase Agreement"), by and between the County, the District and RBC Capital Markets, LLC, 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. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Purchase Contract.

Having reviewed these documents and other information we have deemed relevant to the preparation of this opinion, it is our opinion that:

1. The County is a political subdivision duly organized and existing under the Constitution and the laws of the State of California;

2. The County Resolution approving and authorizing the issuance of the Bonds and the execution and delivery of the Purchase Agreement was duly adopted at a meeting of the Board of Supervisors of the County which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and has not been modified, amended, rescinded or revoked and is in full force and effect on the date hereof;

3. To the best of our knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or threatened against the County (1) affecting the existence of the County or the

titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the execution of the Purchase Agreement or the issuance and sale of the Bonds; (2) affecting delivery of the Bonds; (3) in any way contesting or affecting the validity or enforceability of the Bonds, the Purchase Agreement, the County Resolution or the Bonds; (4) contesting the powers of the County or its authority to enter into, adopt or perform its obligations under any the County Resolution or the Purchase Agreement; or (5) seeking to restrain or enjoin the levy or collection of tax revenues pledged for the Bonds;

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

5. The Bonds have been duly authorized by the County and the Purchase Contract has been duly authorized by the County, and assuming due authorization, execution and delivery by the other parties thereto and of issuance of the Bonds by the County, and upon due authentication by the Paying Agent of and receipt of payment for the Bonds, the Bonds and the Purchase Contract will constitute legal, valid and binding agreements of the County enforceable against the County in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally, by the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against school districts in the state of California.

With respect to the opinions we have expressed above, enforcement of the rights and obligations under the County Resolution, the Purchase Agreement 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 the enforcement of the County Resolution, the Purchase Agreement or the Bonds.

Very truly yours,

County Counsel

**EXHIBIT "B"**

**FORM OF SERIES A BOND**

**STATE OF CALIFORNIA**

**COUNTY OF RIVERSIDE**

**REGISTERED**

**REGISTERED**

**NO. R-000**

**\$**

**BANNING UNIFIED SCHOOL DISTRICT  
GENERAL OBLIGATION BONDS, 2016 ELECTION, SERIES A  
(Riverside County, California)**

<b>INTEREST RATE:</b>	<b>MATURITY DATE:</b>	<b>DATED AS OF:</b>	<b>CUSIP®:</b>
X.XXX%	August 1, 20__	_____, 2017	000000 XX0

**REGISTERED OWNER: CEDE & CO.**

**PRINCIPAL AMOUNT:**

The **BANNING UNIFIED SCHOOL DISTRICT** ("District") in Riverside County ("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 ("Bond Payment Dates"), commencing \_\_\_\_\_,

20\_\_\_. This Bond will bear interest from the Bond 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 Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before \_\_\_\_\_ 15, 20\_\_\_, in which event it shall bear interest from \_\_\_\_\_, 20\_\_\_. 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, on one or more predecessor Bonds) is registered (“Registered Owner”) on the Bond Register maintained by the Paying Agent, initially Zions Bank (“Paying Agent”). Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. Principal is payable upon presentation and surrender of this Bond at the principal office of the Paying Agent in Riverside, California. Interest is payable by check or draft mailed by the Paying Agent on each Bond 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 at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date, whether or not such day is a business day (“Record Date”). The Owner of an aggregate Principal Amount of \$1,000,000 or more may request in writing to the Paying Agent that such Registered Owner be paid interest by wire transfer to the bank within the continental United States and account number on file with the Paying Agent as of the Record Date.

This Bond is one of an aggregate amount of \$\_\_\_\_\_ of Bonds issued to be used for the acquisition and construction of school facilities to serve the District under authority of and pursuant to the laws of the State of California, and more than the requisite 55% favorable vote of the electors of the District obtained at an election held on November 8, 2016, upon the question of issuing Bonds in the amount of \$25,500,000, the resolution of the Board of Trustees of the District, adopted on February 16, 2017 (“District Resolution”), and the resolution of the Riverside County Board of Supervisors, adopted on \_\_\_\_\_, 2017 (“County Resolution”). This Bond and the issue of which this Bond is one are payable as to both principal



and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The Bonds of this issue are general obligations of the District and do not constitute an obligation of the County of Riverside. No part of any fund of the County is pledged or obligated to the payment of the Bonds of this issue.

The Bonds of this issue are issuable only as fully-registered bonds in the denominations of \$5,000 or any integral multiple thereof. This bond is exchangeable and transferable for Bonds of other authorized denominations at the Office of the Paying Agent (as defined in the County Resolution), by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the County Resolution. Any tax or governmental charges shall be paid by the transferor. The District, the County 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, the County nor the Paying Agent shall be affected by any notice to the contrary.

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

The Bonds maturing on August 1, 20\_\_\_, are subject to sinking fund redemption, in part, by lot, on August 1, 20\_\_\_, and on each August 1 thereafter in accordance with the schedule set forth below. The Bonds so called for mandatory sinking fund redemption shall be redeemed at

the principal amount of such Bonds to be redeemed, plus accrued but unpaid interest, without premium.

Sinking Fund Redemption Date	Principal Amount to be Redeemed
<u>(August 1)</u>	
20__	\$_____
20__	_____
20__ (maturity)	_____

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

The Paying Agent shall give notice of the Redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed; (b) the serial or registration numbers and CUSIP® numbers, if any, of the Bonds to be redeemed; (c) the date of notice and the date of redemption; (d) the place or places where the redemption will be made; and (e) descriptive information regarding the issue of Bonds and the specific bonds redeemed, including the dated date, interest rate and stated maturity date of each. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, together with interest accrued to said date, the redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue.

Notice of redemption shall be by registered or otherwise secured mail or delivery service, postage prepaid, to the registered Owner of the Bonds, or if the original purchaser is a syndicate, to the managing member of such syndicate, to a municipal registered securities depository and to a national information service that disseminates securities redemption notices and, by first-class mail, postage prepaid, to the District, the County and the respective Owners of any registered Bonds designated for redemption at their addresses appearing on the Bond registration books, in every case at least twenty (20) days, but not more than forty-five (45) days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds, nor entitle the Owner thereof to interest beyond the date given for redemption.

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

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

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

Reference is made to the County Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the bonds of this series, the rights, duties and obligations of the District, the County, 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 County 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 payment in full for the Bonds has been received; 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 County Resolution until the Certificate of Authentication below has been signed.

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

[SEAL]

RIVERSIDE COUNTY, CALIFORNIA

**-EXHIBIT-**

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

Chairperson, Board of Supervisors

**-EXHIBIT-**

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

Treasurer and Tax Collector

COUNTERSIGNED:

**-EXHIBIT-**

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

Clerk to the Board of Supervisors

**CERTIFICATE OF AUTHENTICATION**

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

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

**ZIONS BANK**, Paying Agent, as authenticating agent:

***-EXHIBIT-***

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

Authorized Signatory

**FORM OF ASSIGNMENT**

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

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(print/type name, address, zip code, tax identification or Social Security number of assignee) the within Bond and do(es) irrevocably constitute and appoint \_\_\_\_\_, attorney, to transfer the same on the registration books of the Paying Agent, with full power of substitution in the premises.

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

***-EXHIBIT-***

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Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change what so ever.

Signature Guaranteed:

***-EXHIBIT-***

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Signature must be guaranteed by an eligible guarantor institution.

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 and 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.



**[FORM OF BOND COUNSEL OPINION]**

[Text of Opinion]