

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



ITEM
3.65
(ID # 7662)

MEETING DATE:
Tuesday, July 31, 2018

FROM : TREASURER-TAX COLLECTOR:

SUBJECT: TREASURER-TAX COLLECTOR: Adopt Resolution No. 2018-148 – Resolution of the Board of Supervisors of the County of Riverside Authorizing the Issuance and Negotiated Sale of Beaumont Unified School District General Obligation Bonds, 2008 Election, Series E in the Maximum Principal Amount of \$12,500,000, Some of Which May Include Compounding of Interest, 5th District. [\$0] (VOTE ON SEPARATELY)

RECOMMENDED MOTION: That the Board of Supervisors:


1. Adopt Resolution No. 2018-148 Resolution of the Board of Supervisors of the County of Riverside Authorizing the Issuance and Negotiated Sale of Beaumont Unified School District General Obligation Bonds, 2008 Election, Series E in the Maximum Principal Amount of \$12,500,000, Some of Which May Include Compounding of Interest.

ACTION: Separate Vote Required, Policy

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington and Perez
Nays: None
Absent: Ashley
Date: July 31, 2018
xc: Treasurer

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: n/a			Budget Adjustment:	No
			For Fiscal Year:	18/19

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Pursuant to California Education Code Section 15140(a), general obligation bonds of a school district shall be offered for sale by the board of supervisors of the county as soon as possible following receipt of a resolution duly adopted by the governing board of the school district.

An election was duly and regularly held in the Beaumont Unified School District (the "District") on November 4, 2008, in accordance with Section 1(b)(3) of Article XIII A of the California Constitution, for the purpose of submitting Measure Z (the "Bond Measure") to the qualified electors of the District, authorizing the issuance of general obligation bonds in the aggregate principal amount of \$125,000,000 (the "Bonds"), and more than 55% of the votes cast were in favor of the issuance of the Bonds.

The County previously issued four series of bonds on behalf of the District in the aggregate principal amount of \$63,358,619.15.

The District filed with the Clerk of the Board a certified copy of Resolution No. 2018-19-06 of the Board of Trustees of the District adopted on July 24, 2018 (the "District Resolution") authorizing the issuance of an additional series of the Bonds (the "Series E Bonds") in the aggregate principal amount of not to exceed \$12,500,000 and requesting the Board of Supervisors of Riverside County to sell said Bonds on behalf of the District. The bond proceeds will be used for any of the purposes authorized by Measure Z, including the acquisition of land, the construction, equipping, furnishing, reconstruction, rehabilitation, repair and replacement of school facilities and sites and the prepayment of any of lease payments or the repayment of other amounts owing by the District on financing entered into to fund such items on an interim basis (collectively, the "Projects")

The District Resolution is attached hereto.

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

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

County Counsel has reviewed Resolution No. 2018-148 and has approved it as to form.

Impact on Residents 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:

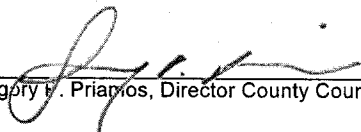
District Map

Resolution No. 2018-148

District Resolution

Bond Purchase Contract

Preliminary Official Statement



Gregory V. Priamos, Director County Counsel 7/24/2018

2 RESOLUTION NO. 2018-148

3
4 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
5 AUTHORIZING THE ISSUANCE AND NEGOTIATED SALE OF BEAUMONT UNIFIED SCHOOL
6 DISTRICT GENERAL OBLIGATION BONDS, 2008 ELECTION, SERIES E
7 IN THE MAXIMUM PRINCIPAL AMOUNT OF \$12,500,000
8 SOME OF WHICH MAY INCLUDE COMPOUNDING OF INTEREST
9

10
11 **WHEREAS**, a duly called election was held in the Beaumont Unified School District (the
12 “District”), Riverside County (the “County”), State of California (the “State”), on November 4, 2008, at
13 which the following proposition (“Measure Z”) was submitted to the qualified electors of the District:

14 “To retain/attract excellent teachers, keep students from gangs by upgrading safety,
15 technology security systems, energy efficiency; acquiring land; repairing, constructing,
16 equipping schools/classrooms; adding vocational education/after-school space; fixing leaky
17 roofs; replacing heating/air-conditioning; and qualifying for State matching grants shall
18 Beaumont Unified School District issue \$125,000,000 in bonds at legal interest rates, with
19 annual financial audits, Independent Citizens’ Oversight, and no money for the State or
20 administrators’ salaries?”

21 **WHEREAS**, at such election Measure Z received the affirmative vote of more than fifty-five
22 percent of the qualified electors of the District voting on the proposition as certified by the Registrar of
23 Voters of the County of Riverside in the official canvassing of votes; and

24 **WHEREAS**, the County, on behalf of the District, previously issued four series of Bonds pursuant
25 to Measure Z totaling an aggregate principal amount of \$63,358,619.15; and

26 **WHEREAS**, this Board has received a signed, certified copy of the resolution of the Board of
27 Education of the District adopted on July 24 2018 requesting the issuance of Election of 2008 General
28 Obligation Bonds Series E in an aggregate principal amount not to exceed \$12,500,000 (the “Bonds”) which

FORM APPROVED COUNTY COUNSEL

BY:  DAVID M. MCCARTHY DATE

1 is attached hereto as Exhibit A and incorporated herein (the "District Resolution"); and

2 **WHEREAS**, Education Code Section 15140(a) provides that this Board shall issue the Bonds on
3 behalf of the District following adoption of the District Resolution; and

4 **WHEREAS**, the Bonds will be issued under and pursuant to the provisions of Article 4.5 Chapter 3
5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California and Article XIII A of
6 the California Constitution (the "Authorizing Law"); and

7 **WHEREAS**, in its resolution, the District found and informed this Board that all acts, conditions
8 and things required by law to be done or performed, including the presentation to the public of the
9 information required by Government Code Section 5852.1, have been done and performed in strict
10 conformity with the laws authorizing the issuance of general obligation bonds of the District, and the
11 indebtedness of the District, including the proposed issue of Bonds, is within all limits prescribed by law;

12 **NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the
13 Board of Supervisors of the County of Riverside, in regular session assembled on July 31, 2018, in the
14 meeting room of the Board of Supervisors located on the First Floor of the County Administrative Center,
15 4080 Lemon Street, Riverside, California, that all of the above recitals are true and correct, and that:

16 **Section 1. Purpose of the Bonds.** The Bonds of the District shall be issued pursuant to the
17 Authorizing Law in the name and on behalf of the District in an aggregate principal amount not to exceed
18 \$12,500,000, and this Board of Supervisors hereby authorizes, on behalf of the District, the issuance and
19 sale of the Bonds and designates the Bonds to be issued and sold as the "Beaumont Unified School District
20 Election of 2008 General Obligation Bonds Series E." The Bonds shall be issued as current interest bonds,
21 as provided herein and in the Purchase Contract (defined below).

22 The proceeds of the Bonds will be used for any of the purposes authorized by Measure Z, including
23 the acquisition of land, the construction, equipping, furnishing, reconstruction, rehabilitation, repair and
24 replacement of school facilities and sites and the prepayment of any of lease payments or the repayment of
25 other amounts owing by the District on financing entered into to fund such items on an interim basis
26 (collectively, the "Projects").

27 **Section 2. Terms and Conditions of Sale.** The Bonds shall be sold at a negotiated sale
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1 pursuant to the Authorizing Law in accordance with the terms of this Resolution. The Bonds shall be sold
2 pursuant to the terms and conditions set forth in the Purchase Contract executed as described in Section 4
3 below.

4 **Section 3. Approval of Bond Purchase Contract.** The form of Bond Purchase Contract (the
5 “Purchase Contract”) to be entered into by and among the County, the District and the Underwriter (defined
6 below), for the purchase and sale of the Bonds, is hereby approved substantially in the form attached hereto
7 as Exhibit B. The Treasurer-Tax Collector of the County, or designated deputy thereof (the “Treasurer”),
8 is hereby authorized to execute and deliver the Purchase Contract, and an Authorized Representative of the
9 District (defined herein) is hereby authorized and requested to acknowledge the execution of the Purchase
10 Contract, but with such changes therein, deletions therefrom and modifications thereto as the Treasurer may
11 approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided,
12 however, that the Bonds shall have a final maturity no later than thirty (30) years from the date of issue, the
13 maximum interest rate on any Bond shall not exceed 8.00% per annum and any Underwriter’s discount,
14 excluding original issue discount on the Bonds and reimbursable expenses, if any, paid to the Underwriter
15 under the terms of the Purchase Contract, shall not exceed 0.8% of the aggregate principal amount of Bonds
16 issued. The Authorized Representative of the District executing the Purchase Contract shall determine the
17 final principal amount of the Bonds to be sold, provided that the aggregate principal amount issued under
18 the authority of this Resolution shall not exceed \$12,500,000, and shall determine whether to purchase
19 municipal bond insurance for all or a portion of the Bonds.

20 The terms of the Purchase Contract shall recite the aggregate principal amount of the Bonds being
21 sold thereunder, and shall recite the date thereof, the maturity dates, principal amounts and annual rates of
22 interest of each maturity thereof, the initial and semiannual Bond Payments Dates (defined below) thereof,
23 and the terms of optional and mandatory sinking fund redemption thereof.

24 **Section 5. Definitions** The terms defined in this Section 1.01, as used and capitalized herein, shall,
25 for all purposes of this Resolution, have the meanings given them below, unless the context clearly requires
26 some other meaning.

1 "Authorizing Law" means, collectively, (i) Article 4.5 Chapter 3, Part 1, Division 2, of Title 5 of
2 the California Government Code of the State of California, as amended, and (ii) Article XIII A of the
3 California Constitution.

4 "Authorized Representative of the District" means each of the Superintendent of the District, the
5 Assistant Superintendent, Business Services of the District, and their designees.

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

7 "Bond Insurer" means any insurance company which issues a municipal bond insurance policy
8 insuring the payment of all or a portion of the Principal Amount of and any interest on the Bonds.

9 "Bond Payment Date" means, (i) with respect to any Bonds, the payment dates specified in the
10 Purchase Contract for the payment of interest thereon, and (ii) with respect to the Principal payments on the
11 Bonds, the maturity dates for such Bonds provided in the Purchase Contract. In the event any payment is
12 required to be made on the Bonds on a day which is not a Business Day, such payment shall be made on
13 the next succeeding Business Day with the same effect as if made on such non-Business Day.

14 "Bond Register" means the listing of names and addresses of the current registered owners of each
15 Bond, as maintained by the Paying Agent in accordance with Section 11 hereof.

16 "Bonds" means the Beaumont Unified School District Election of 2008 General Obligation Bonds
17 Series E issued and delivered pursuant to this Resolution.

18 "Building Fund" means the Beaumont Unified School District Election of 2008 General Obligation
19 Bond Series E Building Fund as described in Section 15 of this Resolution.

20 "Business Day" means a day which is not a Saturday, Sunday or a day on which banking institutions
21 in the State or the State of New York and the New York Stock Exchange are authorized or required to be
22 closed.

23 "Code" means the Internal Revenue Code of 1986, as amended.

24 "Continuing Disclosure Agreement" means the Continuing Disclosure Agreement by and between
25 the District and Applied Best Practices, LLC, as dissemination agent, to be executed in connection with the
26 delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance
27 with the terms thereof.

1 “Costs of Issuance” means all of the costs of issuing the Bonds, including, but not limited to, all
2 printing and document preparation expenses in connection with this Resolution, the Bonds and any Official
3 Statement pertaining to the Bonds and any and all other agreements, instruments, certificates or other
4 documents prepared in connection therewith; financial advisory fees; rating agency fees; auditor’s fees;
5 legal fees and expenses of counsel with respect to the Bonds; the initial fees and expenses of the Paying
6 Agent; fees for credit enhancement relating to the Bonds, if any; and other fees and expenses incurred in
7 connection with the issuance of the Bonds, to the extent such fees and expenses are approved by an
8 Authorized Representative of the District.

9 “Costs of Issuance Fund” means the Beaumont Unified School District Election of 2008 General
10 Obligation Bond Series E Costs of Issuance Fund established pursuant to Section 15 of this Resolution.

11 “County” means the County of Riverside, California.

12 “Date of Issuance” means the date on which the Bonds are delivered to the Underwriter.

13 “Debt Service Fund” means the Beaumont Unified School District Election of 2008 General
14 Obligation Bond Series E Debt Service Fund as described in Section 15 of this Resolution.

15 “Depository” means the securities depository acting as Depository pursuant to Section 13 hereof.

16 “District” means the Beaumont Unified School District.

17 “DTC” means The Depository Trust Company, New York, New York, a limited purpose trust
18 company organized under the laws of the State of New York in its capacity as securities depository for the
19 Bonds.

20 “Government Obligations” shall have the meaning set forth in Section 17 hereof.

21 “Information Services” means the Municipal Securities Rulemaking Board’s Electronic Municipal
22 Market Access System; or, in accordance with then-current guidelines of the Securities and Exchange
23 Commission, such other services providing information with respect to called bonds as the District may
24 specify in a certificate to the County and the Paying Agent or as the Paying Agent may select.

25 “Nominee” means the nominee of the Depository, which may be the Depository, as determined from
26 time to time pursuant to Section 13 hereof.

27 “Official Statement” means the offering document to be delivered to investors with respect to the
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1 Bonds as described in Section 23 below.

2 "Outstanding," when used with reference to the Bonds, means, as of any date, Bonds theretofore
3 issued or thereupon being issued under this Resolution except:

4 Bonds canceled at or prior to such date;

5 Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant
6 to Section 11 hereof; or

7 Bonds for the payment or redemption of which funds or Government Obligations in the
8 necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such
9 Bonds), in accordance with Section 17 or 18 of this Resolution.

10 "Owner" means the registered owner of a Bond as set forth on the registration books maintained by
11 the Paying Agent pursuant to Section 11 hereof.

12 "Participants" means those broker-dealers, banks and other financial institutions from time to time
13 for which the Depository holds book-entry certificates as securities depository.

14 "Paying Agent" means ZB, National Association dba Zions Bank, or any successor entity designated
15 in accordance with Section 9 hereof to act in such capacity.

16 "Principal" or "Principal Amount" means, with respect to any Bond, the principal or principal
17 amount thereof.

18 "Projects" shall have the meaning given to that term in Section 2 of this Resolution.

19 "Projects Costs" means all of the expenses of and incidental to the construction and/or acquisition
20 of the Projects, including Costs of Issuance.

21 "Purchase Contract" means, the Purchase Contract executed for the Bonds in accordance with
22 Section 4 of this Resolution.

23 "Rebate Fund" means the Beaumont Unified School District Election of 2008 General Obligation
24 Bond Series E Rebate Fund established pursuant to Section 15 of this Resolution.

25 "Record Date" means the close of business on the fifteenth day of the month preceding each Bond
26 Payment Date for such Bond.

27 "Redemption Date" means any date on which any Bond is subject to optional redemption or
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1 mandatory sinking fund redemption in accordance with Section 12 hereof.

2 "Resolution" means this Resolution adopted by the Board of Supervisors of the County on July 31,
3 2018.

4 "Securities Depositories" means The Depository Trust Company, 55 Water Street, New York, New
5 York 10041, Facsimile transmission: (212) 785-9681, or such other securities depositories as are designated
6 by the District or the Paying Agent and whose business is to perform the functions of a clearing agency
7 with respect to exempted securities, as defined in Section 3(a)(12) of the Securities Exchange Act of 1934,
8 and who is registered as a clearing agency under Section 17A of the Act.

9 "Supplemental Resolution" means any resolution supplemental to or amendatory of this Resolution,
10 adopted by the County in accordance with Section 25 hereof.

11 "Tax Certificate" means the certificate by that name executed by the District on the Date of Issuance
12 of the Bonds.

13 "Term Bonds" means those Bonds for which mandatory sinking fund redemption dates have been
14 established in the Purchase Contract.

15 "Treasurer" means the Treasurer and Tax Collector of the County and such other persons as may be
16 designated by the Treasurer and Tax Collector to act on his behalf.

17 "Underwriter" means Piper Jaffray & Co.

18
19 **Section 6. Terms of the Bonds.**

20 The Bonds entitled to the benefit, protection and security of this Resolution are hereby
21 authorized in an aggregate Principal Amount not to exceed \$12,500,000. Such Bonds shall be general
22 obligation bonds of the District, payable as to Principal, premium, if any, and interest from *ad valorem*
23 taxes to be levied upon all of the taxable property in the District. The Bonds shall be designated "Beaumont
24 Unified School District, Riverside County, California, Election of 2008 General Obligation Bonds
25 Series E."

26 The Bonds shall be issued as bonds registered as to both principal and interest and unless
27 otherwise specified in the Purchase Contract, in the denominations of \$5,000 Principal Amount, or any
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1 integral multiple thereof.

2 The Bonds shall mature in the years and be issued in the Principal Amounts as set forth in
3 the Purchase Contract. Each Bond shall be dated as set forth in the Purchase Contract and shall bear interest
4 at the applicable interest rate set forth in the Purchase Contract from the Bond Payment Date next preceding
5 the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day
6 of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event
7 it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record
8 Date, in which event it shall bear interest from its dated date; provided, however, that, if at the time of
9 registration of any Bond interest with respect thereto is in default, interest with respect thereto shall be
10 payable from the Bond Payment Date to which interest has previously been paid or made available for
11 payment.

12 **Section 7. Execution.** The Bonds shall be in substantially the form set forth in Exhibit C hereto.
13 The Bonds shall be signed by the Chair of the Board and the Treasurer, or a deputy of the Treasurer,
14 by their manual or facsimile signatures and countersigned by the manual or facsimile signature of
15 the Clerk of the Board, or by an authorized deputy, all in their official capacities. The County's seal
16 (or a facsimile thereof) may be impressed, imprinted, engraved or otherwise reproduced on each
17 Bond. In case any one or more of the officers who shall have signed or sealed any of the Bonds
18 shall cease to be such officer before the Bonds so signed and sealed shall have been issued by the
19 County on behalf of the District, such Bonds may, nevertheless, be issued, as herein provided, as if
20 the persons who signed or sealed such Bonds had not ceased to hold such offices. No Bond shall
21 be valid or obligatory for any purpose or shall be entitled to any security or benefit under this
22 Resolution unless and until the certificate of authentication printed on the Bond is signed by the
23 Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive
24 evidence that the Bond so authenticated has been duly issued, signed and delivered under this
25 Resolution and is entitled to the security and benefit of this Resolution.

26 **Section 8. Appointment of Paying Agent.**

27 This Board does hereby consent to and confirm the appointment of ZB, National Association
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1 dba Zions Bank, to act as the authenticating agent, bond registrar, transfer agent and paying agent
2 (collectively, the "Paying Agent") for the Bonds. All fees and expenses incurred for services of the Paying
3 Agent shall be the sole responsibility of the District.
4

5 Unless otherwise provided, the office of the Paying Agent designated by the Paying Agent
6 shall be the place for the payment of Principal of, premium, if any, and interest on the Bonds.

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

15 The District shall pay to the Paying Agent from time to time reasonable compensation for
16 all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and
17 other disbursements, including those of its attorneys, agents and employees, incurred in and about the
18 performance of their powers and duties under this Resolution. In no event shall the County be required to
19 expend its own funds hereunder.

20 **Section 9. Resignation or Removal of Paying Agent and Appointment of Successor.**

21 The Paying Agent may at any time resign and be discharged of the duties and obligations
22 created by this Resolution by giving at least 60 days' written notice to the District and the County. The
23 Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the County
24 and signed by the District. A successor Paying Agent shall be appointed by the District with the written
25 consent of the Treasurer, which consent shall not be unreasonably withheld, and, if not the Treasurer, shall
26 be a bank or trust company organized under the laws of any state of the United States, a national banking
27 association or any other financial institution, having capital stock and surplus aggregating at least
28 \$50,000,000 and doing business in the State of California and willing and able to accept the office on

1 reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this
2 Resolution. Such Paying Agent shall signify the acceptance of its duties and obligations hereunder by
3 executing and delivering to the County and the District a written acceptance thereof. Resignation or
4 removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying
5 Agent.

6 In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay
7 over, assign and deliver any moneys held by it as Paying Agent to its successor, or, if there is no successor,
8 to the Treasurer. In the event that for any reason there shall be a vacancy in the office of the Paying Agent,
9 the Treasurer shall act as such Paying Agent. The County shall cause the new Paying Agent appointed to
10 replace any resigned or removed Paying Agent to give notice of its appointment and the address of its
11 principal office to all registered Owners in the same manner that a notice of redemption is to be delivered
12 in accordance with Section 12 hereof.

13 **Section 10. Payment of Principal and Interest.** The Principal of, premium, if any, and interest on
14 the Bonds shall be payable in lawful money of the United States of America without deduction for
15 the services of the Paying Agent as paying agent. Any interest due on Bonds shall be paid on each
16 Bond Payment Date by wire transfer so long as the Bonds are registered in the name of the
17 Depository, or its Nominee, and otherwise by check mailed by first class mail to the person in whose
18 name the Bond was registered, and to that person's address appearing on the Bond Register (as
19 described in Section 11 below) at the close of business on the Record Date. The Owner of an
20 aggregate Principal Amount of \$1,000,000 or more of Bonds may request in writing to the Paying
21 Agent that such Owner be paid interest by wire transfer to the bank and account number on file with
22 the Paying Agent as of any Record Date.

23 Payments of Principal and redemption premiums, if any, with respect to the Bonds shall be payable
24 at maturity or redemption upon surrender at the office of the Paying Agent designated for such purpose.
25 The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity or
26 redemption, and to cancel all Bonds which have matured or been redeemed upon payment thereof.

27 The Bonds are general obligation bonds of the District and do not constitute an obligation of the
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1 County. No part of any fund of the County is pledged or obligated to the payment of the Bonds.

2 **Section 11. Bond Registration and Transfer.** So long as any of the Bonds remain Outstanding,
3 the District will cause the Paying Agent to maintain and keep at its designated office all books and
4 records necessary for the registration, exchange and transfer of the Bonds as provided in this Section.

5 The person in whose name a Bond is registered on the Bond Register shall be regarded as the
6 absolute owner of that Bond for all purposes of this Resolution. Payment of or on account of the Principal
7 of and interest on any Bond shall be made only to or upon the order of that person; neither the District, the
8 County nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be
9 changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge
10 the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

11 Any Bond may be exchanged for Bonds of like series, tenor, maturity and Principal Amount upon
12 presentation and surrender at the office of the Paying Agent designated for such purpose, together with a
13 request for exchange signed by the registered Owner or by a person legally empowered to do so in a form
14 satisfactory to the Paying Agent. A Bond may be transferred only on the Bond Register by the person in
15 whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for
16 cancellation at the office of the Paying Agent designated for such purpose, accompanied by delivery of a
17 written instrument of transfer in a form approved by the Paying Agent, duly executed. Upon exchange or
18 transfer, the Paying Agent shall register, authenticate and deliver a new Bond or Bonds of like series, tenor
19 and of any authorized denomination or denominations requested by the Owner equal to the Principal
20 Amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

21 If manual signatures on behalf of the County are required, the Paying Agent shall undertake the
22 exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the County.
23 In all cases of exchanged or transferred Bonds, the County shall sign and the Paying Agent shall authenticate
24 and deliver Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall
25 be paid by the transferor. Those charges may be required to be paid before the procedure is begun for the
26 exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the
27 District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as
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1 the Bonds surrendered upon that exchange or transfer.

2 Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or
3 transfer shall be cancelled by the Paying Agent. The District and the County may at any time deliver to the
4 Paying Agent for cancellation any previously authenticated and delivered Bonds that the District and the
5 County may have acquired in any manner whatsoever, and those Bonds shall be promptly cancelled by the
6 Paying Agent. Written reports of the surrender and cancellation of Bonds shall be made by the Paying
7 Agent to the District and the County by the Paying Agent upon the request thereof. The cancelled Bonds
8 shall be retained for a period of two years and then returned to the District or destroyed by the Paying Agent
9 as directed by the District.

10 Neither the District, the County nor the Paying Agent will be required (a) to issue or transfer any
11 Bonds during a period beginning with the opening of business on the 15th day next preceding either the
12 maturity date for a Bond or any date of selection of Bonds to be redeemed and ending with the close of
13 business on the maturity date for a Bond or day on which the applicable notice of redemption is given, or
14 (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

15 In case any Bond secured hereby shall become mutilated or destroyed, stolen or lost, the Paying
16 Agent shall cause to be executed and authenticated a new Bond of like maturity date, interest rate, Principal
17 Amount and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond or in
18 lieu of and in substitution for such Bond mutilated, destroyed, stolen or lost, upon the Owner's paying the
19 reasonable expenses and charges in connection therewith, and, in the case of a Bond destroyed, stolen or
20 lost, such Owner's filing with the Paying Agent and the County of evidence satisfactory to them that such
21 Bond was destroyed, stolen or lost, and/or such Owner's ownership thereof, and furnishing the Paying
22 Agent, the County and the District with indemnity satisfactory to each of them.

23 Any new Bonds issued pursuant to this Section 11 in substitution for Bonds alleged to be destroyed,
24 stolen or lost shall constitute original additional contractual obligations on the part of the District, whether
25 or not the Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall
26 be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this
27 Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Bonds.
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1 **Section 12. Redemption.**

2 Terms of Redemption. The Bonds shall be subject to redemption prior to maturity as and to
3 the extent provided in the Purchase Contract. The Purchase Contract may provide that all or a portion of
4 the Bonds issued hereunder shall not be subject to optional redemption.

5 The Bonds, if any, which are designated in the Purchase Contract as Term Bonds
6 shall be subject to redemption prior to their stated maturity dates, without a redemption premium, in part
7 by lot, from mandatory sinking fund payments in the amounts and in accordance with the terms to be
8 specified in the Purchase Contract. The principal amount of each mandatory sinking fund payment of any
9 maturity shall be reduced as nearly as practicable on a proportionate basis in integral multiples of \$5,000
10 by the amount of any Bonds of that maturity optionally redeemed, or as otherwise directed by the District.
11 The Purchase Contract may provide that some or all of the Bonds shall not be subject to mandatory sinking
12 fund redemption.

13 The Auditor-Controller of the County is hereby authorized to create such sinking
14 funds or accounts for the Term Bonds as shall be necessary to accomplish the purposes of this Section.

15 Selection of Bonds for Redemption. Whenever provision is made in this Resolution and the
16 Purchase Contract for the redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the
17 Paying Agent, upon written instruction from an Authorized Representative of the District, shall select Bonds
18 for redemption from such maturity or maturities in accordance with such written instructions. Within a
19 maturity, the Paying Agent shall select Bonds for redemption in such manner as directed by the District or
20 if not so directed then by lot. Redemption by lot shall be in such manner as the Paying Agent shall
21 determine; provided, however, that the portion of any Bond to be redeemed in part shall be in the Principal
22 Amount of \$5,000 or any integral multiple thereof.

23 Notice of Redemption. When redemption of any Bond is to be made pursuant to
24 Section 12(a) hereof, the Paying Agent shall give notice (a "Redemption Notice") of the redemption of the
25 Bonds by first class mail, postage prepaid to each Owner of the Bonds at the addresses appearing on the
26 Bond Register at least 30 but not more than 60 days prior to the Redemption Date; provided, however, so
27 long as the Bonds are registered in the name of the Depository or its Nominee, notices of redemption shall
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1 be given in accordance with the procedures of the Depository. Such Redemption Notice shall specify:
2 (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole)
3 which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be
4 made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP
5 numbers (if any) assigned to the Bonds to be redeemed, (f) the numbers of the Bonds to be redeemed in
6 whole or in part and, in the case of any Bond to be redeemed in part only, the Principal Amount of such
7 Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to
8 be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified
9 Redemption Date there shall become due and payable upon each Bond or portion thereof being redeemed
10 the Principal Amount thereof and applicable premium, if any, together with accrued interest to the
11 Redemption Date for the Bonds, and that from and after such Redemption Date, interest with respect thereto
12 shall cease to accrue in value.

13 In case of the redemption as permitted herein of all the Bonds of any one maturity then
14 Outstanding, notice of redemption shall be given as herein provided, except that the Redemption Notice
15 need not specify the serial numbers of the Bonds of such maturity.

16 Any Redemption Notice for an optional redemption of the Bonds delivered in accordance
17 with this Section 12(c) may be conditional, and, if any condition stated in the Redemption Notice shall not
18 have been satisfied on or prior to the redemption date: (i) the Redemption Notice shall be of no force and
19 effect, (ii) the District shall not be required to redeem such Bonds, (iii) the redemption shall not be made,
20 and (iv) the Paying Agent shall within a reasonable time thereafter give notice to the persons in the manner
21 in which the conditional Redemption Notice was given that such condition or conditions were not met and
22 that the redemption was canceled.

23 Neither failure to receive nor any defect in any such Redemption Notice so given shall affect
24 the sufficiency of the proceedings for the redemption of the affected Bonds.

25 Additional Notice. In addition to the Redemption Notice given pursuant to Section 12(c),
26 further notice shall be given by the Paying Agent as set out below, but no defect in said further notice nor
27 any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a
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1 call for redemption if notice thereof is given as above prescribed. Each further notice of redemption shall
2 be sent at least thirty (30) days before the Redemption Date by registered or certified mail or overnight
3 delivery service, or in such other manner as is approved by the recipient of such notice, to each of the
4 Securities Depositories and Information Services.

5 CUSIP Numbers. Upon the payment of the redemption price of Bonds being redeemed, each
6 check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue
7 and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

8 Payment of Redeemed Bonds. When notice of redemption has been given substantially as
9 provided for herein, and, when the amount necessary for the redemption of the Bonds called for redemption
10 (Principal and premium, if any) is irrevocably set aside in trust for that purpose in the Debt Service Fund,
11 as provided herein, the Bonds designated for redemption shall become due and payable on the date fixed
12 for redemption thereof and upon presentation and surrender of said Bonds at the place specified in the notice
13 of redemption with the form of assignment endorsed thereon executed in blank, said Bonds shall be
14 redeemed and paid at the redemption price out of the Debt Service Fund.

15 All unpaid interest payable at or prior to the redemption date shall continue to be payable to the
16 respective Owners, but without interest thereon.

17 Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the
18 Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like series, tenor and
19 maturity and of authorized denominations equal in Principal Amount to the unredeemed portion of the Bond
20 surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such
21 Owner, and the County and the District shall be released and discharged thereupon from all liability to the
22 extent of such payment.

23 Effect of Notice of Redemption. If on such Redemption Date, money for the redemption of
24 the Bonds to be redeemed as provided in Section 12 hereof, together with interest to such Redemption Date,
25 shall be held by the Paying Agent so as to be available therefor on such Redemption Date, and if notice of
26 redemption thereof shall have been given as aforesaid, then from and after such Redemption Date, interest
27 with respect to the Bonds to be redeemed shall cease to accrue and become payable.
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1 All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this
2 Section 12 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District.
3 All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent.

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

12 **Section 13. Book-Entry System.**

13 The Bonds shall be initially executed and delivered in the form of a single, fully registered
14 Bond for each maturity (which may be typewritten). Upon initial execution and delivery, as provided for
15 herein, the ownership of such Bond shall be registered in the Bond Register in the name of the Depository
16 or its nominee (the "Nominee"). Except as hereinafter provided, all of the outstanding Bonds shall be
17 registered in the Bond Register in the name of the Nominee of the Depository, which may be the Depository,
18 as determined from time to time pursuant to this Section. Each Bond certificate shall bear a legend
19 substantially to the following effect: "UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED
20 REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND
21 REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY
22 BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS
23 IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY
24 PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN
25 AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR
26 OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL
27 INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."
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1 With respect to the Bonds registered in the Bond Register in the name of the Nominee,
2 neither the District, the County nor the Paying Agent shall have any responsibility or obligation to any
3 broker-dealers, banks and other financial institutions from time to time for which the Depository holds
4 Bonds as securities depository (the "Participant") or to any person on behalf of which such a Participant
5 holds an interest in the Bonds. Without limiting the immediately preceding sentence, neither the District,
6 the County nor the Paying Agent shall have any responsibility or obligation (unless the District is at such
7 time the Depository) with respect to (i) the accuracy of the records of the Depository, the Nominee, or any
8 Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any
9 other person, other than an Owner of a Bond as shown in the Bond Register, of any notice with respect to
10 the Bonds, including any notice of redemption, (iii) the selection by the Depository and its Participants of
11 the beneficial interests in the Bonds to be redeemed in the event the District redeems the Bonds in part, or
12 (iv) the payment to any Participant or any other person, other than an Owner of a Bond as shown in the
13 Bond Register, of any amount with respect to Principal of or interest on the Bonds. The District and the
14 Paying Agent may treat and consider the person in whose name each Bond is registered in the Bond Register
15 as the holder and absolute Owner of such Bond for the purpose of the payment of Principal of and interest
16 with respect to such Bond, for the purpose of giving notices of redemption, if applicable, and other matters
17 with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all
18 other purposes whatsoever. The Paying Agent shall pay all Principal of and interest on the Bonds only to
19 or upon the order of the respective Owner of the Bond, as shown in the Bond Register, or his respective
20 attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and
21 discharge the District's obligations with respect to payment of Principal of and interest on the Bonds to the
22 extent of the sum or sums so paid. No person other than an Owner of a Bond, as shown in the Bond Register,
23 shall receive a Bond evidencing the obligation of the District to make payments of Principal and interest.
24 Upon delivery by the Depository to the Owners of the Bonds, and the District of written notice to the effect
25 that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the
26 provisions herein with respect to Record Dates, the word Nominee in this Resolution shall refer to such
27 nominee of the Depository.
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1 In order to qualify the Bonds for the Depository's book-entry system, the District has
2 executed and delivered to the Depository a Representation Letter. The execution and delivery of the
3 Representation Letter shall not in any way limit the provisions of this Section or in any other way impose
4 upon the District any obligation whatsoever with respect to persons having interests in the Bonds other than
5 the owners of the Bonds, as shown on the Bond Register. In addition, to the execution and delivery of the
6 Representation Letter, the District shall take such other actions, not inconsistent with this Resolution, as are
7 reasonably necessary to qualify the Bonds for the Depository's book-entry program.

8 If at any time the Depository notifies the County and the District that it is unwilling or unable
9 to continue as Depository with respect to the Bonds or if at any time the Depository shall no longer be
10 registered or in good standing under the Securities Exchange Act or other applicable statute or regulation
11 and a successor Depository is not appointed by the Treasurer within 90 days after the County and the District
12 receive notice or become aware of such condition, as the case may be, subsection (a) hereof shall no longer
13 be applicable and the Treasurer shall issue bonds representing the Bonds as provided below. In addition,
14 the County and the District may determine at any time that the Bonds shall no longer be represented by
15 book-entry securities and that the provisions of subsection (a) hereof shall no longer apply to the Bonds. In
16 any such event, the Treasurer shall execute and deliver certificates representing the Bonds as provided
17 below. Bonds issued in exchange for book-entry securities pursuant to this subsection (c) shall be registered
18 in such names and delivered in such denominations as the Depository shall instruct the County and the
19 District. The Treasurer shall deliver such bonds representing the Bonds to the persons in whose names such
20 Bonds are so registered.

21 If the County and the District determine to replace the Depository with another qualified
22 securities depository, the County and the District shall prepare or cause to be prepared new fully-registered
23 book-entry securities for each of the maturities of the Bonds, registered in the name of such successor or
24 substitute securities depository or its nominee, or make such other arrangements as are acceptable to the
25 County, the District and such securities depository and not inconsistent with the terms of this Resolution.

26 Notwithstanding any other provisions of this Resolution to the contrary, so long as any
27 Bond is registered in the name of the Nominee, all payments with respect to Principal of and interest on
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1 such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in
2 the Representation Letter or as otherwise instructed by the Depository and acceptable to the District and
3 agreed to by the Paying Agent.

4 The initial Depository under this Section shall be The Depository Trust Company, New
5 York, New York ("DTC"). The initial Nominee shall be Cede & Co., as Nominee of DTC.

6 The Bonds initially shall be issued as described herein and in the Purchase Contract.
7 Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

8 to any successor of DTC or its Nominee, or of any substitute depository designated
9 pursuant to Section 13(e)(ii) ("Substitute Depository"); provided that any successor of DTC or any
10 Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be
11 provided by it;

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

17 to any person as provided below, upon (A) the resignation of DTC or its successor
18 (or any Substitute Depository or its successor) from its functions as depository, or (B) a determination by
19 the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry
20 out its functions as depository.

21 In the case of any transfer pursuant to Section 13(e)(i) or (ii), upon receipt of all Outstanding
22 Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating
23 the Substitute Depository, a single new Bond, which the District shall prepare or cause to be prepared, shall
24 be executed and delivered for each maturity of Bonds then Outstanding, registered in the name of such
25 successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such
26 written request of the District. In the case of any transfer pursuant to Section 13(e)(iii), upon receipt of all
27 Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent,
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1 new Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such
2 denominations and registered in the names of such persons as are requested in such written request of the
3 District, provided that the Paying Agent shall not be required to deliver such new Bonds within a period of
4 less than sixty (60) days from the date of receipt of such written request from the District.

5 In the case of a partial redemption or an advance refunding of any Bonds evidencing a
6 portion of the Principal maturing in a particular year, DTC or its successor (or any Substitute Depository or
7 its successor) shall make an appropriate notation on such Bonds indicating the date and amounts of such
8 reduction in Principal in form acceptable to the Paying Agent, all in accordance with the Representation
9 Letter. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors
10 in making such notations.

11 The District and the Paying Agent shall be entitled to treat the person in whose name any
12 Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws,
13 notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and
14 the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying,
15 or otherwise dealing with any beneficial owners of the Bonds. Neither the District nor the Paying Agent
16 shall have any responsibility or obligation, legal or otherwise, to any such beneficial owners or to any other
17 party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of
18 any Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of
19 the Bonds.

20 **Section 14. Form of Bonds.** The Bonds shall be in substantially the form as shown in Exhibit C
21 hereto; provided, however, that those officials executing the Bonds are hereby authorized to make
22 the insertions and deletions necessary to conform the Bonds to this Resolution, the Purchase
23 Contract and the Official Statement and to correct any defect or inconsistent provision therein or to
24 cure any ambiguity or omission therein.

25 **Section 15. Deposit of Proceeds of Bonds; Creation of Funds.**

26 Following the sale of the Bonds, the proper officials of the County shall cause the Bonds to
27 be prepared, signed and delivered to DTC for credit to the account of the Underwriter upon payment by the
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1 Underwriter of the purchase price of such Bonds in immediately available funds.

2 The proceeds from the sale of the Bonds, to the extent of the Principal Amount thereof
3 payable to the County under the terms of the Purchase Contract, shall be paid to the County to the credit of
4 the fund hereby created and established and to be known as the "Beaumont Unified School District Election
5 of 2008 General Obligation Bond Series E Building Fund" (the "Building Fund") of the District, which
6 shall be kept separate and distinct from all other District and County funds. Such proceeds shall be used
7 solely for the purpose for which the Bonds are being issued and shall be applied solely to authorized
8 purposes which relate to the Projects. Any amounts that remain in the Building Fund at the completion of
9 the Projects, at the written direction of an Authorized Representative of the District, shall be transferred to
10 the Debt Service Fund to be used to pay the Principal of, premium, if any, and interest on the Bonds, subject
11 to any conditions set forth in the Tax Certificate.

12 All premium received by the County from the sale of the Bonds, if any, and any accrued
13 interest on the Bonds shall be kept separate and apart in the fund hereby created and established and to be
14 designated as the "Beaumont Unified School District Election of 2008 General Obligation Bond Series E
15 Debt Service Fund" (the "Debt Service Fund") for the Bonds. Amounts in the Debt Service Fund shall be
16 used only for payments of Principal, premium, if any, and interest on the Bonds on each Bond Payment
17 Date and Redemption Date. All ad valorem taxes levied for the purposes described in Section 16 hereof
18 shall be deposited upon collection by the County into the Debt Service Fund and used for the payment of
19 the Principal of, premium, if any, and interest on the Bonds on each Bond Payment Date and Redemption
20 Date. On the Business Day immediately preceding each Bond Payment Date and Redemption Date, the
21 District shall transfer or cause to be transferred from the Debt Service Fund to the Paying Agent, an amount,
22 in immediately available funds, sufficient to pay all the Principal of, premium, if any, and interest on the
23 Bonds (collectively, the "Debt Service") on such Bond Payment Date or Redemption Date, as applicable.
24 If, after payment in full of the Bonds, there remain excess proceeds in the Debt Service Fund, any such
25 excess amounts shall be transferred to the General Fund of the District.

26 There is hereby created and established a "Beaumont Unified School District Election of
27 2008 General Obligation Bond Series E Rebate Fund" (the "Rebate Fund"). The County shall from time to
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1 time receive funds from the District for deposit into the Rebate Fund as required to enable the District to
2 comply with the requirements of Section 148(f) of the Code. The District shall instruct the County, in
3 writing, as to the method of investing funds held in the Rebate Fund and disbursing such funds to the United
4 States Treasury. The County agrees to comply with such instructions of the District. Any money remaining
5 in the Rebate Fund after the payment in full of the Bonds, either at maturity or earlier redemption, and the
6 payment to the United States Treasury of any amounts required pursuant to Section 148(f) of the Code, and
7 any regulations thereunder, shall be transferred to the Building Fund, or if the Building Fund is not then in
8 existence, shall be transferred to the General Fund of the District. The County shall have no liability or
9 obligation with respect to the required deposits to or disbursements from the Rebate Fund, which shall
10 remain the sole responsibility of the District.

11 There shall hereby be created and established the "Beaumont Unified School District,
12 Election of 2008 General Obligation Bond Series E Costs of Issuance Fund" (the "Costs of Issuance Fund")
13 which shall be accounted for separately and distinctly from all other District funds and accounts. At the
14 time of issuance of the Bonds, an Authorized Officer may direct that the Costs of Issuance Fund be held in
15 the County treasury or by ZB, National Association dba Zions Bank, as a fiscal agent, and may transfer, or
16 cause to be transferred, to the Costs of Issuance Fund an amount not to exceed two percent (2.00%) of the
17 initial Principal Amount of the Bonds issued. Monies held in the Costs of Issuance Fund shall be applied,
18 upon direction from an Authorized Officer of the District, solely to pay Costs of Issuance or to make a
19 transfer back to the Building Fund.

20 Interest earned on the investment of monies held in the Debt Service Fund shall be retained
21 in the Debt Service Fund, interest earned on the investment of monies held in the Building Fund shall be
22 retained in the Building Fund, interest earned on the investment of moneys in the Costs of Issuance Fund,
23 if any, shall be transferred and credited to the Building Fund, and interest earned in the investments in the
24 Rebate Fund, if any, shall be retained in the Rebate Fund.

25 If at any time it is deemed necessary or desirable by the District, upon the written direction
26 of an Authorized Representative of the District, the County may establish additional funds under this
27 Resolution and/or accounts within any of the funds or accounts established hereunder.
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1 **Section 16. Security for the Bonds; Tax Levy.** There shall be levied on all the taxable property in
2 the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the
3 period the Bonds are Outstanding in an amount sufficient, together with moneys on deposit in the
4 Debt Service Fund available for such purpose, to pay the Principal of, premium, if any, and interest
5 on the Bonds when due. The Board hereby covenants to levy *ad valorem* taxes for the payment of
6 the Bonds on all property in the District subject to taxation by the County without limitation as to
7 rate or amount (except certain personal property which is taxable at limited rates) and to coordinate
8 with the County of San Bernardino to collect the *ad valorem* taxes to be levied on property within
9 the District which is located within the County of San Bernardino. The taxes collected for the Bonds
10 will be placed in the Debt Service Fund of the District and which moneys, pursuant to Government
11 Code Sections 5450 and 5451, are hereby irrevocably pledged to the payment of the Principal of,
12 premium, if any, and interest on the Bonds when and as due. Pursuant to Government Code Section
13 53515, the Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy
14 and collection of *ad valorem* taxes for the payment thereof. The Bonds are the general obligation
15 bonds of the District and do not constitute an obligation of the County except as expressly provided
16 in this Resolution. No part of any fund or account of the County is pledged or obligated to the
17 payment of the Bonds or the interest thereon.

18 The moneys in the Debt Service Fund, to the extent necessary to pay the Principal of and interest on
19 the Bonds as the same become due and payable, shall be transferred by the Treasurer to the Paying Agent
20 which, in turn, shall pay such moneys to DTC to pay such Principal and interest. DTC will thereupon make
21 payments of Principal of and interest on the Bonds to the DTC Participants who will thereupon make
22 payments of such Principal and interest to the beneficial owners of the Bonds. Any moneys remaining in
23 the Debt Service Fund after the Bonds and the interest thereon have been paid in full, or provision for such
24 payment has been made, shall be transferred to the General Fund of the District, pursuant to Education Code
25 Section 15234.

26 **Section 17. Defeasance.** The Bonds may be defeased, in whole, prior to maturity in the following
27 ways:
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1 by irrevocably depositing with the Paying Agent or an independent escrow agent selected
2 by the District an amount of cash which together with amounts then on deposit in the Debt Service Fund is
3 sufficient to pay all Outstanding Bonds (including all Principal, redemption premium, if any, and interest)
4 at or before their maturity date or redemption date, as applicable; or

5 by irrevocably depositing with the Paying Agent or an independent escrow agent selected
6 by the District noncallable Government Obligations together with cash, if required, in such amount as will,
7 in the opinion of an independent certified public accountant, together with interest to accrue thereon, and
8 moneys then on deposit in the Debt Service Fund together with the interest to accrue thereon, be fully
9 sufficient to pay and discharge all Outstanding Bonds (including all Principal, redemption premium, if any,
10 and interest) at or before their maturity date or redemption date, as applicable;

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

16 For purposes of this Section and Section 17, "Government Obligations" shall mean:

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

5 **Section 18. Partial Defeasance.** Any portion of an Outstanding maturity or maturities of the Bonds
6 may be defeased prior to maturity in the following ways:

7 by irrevocably depositing with the Paying Agent, or an independent escrow agent selected
8 by the District, an amount of cash which, together with amounts transferred from the Debt Service Fund, is
9 sufficient to pay all Bonds designated for defeasance (including all Principal, redemption premium, if any,
10 and interest) at or before their maturity date or redemption date, as applicable; or

11 by irrevocably depositing with the Paying Agent or an independent escrow agent selected
12 by the District noncallable Government Obligations together with cash, if required, in such amount as will,
13 in the opinion of an independent certified public accountant, together with interest to accrue thereon, and
14 moneys then on deposit in the Debt Service Fund together with the interest to accrue thereon, be fully
15 sufficient to pay and discharge all Bonds designated for defeasance (including all Principal, redemption
16 premium, if any, and interest) at or before their maturity date or redemption date, as applicable;

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

22 For purposes of this Section, Government Obligations shall have the same meaning as set forth in
23 Section 17 hereof.

24 **Section 19. Continuing Disclosure.** The District has covenanted and agreed that it will comply
25 with and carry out all of the provisions of the Continuing Disclosure Agreement. Any Owner or
26 beneficial owner may take such actions as may be necessary and appropriate, including seeking
27 mandate or specific performance by court order, to cause the District to comply with its obligations
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1 under a Continuing Disclosure Agreement. The failure of the District to comply with the Continuing
2 Disclosure Agreement shall not constitute a default hereunder nor shall any Owner or beneficial
3 owner of a Bond be permitted to monetary damages for failure of the District to comply.

4 **Section 20. Tax Covenants of the District.** The District has covenanted for and on behalf of the
5 Owners that it shall not take any action, or fail to take any action if such action or failure to take
6 such action would adversely affect the exclusion from gross income for federal income tax purposes
7 of the interest payable on the Bonds.

8 **Section 21. Arbitrage Covenant.** The District has covenanted for and on behalf of the Owners that
9 it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may
10 be necessary, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code
11 and the applicable regulations prescribed under that section or any predecessor section. Calculations
12 for determining arbitrage requirements are the sole responsibility of the District. The County hereby
13 covenants that it will follow such written directions as are given to it by an Authorized
14 Representative of the District to restrict the use of the proceeds of the Bonds in such manner and to
15 such extent, if any, as may be necessary, so that any Bonds will not constitute arbitrage bonds under
16 Section 148 of the Code and the applicable regulations prescribed under that section or any
17 predecessor section.

18 **Section 22. Conditions Precedent.** This Board determines that all acts and conditions necessary
19 to be performed by the Board or to have been met precedent to and in the issuing of the Bonds in
20 order to make them legal, valid and binding general obligation bonds of the District have been
21 performed and have been met, or will at the time of delivery of the Bonds have been performed and
22 have been met, in regular and due form as required by law; and that no statutory or constitutional
23 limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

24 **Section 23. Official Statement.** The District has approved a Preliminary Official Statement
25 substantially in the form attached hereto as Exhibit D meeting the requirements of Securities and
26 Exchange Commission Rule 15c2-12 ("Rule 15c2-12") and has authorized the execution and
27 delivery of a final Official Statement to be delivered in accordance with Rule 15c2-12. Such
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1 Preliminary Official Statement and Official Statement shall be referred to as the "Official
2 Statement." The final Official Statement will be substantially in the form of the Preliminary Official
3 Statement attached hereto as Exhibit D, together with such changes as the District deems necessary
4 to make such Official Statement accurate as of its date.

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

12 **Section 24. Approval of Actions.** Officers of the Board and County officials are hereby authorized
13 and directed, jointly and severally, to do any and all things and to execute and deliver any and all
14 documents which they may deem necessary or advisable in order to proceed with the issuance of
15 the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this
16 Resolution, including the execution of any documents required by a Bond Insurer as a precondition
17 to obtaining bond insurance if purchased by the District. Such actions heretofore taken by such
18 officers, officials and staff are hereby ratified, confirmed and approved.

19 **Section 25. Supplemental Resolutions.**

20 This Resolution, and the rights and obligations of the County, the District and the Owners of the
21 Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted
22 by the County with the written consent of Owners owning at least 60% in aggregate Principal Amount of
23 the Outstanding Bonds, exclusive of Bonds, if any, owned by the County or the District; provided, however,
24 that no such modification or amendment shall, without the express consent of the Owner of each Bond
25 affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the
26 earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the
27 monetary medium in which Principal and interest is payable, nor shall any modification or amendment
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1 reduce the percentage of consents required for amendment or modification. No such Supplemental
2 Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written
3 assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required by the
4 Owners of any Bonds that are not directly and adversely affected by such amendment or modification, and
5 such modification or amendment may be adopted with the approval of not less than 60% in aggregate
6 Principal Amount of the Bonds affected.

7 This Resolution, and the rights and obligations of the County, the District and of the Owners
8 of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution
9 adopted by the County without the written consent of the Owners:

10 To add to the covenants and agreements of the County in this Resolution, other
11 covenants and agreements to be observed by the County which are not contrary to or inconsistent with this
12 Resolution as theretofore in effect;

13 To add to the limitations and restrictions in this Resolution, other limitations and
14 restrictions to be observed by the County which are not contrary to or inconsistent with this Resolution as
15 theretofore in effect;

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

19 To cure any ambiguity, supply any omission, or cure or correct any defect or
20 inconsistent provision in this Resolution; or

21 To amend or supplement this Resolution in any other respect, provided such
22 Supplemental Resolution does not adversely affect the interests of the Owners.

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

3 **Section 26. Insurance.** In the event the District purchases bond insurance for a Bond, and to the
4 extent that the Bond Insurer makes payment of the Principal or interest on such Bond, the Bond
5 Insurer shall become the owner of such Bond, with the right to payment of Principal or interest on
6 such Bond, and shall be fully subrogated to all of the Owner's rights, including the Owner's rights
7 to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that
8 were past due interest, the Paying Agent shall note the Bond Insurer's rights as subrogee on the
9 registration books for such Bond maintained by the Paying Agent upon receipt of a copy of the
10 cancelled check issued by the Bond Insurer or other evidence satisfactory to the Paying Agent for
11 the payment of such interest to the Owner of such Bond, and (ii) in the case of subrogation as to
12 claims for past due Principal or interest, the Paying Agent shall note the Bond Insurer as subrogee
13 on the registration books for such Bond maintained by the Paying Agent upon surrender of such
14 Bond by the Owner thereof to the Bond Insurer or the insurance trustee for the Bond Insurer. The
15 Paying Agent shall request payment pursuant to the terms of any bond insurance policy to the extent
16 required to pay the Principal of and interest on any insured Bond when due if amounts on deposit in
17 the Debt Service Fund are not adequate for that purpose.

18 **Section 27. Resolution to Constitute Contract.** In consideration of the purchase and acceptance
19 of any and all of the Bonds authorized to be issued hereunder by those who shall own the same from
20 time to time, this Resolution shall be deemed to be and shall constitute a contract among the County,
21 the District and the Owners from time to time of the Bonds; and the pledge made in this Resolution
22 shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all
23 of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without
24 preference, priority or distinction of any of the Bonds over any other thereof.

25 **Section 28. Notices.** All notices or communications herein required or permitted to be given to any
26 party shall be given to each of the following parties and shall be given in writing and shall be deemed
27 to have been sufficiently given or served for all purposes by being delivered or sent by telecopier or
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1 by being deposited, postage prepaid, in a post office letter box, to the addresses set forth below, or
2 to such other address as may be provided to the other parties hereinafter listed in writing from time
3 to time, namely:

4 If to the County: County of Riverside
5 4080 Lemon Street, Fourth Floor
6 Riverside, California 92501
7 Attention: Treasurer-Tax Collector

8 If to the Paying Agent: ZB, National Association dba Zions Bank
9 550 S. Hope Street, Suite 2875
10 Los Angeles, California 90071
11 Attention: Corporate Trust Services

12 If to the District: Beaumont Unified School District
13 350 Brookside Avenue
14 Beaumont, California 92223
15 Attention: Superintendent

16 **Section 29. Unclaimed Moneys.** Anything in this Resolution to the contrary notwithstanding, any
17 moneys held by the County or the Paying Agent in trust for the payment and discharge of any of the
18 Bonds which remain unclaimed for one (1) year after the date when such Bonds have become due
19 and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys
20 were held by the County or the Paying Agent at such date, or for one (1) year after the date of deposit
21 of such moneys if deposited with the County or the Paying Agent after said date when such Bonds
22 become due and payable, shall be repaid by the County or the Paying Agent, as applicable, to the
23 District, as its absolute property and free from trust, and the County and the Paying Agent shall
24 thereupon be released and discharged with respect thereto and the Bond Owners shall look only to
25 the District for the payment of such Bonds; provided, however, that before being required to make
26 such payment to the District, the Paying Agent shall, at the expense of District, cause to be mailed
27 to the Owners of all such Bonds, at their respective addresses appearing on the registration books, a
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1 notice that said moneys remain unclaimed and that, after a date in said notice, which date shall not
2 be less than thirty (30) days after the date of mailing such notice, the balance of such moneys then
3 unclaimed will be returned to the District.

4 **Section 30. Permitted Investments.**

5 All amounts held in the funds and accounts established hereunder and held by the Treasurer
6 shall be invested by the Treasurer in any instrument which is a lawful investment for funds of the District,
7 including the Treasurer's Pooled Investment Fund, the Local Agency Investment Fund of the State of
8 California, any investment authorized pursuant to Sections 53601 and 53635 of the Government Code, or
9 in investment agreements, including guaranteed investment contracts, float contracts or other investment
10 products; provided that such agreements comply with the requirements of each rating agency then rating
11 the Bonds necessary in order to maintain the then-current rating on the Bonds; and provided further that
12 except as otherwise permitted by law, at no time shall Bond proceeds be withdrawn by the District for
13 investment outside the County of Riverside Treasurer's Pooled Investment Fund. Any premium or accrued
14 interest received from the sale of the bonds shall be deposited in the interest and sinking fund of the school
15 district or community college district. Unless otherwise instructed by the District in writing, amounts held
16 in the funds established by this Resolution shall be invested in the Treasurer's Pooled Investment Fund. If
17 invested in other than the Pooled Investment Fund or the Local Agency Investment Fund, amounts in the
18 Debt Service Fund shall be invested in investments maturing not later than the date on which such amounts
19 will be needed to pay the Principal of and interest on the Bonds. Nothing in this Resolution shall prevent
20 any investment securities acquired as investments of funds held hereunder from being issued or held in
21 book-entry form on the books of the Department of the Treasury of the United States.

22 Obligations purchased as an investment of moneys in any fund or account shall be deemed
23 at all times to be a part of such fund or account. Profits or losses attributable to any fund or account shall
24 be credited or charged to such fund or account. In computing the amount in any fund or account created
25 under the provisions of this Resolution for any purpose provided in this Resolution, obligations purchased
26 as an investment of moneys therein shall be valued at cost, plus, where applicable, accrued interest.

27 **Section 31. Effective Date.** This Resolution shall take effect immediately upon its passage.
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1 **PASSED AND ADOPTED** at a regular meeting of the Board of Supervisors of the COUNTY OF
2 RIVERSIDE on the 31st day of July, 2018, by the following vote:

3
4 AYES, Supervisors: Jeffries, Tavaglione, Washington and Perez

5 NOES, Supervisors: None

6 ABSENT, Supervisors: Ashley
7

8 BOARD OF SUPERVISORS
9 OF RIVERSIDE COUNTY
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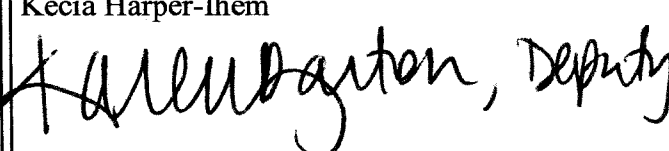
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12 By: 

13 Chairman
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15 ATTEST:

16 Clerk to the Board

17 Kecia Harper-Ihem

18 
19 Deputy
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21 The foregoing is certified to be a true copy of a resolution duly
22 adopted by said Board of Supervisors on the date therein set forth.

23 KECIA HARPER-IHEM, Clerk of said Board

24 By 

25 Deputy
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27 07.31.18 3.65
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EXHIBIT A
[FORM OF DISTRICT RESOLUTION]

EXHIBIT B
[FORM OF PURCHASE CONTRACT]

EXHIBIT C
FORM OF BOND

R- _____ \$ _____

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

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF RIVERSIDE
BEAUMONT UNIFIED SCHOOL DISTRICT
RIVERSIDE COUNTY, CALIFORNIA
ELECTION OF 2008 GENERAL OBLIGATION BOND SERIES E

INTEREST RATE: _____ **MATURITY DATE:** August 1, 20____ **DATED DATE:** _____, 2018 **CUSIP** _____
_____% per annum

REGISTERED OWNER: CEDE & CO.

1 PRINCIPAL AMOUNT: _____ AND NO/100 DOLLARS

2 The Beaumont Unified School District (the "District") Riverside County, California (the "County"),
3 for value received, promises to pay to the Registered Owner named above, or registered assigns, the
4 Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal
5 Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year,
6 commencing February 1, 2019 (each, a "Bond Payment Date"). This bond will bear interest from the Bond
7 Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during
8 the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment
9 Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is
10 authenticated on or before the first Record Date, in which event it shall bear interest from its Dated Date;
11 provided, however, that, if at the time of registration of this bond interest with respect hereto is in default,
12 interest with respect hereto shall be payable from the Bond Payment Date to which interest has previously
13 been paid or made available for payment). Principal and interest are payable in lawful money of the United
14 States of America, without deduction for the paying agent services, to the person in whose name this bond
15 (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the register
16 maintained by the Paying Agent, initially ZB, National Association dba Zions Bank. Principal is payable
17 when due upon presentation and surrender of this bond at the principal office of the Paying Agent. Interest
18 is payable as set forth in the Bond Resolution (defined below) either by wire transfer or check mailed by
19 the Paying Agent on each Bond Payment Date to the Registered Owner as shown and at the address
20 appearing on said register at the close of business on the 15th day of the calendar month next preceding that
21 Bond Payment Date (the "Record Date").

22 The Bonds have been issued in the principal amount of \$ _____ to finance the acquisition,
23 construction, equipping, furnishing, reconstruction, rehabilitation, repair and replacement of school
24 facilities and sites under authority of and pursuant to the laws of the State of California, and the requisite
25 fifty-five percent vote of the electors of the District cast at an election held on November 4, 2008, upon the
26 question of issuing bonds in the amount of \$125,000,000 and the resolution of the Board of Education of
27 the District adopted on July 24, 2018 (the "District Resolution") and the resolution of the County Board
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1 of Supervisors adopted on July 31, 2018 (the "Bond Resolution"). Any capitalized terms not defined herein
2 shall have the meaning set forth in the Bond Resolution. This bond and the issue of which this bond is a
3 part are payable as to both principal and interest from the proceeds of the levy of ad valorem taxes on all
4 property subject to such taxes in the District, which taxes are, under the laws now in force, unlimited as to
5 rate or amount. THE BONDS OF THIS ISSUE ARE GENERAL OBLIGATION BONDS OF THE
6 DISTRICT AND DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY.
7 NO PART OF ANY FUND OF THE COUNTY IS PLEDGED OR OBLIGATED TO THE PAYMENT
8 OF THE BONDS OF THIS ISSUE.

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

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

23 The Bonds maturing on or before August 1, 20___, are not subject to redemption prior to their
24 maturity dates. Any Bonds maturing on or after August 1, 20___ may be redeemed before maturity at the
25 option of the District, from any source of funds, on any date on or after August 1, 20___, as a whole, or in
26 part in such manner as directed by the District and by lot within a maturity if not otherwise directed by the
27 District. For the purposes of such selection, Bonds will be deemed to consist of \$5,000 portions, and any
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1 such portion may be separately redeemed. Any Bonds called prior to maturity will be redeemed at a
2 redemption price equal to the principal amount thereof, together with accrued interest to the date of
3 redemption, without premium.

4 The Bonds maturing on August 1, 20__ (the "Term Bonds") are subject to mandatory sinking fund
5 redemption from sinking fund payments on the following dates and in the following amounts at a
6 redemption price equal to the principal amount to be redeemed, together with accrued interest to the
7 redemption date, without premium:

<i>Year</i>	<i>Principal Amount</i>
<i>(August 1)</i>	<i>To Be Redeemed</i>

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17 * Final Maturity

18 If the Term Bonds have been optionally redeemed in part, then the sinking fund payments above
19 shall be reduced, as nearly as practicable, on a proportionate basis, by \$5,000, or an integral multiple
20 thereof.

21 If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds
22 or portions of Bonds of such maturity to be redeemed shall be selected by lot at the direction of the District
23 by the Paying Agent in such manner as the Paying Agent in its discretion may determine; provided,
24 however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some
25 multiple thereof and that, in selecting Bonds for redemption, the Paying Agent shall treat each Bond as
26 representing that number of Bonds which is obtained by dividing the principal amount of such Bond by
27 \$5,000.
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1 The rights and obligations of the County, the District and of the Owners of the Bonds may be
2 modified or amended at any time by a supplemental resolution adopted by the County in certain cases with
3 the written consent of Owners of at least 60% in aggregate Principal Amount of the Outstanding Bonds,
4 exclusive of Bonds, if any, owned by the County or the District and in certain cases without the consent of
5 the Owners as further specified in the Resolution.

6 Reference is made to the Bond Resolution for a more complete description of the provisions, among
7 others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties
8 and obligations of the District, the County, the Paying Agent and the Registered Owners, and the terms and
9 conditions upon which the Bonds are issued and secured. The Registered Owner of this Election of 2008
10 General Obligation, Bond Series E assents, by acceptance hereof, to all of the provisions of the Bond
11 Resolution.

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

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

22 IN WITNESS WHEREOF, the Board of Supervisors has caused this Bond to be executed on behalf
23 of the District, by the facsimile signatures of the Chair of the Board of Supervisors of the County and the
24 Treasurer-Tax Collector of the County, and to be countersigned by the facsimile signature of the Clerk of
25 the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of
26 the date stated above.

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[SEAL]

Chair of the Board of Supervisors

COUNTERSIGNED:

Clerk of the Board of Supervisors

Treasurer-Tax Collector of the County of Riverside

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(FORM OF CERTIFICATE OF AUTHENTICATION)

This bond is one of the Bonds described in the Bond Resolution referred to herein, which has been authenticated and registered on _____, 2018.

ZB, NATIONAL ASSOCIATION DBA ZIONS BANK,
as Paying Agent

By: _____

Its: Authorized Officer

(FORM OF LEGAL OPINION)

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

Clerk of the Board of Supervisors of the County of Riverside

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

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

[SEAL]

Chair of the Board of Supervisors

COUNTERSIGNED:

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Clerk of the Board of Supervisors

Treasurer-Tax Collector of the County of Riverside

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(FORM OF CERTIFICATE OF AUTHENTICATION)

This bond is one of the Bonds described in the Bond Resolution referred to herein, which has been authenticated and registered on _____, 2018.

ZB, NATIONAL ASSOCIATION DBA ZIONS BANK,
as Paying Agent

By: _____

Its: Authorized Officer

(FORM OF LEGAL OPINION)

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

Clerk of the Board of Supervisors of the County of Riverside

§ _____
**BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES E**

BOND PURCHASE CONTRACT

_____, 2018

County of Riverside
Board of Supervisors
4080 Lemon Street, 5th Floor
Riverside, California 92501

Beaumont Unified School District
350 Brookside Avenue
Beaumont, California 92223

Ladies and Gentlemen:

The undersigned, Piper Jaffray & Co. (the "Underwriter"), hereby offers to enter into this Bond Purchase Contract (the "Purchase Contract") with the County of Riverside, California (the "County") and the Beaumont Unified School District (the "District") which, upon the acceptance hereof, will be binding upon the District, the County and the Underwriter. This offer is made subject to the written acceptance of this Purchase Contract by the County and the District and delivery of such acceptance to the Underwriter at its office specified in Section 13 below prior to 11:59 p.m., California Time, on the date hereof.

1. Purchase and Sale of the Bonds. Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the County for reoffering to the public, and the County hereby agrees to sell in the name and on behalf of the District to the Underwriter for such purpose, all (but not less than all) of the \$ _____ aggregate principal amount of the District's Election of 2008 General Obligation Bonds Series E (the "Bonds"). The Bonds shall bear interest at the rates, and shall mature in the principal amounts and in the years and shall be subject to redemption, as shown on Appendix A hereto, which is incorporated herein by this reference. The Bonds shall be dated their date of delivery and bear interest payable semiannually on each February 1 and August 1, commencing February 1, 2019.

The Underwriter shall purchase the Bonds in immediately available funds at a price of \$ _____ (consisting of the aggregate initial principal amount of the Bonds, [plus] net original issue [premium] of \$ _____, less Underwriter's discount of \$ _____). The District hereby directs the Underwriter and the Underwriter agrees to pay the purchase price on the Closing (defined in Section 6 below) in immediately available funds by wire transfers of (i) \$ _____ to the County for deposit to the District's Building Fund and Debt Service Fund; and (ii) \$ _____ to

ZB, National Association dba Zions Bank, as agent of the District for purposes of paying the costs of issuance of the Bonds.

2. The Bonds. The Bonds are subject to redemption as set forth in Appendix A hereto. In all other respects the Bonds shall be as described in, and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on _____, 2018 (the "District Resolution") and the Resolution of the Board of Supervisors of the County adopted _____, 2018 (the "County Resolution" and collectively with the District Resolution, the "Resolutions"), Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"), and paragraph (3) of subdivision (b) of Article XIII A of the California Constitution. All capitalized terms used herein without definition shall have the meanings given to them in the County Resolution.

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Contract and the Resolutions. The Bonds shall be in book-entry form, shall bear CUSIP numbers, shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") initially with one bond being registered in the name of DTC, or its nominee, for each maturity. The Bonds may be exchanged or transferred in authorized denominations of \$5,000 principal amount, or any integral multiple thereof, as described in the County Resolution.

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

4. Public Offering of the Bonds and Establishment of Issue Price. The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering price or yield set forth in Appendix A and to be set forth on the cover page of the Official Statement. Subsequent to such initial public offering, subject to the limitations set forth in Section 4(d) below, the Underwriter reserves the right to change such initial public offering price or yield as it deems necessary in connection with the marketing of the Bonds.

(a) The District and the County acknowledge and agree that (i) the primary role of the Underwriter is to purchase the Bonds for resale to investors in an arm's-length commercial transaction between the District and the Underwriter and that the Underwriter has financial and other interests that differ from those of the District, (ii) the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the District and has not assumed any advisory or fiduciary responsibility to the District with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the District on other matters), (iii) the only obligations the Underwriter has to the District with respect to the transaction contemplated hereby expressly are set forth in this Purchase Contract, except as otherwise provided by applicable rules and regulations of the Securities and Exchange Commission or the rules of the Municipal Securities Rulemaking Board (the "MSRB"), and (iv) the District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The District acknowledges that it previously received a letter

from the Underwriter regarding MSRB Rule G-17 Disclosure, and that it has provided the Underwriter acknowledgment of such letter.

(b) The Underwriter agrees to assist the District and the County in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an “issue price” or similar certificate, together with copies of supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix C, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District, the County and Bond Counsel (as defined below), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the District under this section to establish the issue price of the Bonds may be taken on behalf of the District by the District’s municipal advisor, Fieldman Rolapp & Associates, Inc. (the “Municipal Advisor”) and any notice or report to be provided to the District may be provided to the District’s Municipal Advisor.

(c) [Except as otherwise set forth in Appendix A attached hereto,] the District will treat the first price at which 10% of each maturity of the Bonds (the “10% test”), identified under the column “10% Test Used” in Appendix A, is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date (as defined below) has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

(d) [The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Appendix A attached hereto, except as otherwise set forth therein. Appendix A also sets forth, identified under the column “Hold the Offering Price Rule Used,” as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.].

(e) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) “public” means any person other than an underwriter or a related party;

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public);

(3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) “sale date” means the date of execution of this Purchase Contract by the District and the Underwriter.

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 _____, 2018 (the “Preliminary Official Statement”). The District represents that it has deemed the Preliminary Official Statement to be final, except for either revisions or additions relating to the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “Rule”).

The Underwriter agrees that prior to the time the final Official Statement (the “Official Statement”) relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the Preliminary Official Statement, together with any amendments or supplements thereto prepared by the District. 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 that it will deliver a copy of the final Official Statement to each purchaser of the Bonds as required by the Rule. The Underwriter agrees that, in accordance with Rule G-32 of the Municipal Securities Rulemaking Board, within one business day after receipt from the District but by no later than the Closing (as defined below), it will file a copy of the Official Statement with the Municipal Securities Rulemaking Board.

6. **Closing.** At 8:00 a.m., California Time, on _____, 2018, or at such other time or on such other date as shall have been mutually agreed upon by the District and the Underwriter (the "Closing"), the County and the District will deliver to the Underwriter, through the facilities of DTC in New York, New York, or at such other place as we may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Stradling Yocca Carlson & Rauth, a Professional Corporation ("Bond Counsel"), in Newport Beach, California, the other documents set forth in Section 10(e) below.

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 of California, with the power to cause the Bonds to be issued by the County on its behalf 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 deliver the Preliminary Official Statement, to deliver the Official Statement, to enter into this Purchase Contract and the Continuing Disclosure Agreement, dated as of _____ 1, 2018, entered into by the District and Applied Best Practices, LLC., as dissemination agent, to assist the District in satisfying its obligations under the Rule (the "Continuing Disclosure Agreement"), to adopt the District Resolution, to perform its obligations under each such document or instrument and to carry out and effectuate the transactions contemplated by this Purchase Contract, the Continuing Disclosure Agreement, the Official Statement and the Resolutions; (iii) the District Resolution was duly adopted at a meeting of the governing body of the District which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption; (iv) the delivery of the Preliminary Official Statement, the delivery of the Official Statement, and the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the District Resolution, the Continuing Disclosure Agreement and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (v) this Purchase Contract and the Continuing Disclosure Agreement constitute valid and legally binding obligations of the District; (vi) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract and the Continuing Disclosure Agreement; and (vii) no statutory or constitutional limitation on indebtedness or taxation will be exceeded in issuing the Bonds.

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

(e) Litigation. Except as described in the Preliminary Official Statement, as of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending in which service of process has been completed against the District, or to the best knowledge of the District, 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 restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection of the tax revenues pledged or to be pledged or available to pay the principal of and interest on the Bonds, or the pledge thereof, or the levy of any taxes contemplated by the Resolutions or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract, the Continuing Disclosure Agreement or the Resolutions or contesting the powers of the District or the County under the Resolutions or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the operations of the District or the consummation of the transactions contemplated by this Purchase Contract or the Resolutions, (b) declare this Purchase Contract, the District Resolution or the Continuing Disclosure 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 or the exemption of interest on the Bonds from California personal income taxation.

(f) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District directly, nor the County on behalf of the District at the District's request, 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.

(g) Compliance with Internal Revenue Code. The District will comply with the applicable provisions of the Internal Revenue Code of 1986, as amended, with respect to the Bonds.

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

(j) Continuing Disclosure. At or prior to the Closing, the District shall have duly authorized, executed and delivered the Continuing Disclosure Agreement. The Continuing Disclosure Agreement shall be substantially in the form attached to the Preliminary Official Statement and Official Statement in Appendix C. The Preliminary Official Statement does not omit

any instance in the previous five years in which the District failed to comply in all material respects with its previous undertakings under the Rule.

(k) Official Statement. As of its date the Preliminary Official Statement did not and as of the date hereof does not, and upon delivery and as of the Closing the Official Statement will not, contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements therein in light of the circumstances under which they were made not misleading; provided, however, the District makes no representation as to the information therein which was furnished in writing to the District by the Underwriter, provided by the County in the Appendices thereto or information relating to DTC and its book-entry system or CUSIP numbers.

(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 by the County and the County of San Bernardino for payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the County Auditor and the County Treasurer-Tax Collector a copy of the District Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Bonds, in accordance with Education Code Section 15140(c) and policies and procedures of the County.

8. Representations, Warranties 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 of California, with the power to issue the Bonds on behalf of the District pursuant to the Act.

(b) Due Authorization. (i) At or prior to the Closing, the County will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the County has full legal right, power and authority to enter into this Purchase Contract, to adopt the County Resolution, to issue and deliver the Bonds to the Underwriter on behalf of the District and to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract and the Resolutions; (iii) the execution and delivery or adoption of, and the performance by the County of the obligations contained in the Bonds, the County Resolution and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Contract 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 Contract.

(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, or which have not been taken or obtained; 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, 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, the execution, delivery and performance of this Purchase Contract, the County Resolution and the Bonds, and the compliance with the provisions hereof do not conflict with or constitute on the part of the County a violation of or default under the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the County is a party or by which it is bound or to which it is subject.

(e) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending in which service of process has been completed against the County, 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; (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection of the tax revenues pledged or to be pledged or available to pay the principal of and interest on the Bonds, or the pledge thereof, or the levy of any taxes contemplated by the Resolutions, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract or the County Resolution or contesting the powers of the County or its authority with respect to the Bonds, the County Resolution or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the consummation of the transactions contemplated by this Purchase Contract or the Resolutions, (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes or the exemption of interest on the Bonds 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 borrowing as may be described in or contemplated by the Official Statement.

(g) Arbitrage Certificate. The County has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the County is a bond issuer whose arbitrage certificates may not be relied upon.

(h) 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.

(i) Securities Laws. The County will furnish such information, execute such instruments, and take such other action in cooperation with, and at the expense of, the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, provided, however, that the County shall not be required to consent to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(j) Official Statement Accurate and Complete. Appendices D and E to the Preliminary Official Statement, as the date thereof did not, and the date hereof do not, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements

therein, in the light of the circumstances under which they were made, not misleading. At the date of delivery and on the Closing Date, Appendices D and E to the Final Official Statement will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

9. Covenants of the District. The District covenants and agrees with the Underwriter and in the case of Section 9(f) below with the owners of the Bonds that:

(a) Securities Laws. The District will furnish such information, execute such instruments, and take such other action in cooperation with, and at the expense of, the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which it is not so subject as of the date hereof;

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

(c) Official Statement. The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the seventh (7th) business day following the date this Purchase Contract is signed, the final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page and all Appendices, exhibits, maps, reports and statements included therein or attached thereto being called the "Official Statement") in the designated electronic format in order to permit the Underwriter to comply with paragraph (b) (4) of the Rule and with the rules of the MSRB; provided, however, that the failure of the District to comply with this requirement due solely to the acts of the Underwriter, its counsel or agents, shall not be considered cause for the Underwriter to refuse to accept delivery of and pay for the Bonds. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds. The Underwriter agrees promptly to file a copy of the Official Statement with the MSRB as described in Section 5 above and take any and all other actions necessary to comply with applicable Securities and Exchange Commission rules and MSRB rules governing the offering, sale and delivery of the Bonds to the ultimate purchasers;

(d) Subsequent Events. The District hereby agrees to notify the Underwriter of any event or occurrence that may affect the accuracy or completeness of any information set forth in the Official Statement relating to the District until the date which is the earlier of twenty-five (25) days after the End of the Underwriting Period (as defined below) or the date on which all of the Bonds have been sold by the Underwriter;

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

(f) Amendments to Official Statement. From the date hereof until the earlier of twenty-five (25) days after the End of the Underwriting Period (as defined below) or the date on which all of the Bonds have been sold by the Underwriter, the District will amend or supplement the Official Statement in any manner necessary to make the Official Statement not misleading in light of

the circumstances existing at the time it is delivered to a purchaser, and (at the expense of the District) shall deliver in the electronic format designated by the MSRB each amendment of or supplement to the Official Statement (in form and substance reasonably satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading. As used herein, the term "End of the Underwriting Period" means the later of such time as (i) the Bonds are delivered to the Underwriter, or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the date of the Closing. Any notice delivered pursuant to this provision shall be written notice delivered to the District at or prior to the Closing, and shall specify a date (other than the date of Closing and not more than 25 days after the Closing) to be deemed the "End of the Underwriting Period."

10. Conditions to Closing. The Underwriter has entered into this Purchase Contract 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 date of Closing. The Underwriter's obligations under this Purchase Contract are and shall be subject at the option of the Underwriter, to the following further conditions at the Closing:

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

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Purchase Contract, the District Resolution, the Continuing Disclosure Agreement and the County Resolution 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 their obligations required under or specified in the District Resolution, the County Resolution, this Purchase Agreement, the Continuing Disclosure Agreement and the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside), or to the best knowledge of the County or the District, pending or threatened which has any of the effects described in Section 7(e) or 8(e) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Marketability. Between the date hereof and the Closing, the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, at the initial offering prices set forth in the Official Statement, shall not have been materially

adversely affected in the reasonable judgment of the Underwriter (evidenced by a written notice to the County and the District terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds) by reason of any of the following:

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

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds; or

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

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

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

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

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

(6) 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;

(7) the withdrawal or downgrading of any rating of the District's outstanding general obligation bonds by a national rating agency (other than due to the downgrade of the provider of any credit enhancements for such bonds); or

(8) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

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

(1) Bond Opinion. An approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the date of the Closing, addressed to the District in substantially the form set forth in the Preliminary Official Statement and the Official Statement as Appendix A-1;

(2) Reliance Letter. A reliance letter from Bond Counsel to the effect that the Underwriter can rely upon the approving opinion described in (e)(1) above;

(3) Supplemental Opinion of Bond Counsel. A supplemental opinion from Bond Counsel, dated as of the date of the Closing and addressed to the Underwriter, to the effect that:

(i) the Purchase Contract and the Continuing Disclosure Agreement have been duly authorized, executed and delivered by the District and, assuming due authorization, execution and delivery by the other respective parties thereto, constitute the legal, valid and binding agreements of the District, enforceable in accordance with their terms, except as the same may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights, by equitable principles, by the exercise of judicial discretion in appropriate cases and by the limitations on remedies against school districts in the State of California; provided, however, that no opinion is expressed as to the enforceability of any indemnification, contribution, choice of law, penalty or waiver provisions therein;

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

(iii) the statements contained in the Official Statement on the cover and under the captions "INTRODUCTION," "THE BONDS" (other than under the caption "—Book-Entry Only System") "SOURCES AND USES OF FUNDS—Application and Investment of Bond Proceeds and Tax Revenues in Connection with Series E Bonds" and "LEGAL MATTERS—Tax Matters—*Series E Bonds*," (excluding any information relating to DTC, its book-entry system and CUSIP numbers) and Appendix A-1 and C to the Official Statement, insofar as such statements

purport to summarize certain provisions of the Bonds, the Resolutions, the Continuing Disclosure Agreement and the approving opinion described in (e)(1) above, are accurate in all material respects;

(4) Disclosure Counsel Letter. A letter, dated the date of the Closing and addressed to the Underwriter, of Stradling Yocca Carlson & Rauth, a Professional Corporation, in its capacity as Disclosure Counsel to the District, to the effect that, based upon its participation in the preparation of the Official Statement, Disclosure Counsel advises the Underwriter as a matter of fact and not opinion that, during the course of its role as Disclosure Counsel, no facts came to the attention of the attorneys in the firm rendering legal services in connection with such role which caused Disclosure Counsel to believe that the Official Statement as of its date contained, or as of the date of Closing contains, any untrue statement of a material fact or as of its date omitted, or as of the date of Closing omits, to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (in each case except for financial statements, the information set forth in the Appendices to the Official Statement, any CUSIP numbers, financial, statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, or any information about book-entry, compliance by the District with prior continuing disclosure undertakings pursuant to the Rule or DTC included or referred to therein, which Disclosure Counsel expressly excludes from the scope of such letter and as to which Disclosure Counsel expresses no opinion or view).

(5) Certificate of the County. A certificate signed by an appropriate official of the County to the effect that (i) such official is authorized to execute this Purchase Contract; (ii) the representations, agreements and warranties of the County herein are true and correct in all material respects as of the date of Closing; (iii) the County has complied with all the terms of the County Resolution and this Purchase Contract to be complied with by the County prior to or concurrently with the Closing and such documents are in full force and effect; (iv) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the County Resolution; (v) no event concerning the County has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement in light of the circumstances in which they were made not misleading; and (vi) the information in Appendices D and E to the Official Statement was furnished by the County, and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading;

(6) Certificate of the District. A certificate signed by an appropriate official of the District to the effect that (i) such official is authorized to execute this Purchase Contract; (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing; (iii) the District has complied with all the terms of the District Resolution, the Continuing Disclosure Agreement and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect; (iv) such District official has reviewed the Official Statement and on such basis certifies that the Official Statement (other than the information therein provided by the Underwriter, provided by the County in the Appendices and information as to DTC and the book-entry system and CUSIP numbers, as to which no view is expressed) does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; (v) the

Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the County Resolution; and (vi) no consent is required for inclusion of the District's Fiscal Year 2016-17 Audited Financial Statements in the Official Statement;

(7) No Arbitrage. A tax certificate of the District for the Bonds in the form satisfactory to Bond Counsel;

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

(i) such copy is a true and correct copy of the District Resolution;
and

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

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

(i) such copy is a true and correct copy of the County Resolution;
and

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

(10) County Counsel Opinion. An opinion of counsel to the County substantially in the form attached hereto as Appendix B;

(11) Preliminary Official Statement. A copy of the "deemed final" certificate of the appropriate official of the District evidencing his or her determinations respecting the Preliminary Official Statement in accordance with the Rule; and

(12) Rating. Evidence as of the Closing Date satisfactory to the Underwriter that the Bonds have received, at a minimum, a rating of "___" from Moody's Investor's Services ("Moody's") and that such rating has not been revoked or downgraded;

(13) Form 8038-G. Evidence that a federal tax information Form 8038-G has been prepared for filing for the Bonds;

(14) Notice of Final Sale. A copy of the Notice of Final Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855 of the California Government Code;

(15) Other Documents. A duly executed copy of the Continuing Disclosure Agreement and such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence compliance (i) by the County and the District with legal requirements; (ii) the truth and accuracy, as of the time of Closing, of the representations of the County and the District herein contained; (iii) the truth and accuracy, as of the time of Closing, of the Official Statement; and (iv) 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.** If the County and/or the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Contract prior to the close of business on the date of Closing and if such unsatisfied conditions have not been waived by the Underwriter, or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and be of no further force or effect except with respect to the obligations of the District and the Underwriter under Section 12 hereof.

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

12. Expenses. The Underwriter shall pay from its own funds out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, travel (except in connection with securing a rating on the Bonds) and other expenses incurred by it.

The District shall pay any expenses incident to the performance of its obligations hereunder from the proceeds of the Bonds (or from any other source of available funds of the District). The expenses to be paid by the District include: (i) the cost of the preparation and reproduction of the Resolutions; (ii) the fees and expenses of consultants; (iii) the fees and disbursements of Bond Counsel; (iv) the cost of the preparation, printing and delivery of the Bonds; (v) the cost of the preparation, printing and delivery of the Preliminary Official Statement, the Official Statement, and any amendment or supplement thereto in the quantity requested by the Underwriter in accordance herewith; (vi) initial rating fees of Moody's; and (vii) fees and expenses of the Paying Agent for the Bonds.

In the event that the Closing does not occur, the Underwriter shall not be responsible for any costs related to the proposed issuance of the Bonds, which costs, if any are due, shall be the responsibility of the District.

13. Notices. Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the County, to the Treasurer-Tax Collector of the County of Riverside, 4080 Lemon Street, Riverside, California 92501; if to the District, to the Superintendent, Beaumont Unified School District, 350 Brookside Avenue, Beaumont, California 92223; or if to the Underwriter, to Piper Jaffray & Co., 2321 Rosecrans Avenue, Suite 3200, El Segundo, California 90245, Attention: Municipal Finance.

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

made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Contract.

15. Severability. If any one or more of the provisions in this Purchase Contract to be performed on the part of the District, the County or the Underwriter should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be null and void and shall be deemed separate from the remaining provisions herein contained and shall in no way affect the validity of the remaining provisions of this Purchase Contract.

16. No Prior Agreements. This Purchase Contract supersedes and replaces all prior negotiations, agreements and understandings between the parties hereto in relation to the sale of the Bonds.

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

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

Very truly yours,

PIPER JAFFRAY & CO.

By:

Authorized Representative

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

COUNTY OF RIVERSIDE

By: _____
Treasurer-Tax Collector

APPROVED AS TO FORM:

GREGORY P. PRIAMOS, County Counsel

By: _____
Deputy County Counsel

BEAUMONT UNIFIED SCHOOL DISTRICT

By: _____
Superintendent

APPENDIX A

MATURITY SCHEDULE

ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES E

<i>Maturity Date (August 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>
	\$	%	%	

^c Yield to _____, _____ optional call date at par.

REDEMPTION PROVISIONS

Optional Redemption. The Bonds maturing on or after August 1, ____ may be redeemed before maturity at the option of the District, from any source of funds, on any date on or after _____, ____ as a whole, or in part. The Bonds will be deemed to consist of \$5,000 portions, and any such portion may be separately redeemed. The Bonds redeemed prior to maturity, if any, will be redeemed at a redemption price equal to the principal amount thereof together with accrued interest to date of redemption, without premium.

Mandatory Sinking Fund Redemption for the Bonds. The Bonds maturing on August 1, ____ are subject to mandatory sinking fund redemption on the following dates and in the following amounts at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the redemption date, without premium as follows:

<i>Date</i> <i>(August 1)</i>	<i>Principal Amount</i>
†	\$

† Final Maturity.

APPENDIX B

FORM OF OPINION OF COUNTY COUNSEL

§ _____

**BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES E**

(Introduction)

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

2. The County Resolution was duly adopted at a meeting of the governing body of the County which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption.

3. The County Resolution has been duly executed and remains in effect and is valid, binding and enforceable against the County except as limited by bankruptcy, moratorium, reorganization, insolvency or other laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity or otherwise in appropriate cases.

4. To 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, which would adversely impact the County's ability to complete the transactions described in and contemplated by the Official Statement, to restrain or enjoin the levy or collection of tax revenues pledged for the Bonds or in any way contesting or affecting the validity of the County Resolution or the Bonds or the transactions described in and contemplated by the Official Statement wherein an unfavorable decision, ruling or finding would adversely affect the validity and enforceability of the County Resolution or the Bonds or in which a final adverse decision could materially adversely affect the operations of the County.

5. To our knowledge, the obligations of the County under the Bonds, and the approval of the Official Statement and compliance with the provisions thereof, 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.

Very truly yours,

County Counsel

APPENDIX C

FORM OF ISSUE PRICE CERTIFICATE

§ _____
BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES E

The undersigned, on behalf of Piper Jaffray & Co. ("Piper") hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the "Bonds").

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***[Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) Piper offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Contract, dated _____, 2018, by and among Piper, the Beaumont Unified School District and the Issuer, Piper has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) *[Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2018), or (ii) the date on which Piper has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

(d) *Issuer* means the County of Riverside.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) [*Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2018.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).]

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Piper's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

PIPER JAFFRAY & CO.

By: _____

Name: _____

Dated: _____, 2018

SCHEDULE A

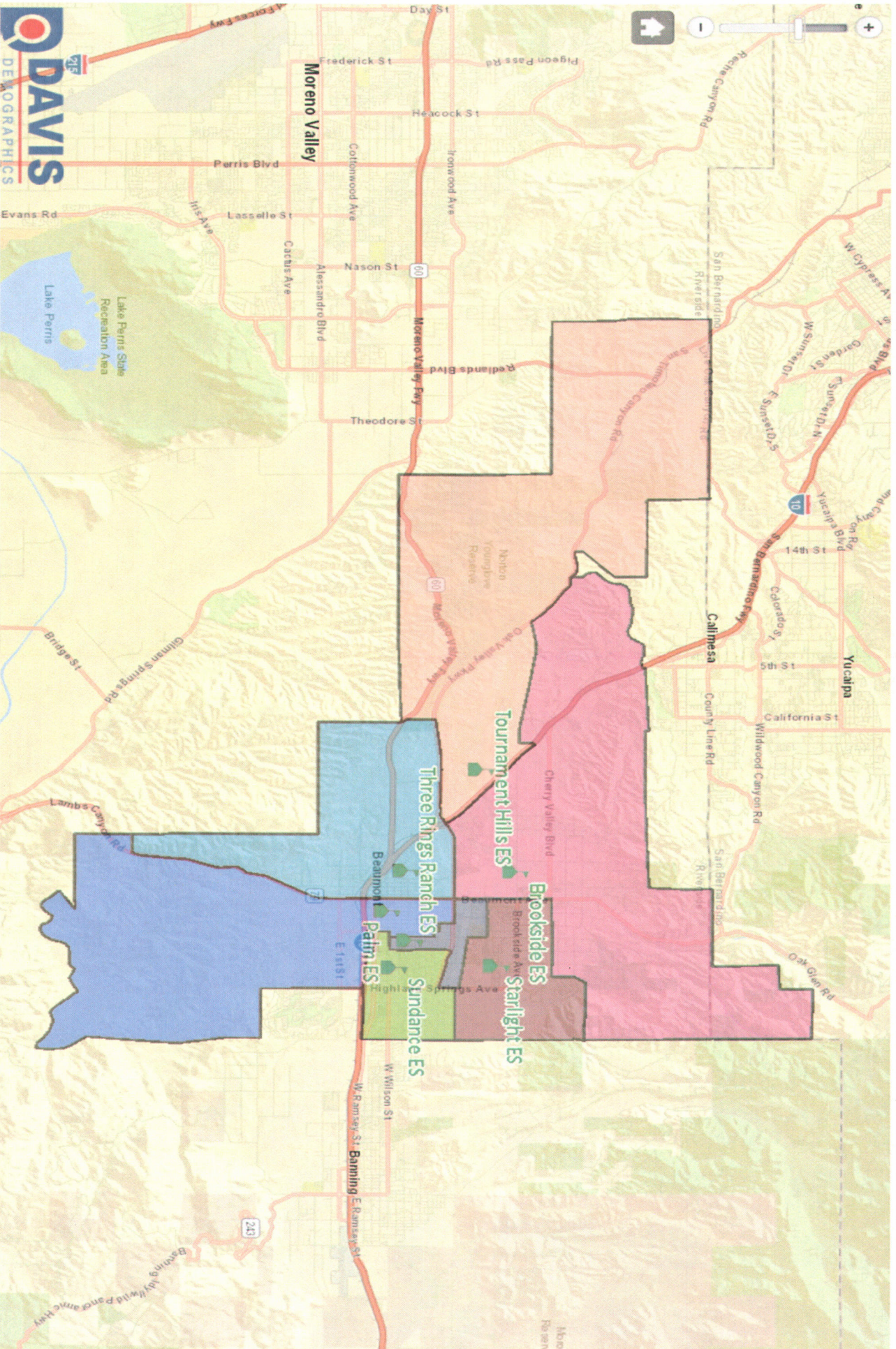
**SALE PRICES OF THE GENERAL RULE MATURITIES [AND INITIAL OFFERING
PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES]**

(Attached)

**[SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION**

(Attached)

BEAUMONT UNIFIED SCHOOL DISTRICT BOUNDARY MAP



RESOLUTION NO. 2018-19-06

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE BEAUMONT UNIFIED SCHOOL DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE TO SELL ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES E OF THE DISTRICT IN A PRINCIPAL AMOUNT NOT TO EXCEED \$12,500,000 AND APPROVING CERTAIN OTHER MATTERS RELATED THERETO

WHEREAS, a duly called election was held in the Beaumont Unified School District (the "District"), Riverside County (the "County"), State of California, on November 4, 2008, at which the following proposition, the School Safety; Vocational Education; Classroom Repair Measure ("Measure Z"), was submitted to the qualified electors of the District:

"To retain/attract excellent teachers, keep students from gangs by upgrading safety, technology security systems, energy efficiency; acquiring land; repairing, constructing, equipping schools/classrooms; adding vocational education/after-school space; fixing leaky roofs; replacing heating/air-conditioning; and qualifying for State matching grants shall Beaumont Unified School District issue \$125,000,000 in bonds at legal interest rates, with annual financial audits, Independent Citizens' Oversight, and no money for the State or administrators' salaries?"

WHEREAS, at such election Measure Z received the affirmative vote of more than fifty-five percent (55%) of the qualified electors of the District voting on the proposition as certified by the Registrar of Voters of the County of Riverside in the official canvassing of votes; and

WHEREAS, the County, pursuant to Measure Z, previously issued four series of bonds on behalf of the District in the aggregate principal amount of \$63,358,619.15; and

WHEREAS, at this time the Board of Trustees of the District has determined that it is necessary and desirable to authorize the issuance of and request the Board of Supervisors to issue a fifth series of general obligation bonds pursuant to the Measure Z authorization in an aggregate principal amount not to exceed \$12,500,000 to be designated as the "Beaumont Unified School District Election of 2008 General Obligation Bonds Series E" (the "Bonds"); and

WHEREAS, Education Code Section 15140(a) provides that the Board of Supervisors of the County shall issue bonds on behalf of the District following adoption of a resolution of the Board of Trustees; and

WHEREAS, the Board of Trustees of the District desires to request the Board of Supervisors of the County to issue the Bonds on behalf of the District pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"); and

WHEREAS, there has been presented to this Board of Trustees at this meeting the form of a bond purchase contract (the "Purchase Contract") to be entered into by and among the District, the County and Piper Jaffray & Co. (the "Underwriter"); and

WHEREAS, there has been presented to this Board of Trustees at this meeting the form of a Preliminary Official Statement pursuant to which the Bonds will be offered for sale; and

WHEREAS, there has been presented to this Board of Trustees at this meeting the form of a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") to be entered into by and between the District and Applied Best Practices, LLC, as dissemination agent; and

WHEREAS, there has been presented to this Board of Trustees at this meeting the form of a Bond Counsel Agreement (the "Bond Counsel Agreement") to be entered into by and between the District and Stradling Yocca Carlson & Rauth, a Professional Corporation, as bond counsel; and

WHEREAS, in accordance with Government Code Section 5852.1, there has been presented to this Board of Trustees and disclosed to the public certain good faith estimates provided to the District by its municipal advisor with respect to the Bonds, and the requirements of Section 5852.1 have been satisfied;

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Beaumont Unified School District, as follows:

Section 1. Each of the above recitals is true and correct.

Section 2. In order to raise money for the purposes described in Measure Z and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, in accordance with the provisions of Education Code Section 15140, the Board of Trustees hereby petitions the Board of Supervisors of the County to issue the Bonds pursuant to the Act in a principal amount not to exceed \$12,500,000 and to order such Bonds sold at a negotiated sale to the Underwriter. Each maturity of the Bonds shall bear interest at a rate which does not exceed 8.00% per annum payable on the dates set forth in the Purchase Contract with principal maturing on the dates and in the amounts set forth in the Purchase Contract, not to exceed more than 30 years from the date of issuance of the Bonds.

The Bonds shall be issued as current interest bonds, as set forth in the Purchase Contract, subject to the provisions of a resolution of the Board of Supervisors of the County relating to the Bonds (the "County Resolution").

The Board of Supervisors of the County is hereby authorized to set the terms of the optional and mandatory redemption of the Bonds in the Purchase Contract and to provide in the County Resolution the method of giving notice of redemption to owners of the Bonds to be redeemed.

Section 3. The Board of Trustees does hereby authorize the appointment of an authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds by the Board of Supervisors of the County on behalf of the District.

Section 4. The District hereby covenants for the benefit of the Bond owners that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations prescribed under that section or any predecessor section. The District further covenants for and on behalf of the Bond owners that it shall not take any action, or fail to take any action if such action or failure to take such action would adversely affect the exclusion from gross income for federal income tax purposes of the interest payable on the Bonds. In furtherance of these covenants, the District agrees to comply with the covenants contained in the tax certificate (the "Tax Certificate") to be executed by the District on the date of delivery of the Bonds. The District hereby agrees to deliver instructions to the County and, if applicable, the Paying Agent in order to comply with the Tax Certificate.

Section 5. The District covenants to cause the County to take all actions necessary to levy an *ad valorem* tax in accordance with Education Code Section 15250 *et seq.* and to cause the proceeds from such levy to be deposited into the Debt Service Fund established under the County Resolution to pay the principal of and interest on the Bonds when and as the same fall due. Pursuant to Government Code Sections 5450 and 5451, amounts in the Debt Service Fund are hereby irrevocably pledged by the District to pay the principal of and interest on the Bonds when and as the same fall due. Pursuant to Government Code Section 53515, the Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* taxes for the payment thereof.

Section 6. The Clerk of the Board of Trustees is hereby directed to file a certified copy of this Resolution with the Board of Supervisors of the County and the Treasurer-Tax Collector of the County (the "Treasurer").

Section 7. The costs associated with the issuance of the Bonds, excluding municipal bond insurance, if any, and Underwriter's discount, is estimated to be 0.7% of the initial principal amount of the Bonds. Depending upon market conditions, the District may elect to purchase bond insurance to secure the payment of principal or maturity amount of and interest on the Bonds, or any portion thereof, and each Authorized Officer, acting alone, is hereby authorized to take any and all actions necessary to obtain such bond insurance should such Authorized Officer determine that insuring all or any portion of the Bonds is in the best interests of the District. It is estimated that the cost of municipal bond insurance would not exceed 0.6% of the initial principal amount of the Bonds.

Section 8. The District has previously retained Fieldman, Rolapp & Associates, Inc., to serve as Municipal Advisor in connection with the Bonds, and the District hereby appoints Stradling Yocca Carlson & Rauth, a Professional Corporation ("Bond Counsel") to serve as bond counsel and disclosure counsel to the District and further appoints the Underwriter to sell the Bonds on behalf of the District.

The form of Bond Counsel Agreement presented at this meeting is hereby approved, and each of the Authorized Officers, acting alone, is hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Bond Counsel Agreement in substantially

said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. All fees and expenses payable to Bond Counsel shall be contingent upon and be payable only from proceeds of the Bonds.

Section 9. The Board of Trustees determines that all acts and conditions necessary to be performed by the Board of Trustees or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligation bonds of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds. The Board of Trustees hereby finds and determines that the provisions of Government Code Section 5852.1 have been satisfied with respect to the authorization of the Bonds.

Section 10. The District hereby covenants to spend all Bond proceeds in accordance with applicable law, including, but not limited to, Chapters 1 and 1.5 of Part 10, Division 1, Title 1 of the California Education Code of the State of California (commencing with Section 15100), as amended, and Article XIII A of the California Constitution.

Section 11. The Preliminary Official Statement presented at this meeting is hereby approved in the form presented and upon receipt of the certificate described below from the President of the Board of Trustees, the Superintendent, or his designee, or the Assistant Superintendent, Business Services of the District, or her designee (each an "Authorized Officer"), the Underwriter is authorized to distribute the Preliminary Official Statement to prospective purchasers in the form hereby approved, together with such additions thereto and changes therein as are determined necessary by one or more of the Authorized Officers to make such Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"). Each of the Authorized Officers, acting alone, is authorized to deliver to the Underwriter a certificate deeming the Preliminary Official Statement final as of its date for purposes of Rule 15c2-12. Each of the Authorized Officers, acting alone, is hereby authorized to execute a final Official Statement in the form of the Preliminary Official Statement, together with such changes as are determined necessary by the officer executing the same to make such Official Statement complete and accurate as of its date. The Underwriter is further authorized to distribute the final Official Statement for the Bonds to the purchasers thereof upon its execution by an officer of the District as described above.

Section 12. The form of the Continuing Disclosure Agreement on file with the Clerk of the Board is hereby approved, and each Authorized Officer, acting alone, is hereby authorized to execute and deliver the Continuing Disclosure Agreement for the Bonds, but with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by his or her execution and delivery thereof. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement executed by the District in connection with the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

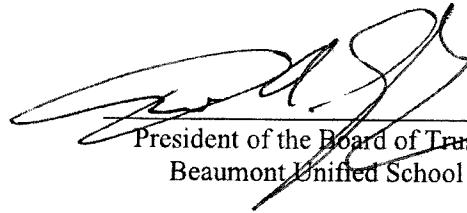
Section 13. The Bonds shall be sold to the Underwriter at a negotiated sale, which is determined to provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Bonds to fit the needs of particular

purchasers, and a greater opportunity for the Underwriter to pre-market the Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds. The form of the Purchase Contract presented at this meeting is hereby approved. Each Authorized Officer, acting alone, is hereby authorized and directed for and in the name of the District to execute the Purchase Contract in substantially the form hereby approved, with such additions thereto and changes therein as are recommended or approved by Bond Counsel to the District or County Counsel and approved by the Authorized Officer executing such agreement; provided, however, that the Purchase Contract shall be executed only if the aggregate principal amount of the Bonds is equal to or less than \$12,500,000 and the discount paid to the Underwriter (exclusive of original issue discount on the Bonds and reimbursable expenses to be paid to the Underwriter under the terms of the Purchase Contract) does not exceed 0.8% of the principal amount of the Bonds. Each of the Authorized Officers, acting alone, is hereby authorized and directed for and in the name of the District to solicit bids for municipal bond insurance for the Bonds and to purchase such insurance if such Authorized Officer, on the basis of information provided by the Municipal Advisor and the Underwriter, determines that acquiring such insurance to secure the repayment of some or all of the Bonds will be beneficial to the District in the marketing of the Bonds.

Section 14. Members of the Board of Trustees, the Authorized Officers and other District employees are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and employees are hereby ratified, confirmed and approved.


Section 15. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 24th day of July, 2018.



President of the Board of Trustees of the
Beaumont Unified School District

ATTEST:



Clerk of the Board of Trustees of the
Beaumont Unified School District

CLERK'S CERTIFICATE

I, Susie Lara, Clerk of the Board of Trustees of the Beaumont Unified School District, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District duly and regularly held at the regular meeting place thereof on July 24, 2018, of which meeting all of the members of said Board of Trustees had due notice and at which a majority thereof were present; and that at said meeting said resolution was adopted by the following vote:

AYES: 5

NOES: 0

ABSENT OR NOT VOTING: 0

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

Dated: July 24, 2018

Susie Lara

Clerk of the Board of Trustees of the
Beaumont Unified School District

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2018

NEW ISSUE—FULL BOOK-ENTRY
STATE OF CALIFORNIA

MOODY'S RATING: "___"
COUNTY OF RIVERSIDE

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, the interest (and original issue discount) with respect to the Series E Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, the interest (and original issue discount) with respect to the Bonds is exempt from State of California personal income tax. See "LEGAL MATTERS—Tax Matters" herein.

\$ _____*
**BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
ELECTION OF 2008
GENERAL OBLIGATION BONDS, SERIES E**

\$ _____*
**BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
2018 GENERAL OBLIGATION REFUNDING BONDS
(ELECTION OF 2008, SERIES C)
(FEDERALLY TAXABLE)**

Dated: Date of Delivery

Due: August 1, as shown on the following page

This Official Statement describes the Beaumont Unified School District (Riverside County, California) Election of 2008 General Obligation Bonds, Series E (the "Series E Bonds") and the Beaumont Unified School District (Riverside County, California) 2018 General Obligations Refunding Bonds (Election of 2008, Series C) (Federally Taxable) (the "Refunding Bonds," and with the Series E Bonds, the "Bonds"). The Series E Bonds are being issued by the County of Riverside on behalf of the Beaumont Unified School District (the "District") and the Refunding Bonds are being issued by the District.

The Series E Bonds were authorized at a special election of the registered voters of the District held on November 4, 2008, at which more than fifty-five percent of the persons voting on the proposition voted to authorize the issuance and sale of \$125,000,000 principal amount of general obligation bonds of the District (the "Authorization"). The District previously issued four series of bonds pursuant to the Authorization in an aggregate principal amount of \$63,358,619.15. The Bonds represent the fifth series of bonds issued under the Authorization and are being issued to finance improvements to various schools within the District.

The Refunding Bonds are being issued for the purpose of defeasing and advance refunding certain of the District's Election of 2008 General Obligation Bonds, Series C, as more specifically set forth herein.

The Bonds are general obligation bonds of the District payable solely from *ad valorem* property taxes levied on taxable property within the District. Each of the Board of Supervisors of Riverside County and the Board of Supervisors of San Bernardino County is empowered and is obligated to levy *ad valorem* taxes, without limitation of rate or amount, upon property within the District subject to taxation by the District (except certain personal property which is taxable at limited rates), for the payment of interest on and principal of the Bonds when due. The District has other outstanding general obligation bonds which are secured by and payable from *ad valorem* taxes levied on taxable property within the District. See "SECURITY FOR THE BONDS" and "TAX BASE FOR REPAYMENT OF BONDS—*Ad Valorem* Property Taxation" herein.

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for The Depository Trust Company, New York, New York (collectively referred to herein as "DTC"). Purchasers of beneficial ownership interests in the Bonds will not receive certificates representing their interest in the Bonds. Payments of principal of and interest on the Bonds will be paid by ZB, National Association dba Zions Bank, as the Paying Agent, Registrar and Transfer Agent (the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants (defined herein) who will remit such payments to the beneficial owners of the Bonds. See "THE BONDS—DTC Book-Entry Only" herein.

The Bonds are dated the date of delivery of the Bonds and accrue interest from such date, and are payable semiannually on February 1 and August 1 of each year, commencing February 1, 2019. The Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

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

THE BONDS ARE GENERAL OBLIGATION BONDS OF THE DISTRICT AND DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY OF RIVERSIDE OR THE COUNTY OF SAN BERNARDINO. NO PART OF ANY FUND OF THE COUNTY OF RIVERSIDE OR THE COUNTY OF SAN BERNARDINO IS PLEDGED OR OBLIGATED TO THE PAYMENT OF THE BONDS.

**MATURITY SCHEDULE
(See Following Page)**

This cover page contains certain information for reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds will be offered when, as and if issued and received by the Underwriter, subject to the approval of legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel. Certain matters will be passed on for the County of Riverside by County Counsel and for the District by Stradling Yocca Carlson & Rauth, a Professional Corporation, Disclosure Counsel. The Bonds, in book-entry form, will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about _____, 2018.

[PIPER JAFFRAY LOGO]

Dated: _____, 2018

* Preliminary, subject to change.

MATURITY SCHEDULE

\$ _____
ELECTION OF 2008 GENERAL OBLIGATION BONDS SERIES E

<i>Maturity Date (August 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>CUSIP[†]</i>
-------------------------------------	-----------------------------	--------------------------	--------------	--------------	--------------------------

\$ _____
**2018 GENERAL OBLIGATION REFUNDING BONDS (ELECTION OF 2008, SERIES C)
(FEDERALLY TAXABLE)**

<i>Maturity Date (August 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>CUSIP[†]</i>
-------------------------------------	-----------------------------	--------------------------	--------------	--------------	--------------------------

\$ _____ % Term Bonds due August 1, _____, Yield: _____ % Price: _____ CUSIP No. [†] _____

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright © 2018 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by Standard & Poor's CUSIP Service Bureau. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service Bureau. CUSIP® numbers are provided for convenience of reference only. None of the District, the County or the Underwriter takes any responsibility for the accuracy of such numbers.

No dealer, broker, salesperson or other person has been authorized by the District, the County or the Underwriter to give any information or to make any representations other than those contained herein. If given or made, such other information or representations must not be relied upon as having been authorized by the District, the County or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

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

The information and expression of opinion herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or any other parties described herein since the date hereof. This Official Statement is being submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the District. All summaries of documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as a “plan,” “expect,” “estimate,” “project,” “budget” or similar words. Such forward-looking statements include, but are not limited to certain statements contained in the information under the captions “THE DISTRICT,” and “DISTRICT FINANCIAL MATTERS” herein.

The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. While the District has agreed to provide certain on-going financial and operating data on an annual basis, it does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which statements are based change. See “CONTINUING DISCLOSURE” and APPENDIX C—“FORM OF CONTINUING DISCLOSURE AGREEMENT” herein.

All information material to the making of an informed investment decision with respect to the Bonds is contained in this Official Statement. While the District maintains an internet website for various purposes, none of the information on its website is incorporated by reference into this Official Statement. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded.

WITH RESPECT TO THIS OFFERING, THE UNDERWRITER MAY ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS DESCRIBED HEREIN TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED IN THIS OFFICIAL STATEMENT AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT AND HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

BOARD OF SUPERVISORS

Chuck Washington, Chair
Third District

Kevin Jeffries, Vice Chair
First District

John F. Tavaglione
Second District

V. Manuel Perez
Fourth District

Marion Ashley
Fifth District

COUNTY OFFICIALS

George Johnson
County Executive Officer

Jon Christensen
Treasurer-Tax Collector

Paul Angulo, CPA, MA
Auditor-Controller

Gregory P. Priamos
County Counsel

BEAUMONT UNIFIED SCHOOL DISTRICT

Board of Trustees

David Sanchez, President
Steven Hovey, Vice President
Susie Lara, Clerk
Brian Sylva, Member
Janelle Poulter, Member

School District Administrators

Terrence Davis, Superintendent
Penni Harbauer, Assistant Superintendent, Business Services
Tony Knapp, Assistant Superintendent, Instructional Support Services
Shawn Mitchell, Assistant Superintendent, Human Resources

PROFESSIONAL SERVICES

Financial Advisor

Fieldman Rolapp & Associates, Inc.
Irvine, California

Bond Counsel and Disclosure Counsel

Stradling Yocca Carlson & Rauth, a Professional Corporation
Newport Beach, California

Paying Agent/Escrow Agent

ZB, National Association, dba Zions Bank
Los Angeles, California

Verification Agent

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

TABLE OF CONTENTS

INTRODUCTION	1	Other Local Sources	44
The District	1	Capital Projects Funds.....	44
Sources of Payment for the Bonds.....	1	DISTRICT DEBT STRUCTURE	44
Purpose of Issue	2	Long-Term Debt.....	44
Description of the Bonds.....	2	Short-Term Debt	45
Authority for Issuance of the Bonds	2	Direct and Overlapping Debt.....	45
Offering and Delivery of the Bonds.....	2	CONSTITUTIONAL AND STATUTORY	
Continuing Disclosure	3	PROVISIONS AFFECTING DISTRICT	
Forward Looking Statements	3	REVENUES AND APPROPRIATIONS.....	47
Professionals Involved in the Offering.....	3	Article XIII A	47
Other Information	3	Unitary Property.....	47
THE BONDS	4	Article XIII B	48
Authority for Issuance.....	4	Articles XIII C and XIII D	49
Description of the Bonds.....	4	Proposition 46	50
Paying Agent.....	5	Proposition 39	50
Redemption of Bonds	5	Propositions 98 and 111	51
Notice of and Effect of Redemption of the Bonds	6	Proposition 1A and Proposition 22.....	52
Book-Entry Only System	6	Proposition 30	53
Defeasance.....	6	Proposition 2	53
Supplemental Resolution in Connection with Series		California Senate Bill 222	54
E Bonds.....	7	Kindergarten Through Community College Public	
Supplemental Resolution in Connection with		Education Facilities Bond Act of 2016.....	55
Refunding Bonds.....	8	Jarvis v. Connell.....	55
Unclaimed Moneys	9	Future Initiatives	56
Debt Service Schedule	10	STATE OF CALIFORNIA FISCAL ISSUES	56
SOURCES AND USES OF FUNDS	12	General Overview	56
Sources and Uses	12	2018-19 State Budget.....	57
Application and Investment of Bonds Proceeds and		Future Actions.....	59
Tax Revenues in Connection with Series E Bonds	12	State Dissolution of Redevelopment Agencies.....	59
Application and Investment of Bonds Proceeds and		LEGAL MATTERS	60
Tax Revenues in Connection with Refunding		Tax Matters	60
Bonds	13	Legal Opinion.....	63
SECURITY FOR THE BONDS	13	Legality for Investment in California	63
TAX BASE FOR REPAYMENT OF THE BONDS	15	No Litigation	63
<i>Ad Valorem</i> Property Taxation.....	15	Verification	63
Historical Data Concerning District Tax Base.....	18	CONTINUING DISCLOSURE	63
Tax Levies and Delinquencies	18	MISCELLANEOUS	64
Tax Rates	19	Rating	64
Largest Taxpayers.....	20	Underwriting	64
THE DISTRICT.....	21	Audited Financial Statements.....	65
Introduction.....	21	Financial Interests	65
Board of Trustees.....	22	ADDITIONAL INFORMATION	65
Superintendent and Administrative Personnel	22		
Employee Relations	22		
Retirement System	23		
Post-Employment Benefits	30		
Insurance.....	31		
DISTRICT FINANCIAL MATTERS.....	31		
Accounting Practices	31		
District Budget.....	31		
State Funding of Education.....	34		
Historical General Fund Financial Information	38		
Current Financial Condition.....	41		
Revenue Sources.....	43		
State Apportionment Funding.....	43		
Federal Revenues.....	43		
Other State Sources.....	43		

APPENDIX A-1	FORM OF OPINION OF BOND COUNSEL FOR SERIES E BONDS.....	A-1
APPENDIX A-2	FORM OF OPINION OF BOND COUNSEL FOR REFUNDING BONDS	A-4
APPENDIX B	DISTRICT'S 2016-17 AUDITED FINANCIAL STATEMENTS	B-1
APPENDIX C	FORM OF CONTINUING DISCLOSURE AGREEMENT.....	C-1
APPENDIX D	RIVERSIDE COUNTY TREASURER'S STATEMENT OF INVESTMENT POLICY	D-1
APPENDIX E	COUNTY INVESTMENT POOL MONTHLY REPORT.....	E-1
APPENDIX F	INFORMATION CONCERNING THE CITY OF BEAUMONT AND COUNTY OF RIVERSIDE.....	F-1
APPENDIX G	BOOK ENTRY ONLY SYSTEM.....	G-1

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**BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
ELECTION OF 2008
GENERAL OBLIGATION BONDS, SERIES E**

§ _____ *

**BEAUMONT UNIFIED SCHOOL DISTRICT
(RIVERSIDE COUNTY, CALIFORNIA)
2018 GENERAL OBLIGATION REFUNDING BONDS
(ELECTION OF 2008, SERIES C)
(FEDERALLY TAXABLE)**

INTRODUCTION

This Official Statement (which includes the cover page, the Table of Contents and the Appendices attached hereto) is furnished by the Beaumont Unified School District (the "District"), located in Riverside County, California, to provide information concerning the Beaumont Unified School District (Riverside County, California) Election of 2008 General Obligation Bonds, Series E (the "Series E Bonds") and the Beaumont Unified School District (Riverside County, California) 2018 General Obligation Refunding Bonds (Election of 2008, Series C) (Federally Taxable) (the "Refunding Bonds, and with the Series E Bonds, the "Bonds").

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

The District

The District is located in the northwestern portion of Riverside County at the intersection of the U.S. Interstate 10 and State Route 60 Freeways, with a small portion of the District boundaries extending into San Bernardino County. The District encompasses an area of approximately 110 square miles, and it serves the communities of Beaumont and Cherry Valley and portions of Calimesa and Banning, as well as the surrounding areas. The District was established in 1953 and currently operates twelve school sites which include six elementary schools, two middle schools, a comprehensive high school, an adult education school, a distance learning institute and a continuation high school. A charter school began operations within the District in fiscal year 2013-14 and currently has an enrollment of 337 students. The total enrollment during fiscal year 2017-18 was approximately 10,000 students.

The District is governed by a five-member Board of Trustees (the "Board"), each member of which is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between two and three available positions. The management and policies of the District are administered by a Board appointed Superintendent who is responsible for the day-to-day operations and the supervision of other key personnel. See "THE DISTRICT."

Sources of Payment for the Bonds

Ad Valorem Taxes. The Bonds are general obligation bonds of the District. Each of the Board of Supervisors of the County of Riverside (the "County") and the Board of Supervisors of the County of San Bernardino has the power and is obligated annually to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon the property within its boundaries which is subject to taxation by the District without limitation of rate or amount (except certain personal property which is taxable at limited rates). See "SECURITY FOR THE BONDS" herein.

* Preliminary, subject to change.

THE BONDS ARE GENERAL OBLIGATION BONDS OF THE DISTRICT AND DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY OR SAN BERNARDINO COUNTY. NO PART OF ANY FUND OF THE COUNTY OR SAN BERNARDINO COUNTY IS PLEDGED OR OBLIGATED TO THE PAYMENT OF THE BONDS.

Purpose of Issue

Proceeds from the Series E Bonds will be used to finance improvements to various schools within the District, to pay a portion of the interest due on the Series E Bonds through August 1, 2021 and to pay certain costs of issuance associated with the Series E Bonds. Proceeds from the Refunding Bonds will be used to advance refund the portion of the District's Election of 2008 General Obligation Bonds, Series C, maturing on August 1 in the years 2026, 2031, 2036 and 2041 (collectively, the "Refunded Bonds"), to pay a portion of the interest due on the Refunding Bonds through August 1, 2019 and to pay certain costs of issuance associated with the Refunding Bonds.

Description of the Bonds

The Bonds. The Bonds mature on August 1 in the years and in the principal amounts set forth on the page following the cover page of this Official Statement.

Payments. Interest on the Bonds accrues from the date of delivery of the Bonds at the rates set forth on the page following the cover page of this Official Statement, and is payable semiannually on each February 1 and August 1, commencing February 1, 2019. The principal amount of the Bonds is payable at maturity or earlier redemption upon surrender of the applicable Bond for payment.

Registration. The Bonds will be issued in fully registered form only, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in the denominations set forth on the cover page hereof, under the book-entry only system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described herein. Beneficial Owners of the Bonds will not be entitled to receive physical delivery of the Bonds. See "THE BONDS—Book-Entry Only System" herein.

Denominations. The Bonds will be issued and beneficial ownership interests may be purchased by Beneficial Owners in denominations of \$5,000 principal amount, or any integral multiple thereof.

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

Authority for Issuance of the Bonds

As described below, the Bonds are issued pursuant to certain provisions of the State of California Government Code, as well as other applicable law. The Series E Bonds are being issued pursuant to resolutions adopted by the Board of Trustees of the District and the Board of Supervisors of the County, and the Refunding Bonds are being issued pursuant to a resolution adopted by the Board of Trustees of the District. See "THE BONDS—Authority for Issuance" herein.

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued, subject to approval as to the validity by Bond Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC in New York, New York on or about _____, 2018.

Continuing Disclosure

The District will covenant for the benefit of bondholders and Beneficial Owners to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events in compliance with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission. The specific nature of the information to be made available and of the notices of enumerated events for which notice will be given is summarized below under the caption "CONTINUING DISCLOSURE" and APPENDIX C—"FORM OF CONTINUING DISCLOSURE AGREEMENT" herein.

Forward Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information regarding the District herein.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

Professionals Involved in the Offering

Fieldman Rolapp & Associates, Inc., is acting as Financial Advisor to the District with respect to the Bonds. Stradling Yocca Carlson & Rauth, a Professional Corporation, is acting as Bond Counsel and Disclosure Counsel to the District with respect to the Bonds. The fees paid to the Financial Advisor, Bond Counsel and Disclosure Counsel is contingent upon the sale and delivery of the Bonds.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of documents referred to herein and information concerning the Bonds are available from the Superintendent, Beaumont Unified School District, 350 Brookside Avenue, Beaumont, California 92223, telephone: (951) 845-1631. The District may impose a charge for copying, mailing and handling.

No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. The summaries and references to documents, statutes and constitutional provisions

referred to herein do not purport to be comprehensive or definitive, and are qualified in their entireties by reference to each of such documents, statutes and constitutional provisions.

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

All terms used herein and not otherwise defined shall have the meanings given such terms in the Resolutions (as defined below), as applicable.

THE BONDS

Authority for Issuance

Series E Bonds. The Series E Bonds are being issued pursuant to the provisions of Article 4.5, Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act") and paragraph (3) of subdivision (b) of Article XIII A of the California Constitution and pursuant to a resolution adopted by the Board of Trustees of the District on _____, 2018 (the "Series E District Resolution") and a resolution adopted by the Board of Supervisors of the County on _____, 2018 (the "Series E County Resolution" and, together with the Series E District Resolution, the "Series E Resolution"). In accordance with Section 15140 of the Education Code of the State of California and the Act, the Series E Bonds are being issued by the Board of Supervisors of the County on behalf of the District.

The District received authorization to issue the Series E Bonds at an election held on November 4, 2008, by more than fifty-five percent of the votes cast by eligible voters within the District, to issue up to \$125,000,000 of general obligation bonds (the "Authorization"). The District has previously issued four series of bonds under the Authorization in an aggregate principal amount of \$63,358,619.15. The Series E Bonds represent the fifth series of bonds issued under the Authorization.

Refunding Bonds. The Refunding Bonds are being issued pursuant to the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code of the State of California (the "Refunding Act"), and pursuant to a resolution adopted by the Board of Trustees of the District on _____, 2018 (the "Refunding District Resolution," and with the Series E Resolution, the "Resolutions").

Description of the Bonds

The Bonds are dated the date of delivery of the Bonds and bear current interest payable semiannually on February 1 and August 1 of each year (each an "Interest Payment Date"), commencing February 1, 2019, computed on the basis of a 360-day year comprised of twelve 30-day months, at the annual interest rates shown on the page following the cover page of this Official Statement. The Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

Payment on any Interest Payment Date shall be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Interest Payment Date. For purposes of the foregoing, "Record Date" means the close of business on the fifteenth (15th) day of the month preceding each Interest Payment Date.

Paying Agent

ZB, National Association, dba Zions Bank, will act as the initial paying agent, registrar and transfer agent (the "Paying Agent") for the Bonds.

If the Paying Agent resigns or is removed by the District, a successor Paying Agent will be appointed by the District with the consent of the Treasurer-Tax Collector of the County. Any successor Paying Agent selected by the District, other than the Treasurer, may be any bank, trust company, national banking association or other financial institution doing business in the State of California and with at least \$50,000,000 in net assets.

Redemption of Bonds*

Optional Redemption of the Series E Bonds. The Series E Bonds maturing on or after August 1, 2029 may be redeemed before maturity at the option of the District, from any source of funds, on any date on or after August 1, 2028 as a whole, or in part. The Series E Bonds will be deemed to consist of \$5,000 portions, and any such portion may be separately redeemed. The Series E Bonds redeemed prior to maturity, if any, will be redeemed at a redemption price equal to the principal amount thereof together with accrued interest to date of redemption, without premium.

Optional Redemption of the Refunding Bonds. The Refunding Bonds maturing on or after August 1, 2029 may be redeemed before maturity at the option of the District, from any source of funds, on any date on or after August 1, 2028 as a whole, or in part. The Refunding Bonds will be deemed to consist of \$5,000 portions, and any such portion may be separately redeemed. The Refunding Bonds redeemed prior to maturity, if any, will be redeemed at a redemption price equal to the principal amount thereof together with accrued interest to date of redemption, without premium.

Mandatory Sinking Fund Redemption for the Refunding Bonds. The Refunding Bonds maturing on August 1, ____ (the "Term Bonds") are subject to mandatory sinking fund redemption on August 1, ____ at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the redemption date, without premium, and to payment at maturity from mandatory sinking fund payments, as follows:

<i>Year</i> <i>(August 1)</i>	<i>Principal Amount</i>
----------------------------------	-------------------------

†

† Final Maturity.

The principal amount of each mandatory sinking fund payment on the Term Bonds shall be reduced proportionately by the amount of any Term Bonds optionally redeemed prior to the mandatory sinking fund payment date and allocated by the District to such sinking fund payment, or as otherwise directed by the District.

Selection of Bonds for Redemption. Whenever provision is made in the Resolutions for the redemption of Bonds and less than all Outstanding Bonds of a series are to be redeemed, the Paying Agent, upon written instruction from an Authorized Representative of the District, shall select Bonds of such series for redemption from such maturity or maturities in accordance with such written instructions. Within a maturity, the Paying Agent shall select Bonds for redemption in such manner as directed by the District or if not so directed then by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine;

* Preliminary, subject to change.

provided, however, that the portion of any Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

Notice of and Effect of Redemption of the Bonds

So long as the Bonds are registered to DTC or its nominee, notices of redemption will be sent only to DTC in the manner provided for in its procedures and will not be sent by the Paying Agent to the Beneficial Owners.

At least 30 but not more than 60 days prior to the redemption date, a redemption notice shall be given to the owners of Bonds designated for redemption by first class mail, postage prepaid, at their addresses appearing on the registration books of the Paying Agent or, so long as the Bonds are registered to DTC or its nominee, in such manner as complies with the requirements of DTC. Neither failure to receive any redemption notice nor any defect in any such redemption notice so given shall affect the sufficiency of the proceedings for the redemption of the Bonds.

Any redemption notice for an optional redemption of the Bonds delivered may be conditional, and, if any condition stated in the redemption notice shall not have been satisfied on or prior to the redemption date: (i) the redemption notice shall be of no force and effect, (ii) the District shall not be required to redeem such Bonds, (iii) the redemption shall not be made, and (iv) the Paying Agent shall within a reasonable time thereafter give notice to the persons in the manner in which the conditional redemption notice was given that such condition or conditions were not met and that the redemption was canceled.

If on a redemption date moneys for the redemption of the Bonds to be redeemed, together with interest accrued to such redemption date, are held by the Paying Agent, and if notice of redemption thereof shall have been given as set forth in the applicable Resolution, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent and sufficient moneys are held by the Paying Agent or an escrow agent appointed by the District for the payment of the redemption price of such Bonds, or portions thereof, and accrued interest with respect thereto to the date fixed for redemption, then such Bonds, shall no longer be deemed outstanding and shall be surrendered to the Paying Agent for cancellation at maturity or on the applicable redemption date.

Book-Entry Only System

One fully registered bond without coupons for each maturity of each series of the Bonds will be issued and, when issued, will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository of the Bonds. Individual purchases may be made in book-entry form only, in the principal amount of \$5,000 and integral multiples thereof for each maturity. Purchasers will not receive certificates representing their interest in the Bonds purchased. Principal and interest will be paid to DTC, which will in turn remit such principal and interest to DTC Participants for subsequent dispersal to the Beneficial Owners of the Bonds as described herein. See APPENDIX G—"BOOK ENTRY ONLY SYSTEM" herein.

Defeasance

The Bonds may be defeased, in whole, or in part, prior to maturity in the following ways:

(1) by irrevocably depositing with the Paying Agent or an independent escrow agent selected by the District, an amount of cash which together with amounts then on deposit in the applicable Debt Service Fund is sufficient to pay all Bonds designated for defeasance (including all Principal, redemption premium, if any, and interest) at or before their maturity date or redemption date, as applicable; or

(2) by irrevocably depositing with the Paying Agent or an independent escrow agent selected by the District noncallable Government Obligations together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon, and moneys then on deposit in the applicable Debt Service Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge all Bonds designated for defeasance (including all Principal, redemption premium, if any, and interest) at or before their maturity date or redemption date, as applicable.

If all or a portion of a series of Bonds are defeased as described above, then, notwithstanding that any of such Bonds designated for defeasance shall not have been surrendered for payment, all obligations of the County and the District with respect to such Bonds so defeased shall cease and terminate, except only the obligation of the County and the Paying Agent, or an independent escrow agent selected by the District, to pay or cause to be paid from funds deposited pursuant to paragraphs (1) or (2) above, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

In both the Series E County Resolution and the Refunding District Resolution, Government Obligations are defined as:

Direct and general obligations of the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips) or obligations that are unconditionally guaranteed as to principal and interest by the United States of America. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (i) a bank or trust company acts as custodian and holds the underlying direct and general obligations of the United States of America; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying direct and general obligations of the United States of America; and (iii) the underlying direct and general obligations of the United States of America are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated by S&P Global Ratings and Moody's Investors Service in the same rating category as the underlying direct and general obligations of the United States of America.

Supplemental Resolution in Connection with Series E Bonds

The Series E County Resolution and the rights and obligations of the County, the District and of the Owners of the Series E Bonds, may be modified or amended at any time by a supplemental resolution adopted by the County with the written consent of Owners owning at least 60% in aggregate Principal Amount of the Outstanding Series E Bonds, exclusive of Series E Bonds owned by the County or the District; provided, however, that no such modification or amendment shall, without the express consent of the Owner of each Series E Bond affected, reduce the principal amount of any Series E Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything in the Resolution to the contrary, no such consent shall be required by the Owners of any Series E Bonds that are not directly and adversely affected by such amendment or modification and such modification or amendment may be adopted with the approval of not less than 60% in aggregate Principal Amount of the Series E Bonds affected.

The Resolution and the rights and obligations of the County, the District and of the Owners of the Series E Bonds may be modified or amended at any time by a supplemental resolution adopted by the County, without the written consent of the Owners:

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

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

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

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

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

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

Supplemental Resolution in Connection with Refunding Bonds

The Refunding District Resolution and the rights and obligations of the District and of the Owners of the Refunding Bonds may be modified or amended at any time by a supplemental resolution adopted by the District with the written consent of Owners owning at least 60% in aggregate principal amount of the Refunding Bonds then Outstanding exclusive of Refunding Bonds owned by the District; provided, however, that no such modification or amendment shall, without the express consent of the Owner of each Refunding Bond affected, reduce the principal amount of any such Refunding Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto.

The Refunding District Resolution and the rights and obligations of the District and of the Owners of the Refunding Bonds may be modified or amended at any time by a supplemental resolution adopted by the District, without the written consent of the Owners:

(1) To add to the covenants and agreements of the District in the Refunding District Resolution other covenants and agreements to be observed by the District which are not contrary to or inconsistent with such resolution as theretofore in effect;

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

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

(4) To cure any ambiguity, supply any omission, or cure to correct any defect or inconsistent provision in the Refunding District Resolution; or

(5) To amend or supplement the Refunding District Resolution in any other respect, provided such Supplemental Resolution does not adversely affect the interests of the Owners of the Refunding Bonds.

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

Unclaimed Moneys

Anything in the Resolutions to the contrary notwithstanding, any moneys held by the County or the Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for one year after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the County or the Paying Agent at such date, or for one year after the date of deposit of such moneys if deposited with the County or the Paying Agent after said date when such Bonds become due and payable, shall be repaid by the County or the Paying Agent to the District, as its absolute property and free from trust, and the County or the Paying Agent shall thereupon be released and discharged with respect thereto and the Owners of the Bond shall look only to the District for the payment of such Bonds; provided, however, that before being required to make such payment to the District, the Paying Agent shall, at the expense of District, cause to be mailed to the Owners of all such Bonds at their respective addresses appearing on the registration books, a notice that said moneys remain unclaimed and that, after a date in said notice, which date shall not be less than 30 days after the date of mailing such notice, the balance of such moneys then unclaimed will be returned to the District.

Debt Service Schedule

The following table sets forth the annual debt service on the Bonds (assuming no optional redemption thereof):

<i>Year Ending (August 1)</i>	<i>Series E Bonds</i>		<i>Refunding Bonds</i>		<i>Total</i>
	<i>Annual Principal Payment</i>	<i>Annual Interest Payment</i>	<i>Annual Principal Payment</i>	<i>Annual Interest Payment</i>	<i>Total Annual Bonds Debt Service</i>
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
Total					

The following table summarizes the aggregate annual debt service requirements for all of the general obligation bonds of the District that will be outstanding following the issuance of the Bonds:

**Beaumont Unified School District
Aggregate Annual Debt Service**

<i>Year Ending (August 1)</i>	<i>Prior General Obligation Bonds⁽¹⁾</i>	<i>Bonds</i>	<i>Total</i>
2019	\$ 4,368,673.16	\$	\$
2020	4,460,575.61		
2021	4,715,090.00		
2022	4,959,693.75		
2023	5,299,097.50		
2024	5,561,417.50		
2025	5,848,716.25		
2026	6,146,977.50		
2027	6,460,558.75		
2028	6,807,785.00		
2029	5,151,553.75		
2030	5,419,033.75		
2031	5,697,542.50		
2032	5,987,220.50		
2033	6,288,448.75		
2034	6,606,533.75		
2035	7,099,845.00		
2036	7,458,207.50		
2037	7,835,468.00		
2038	8,224,884.85		
2039	8,633,886.35		
2040	9,072,645.00		
2041	9,527,645.00		
2042	9,477,925.00		
2043	10,003,245.80		
2044	9,984,787.50		
Total	<u>\$ 177,097,458.02</u>	<u>\$</u>	<u>\$</u>

⁽¹⁾ Includes the Refunded Bonds.

Source: Underwriter.

SOURCES AND USES OF FUNDS

The estimated sources and uses of funds in connection with the Bonds are as follows:

Sources and Uses

<i>Sources of Funds</i>	<i>Series E Bonds</i>	<i>Refunding Bonds</i>	<i>Total Bonds</i>
Principal Amount of Bonds			
[Net] Original Issue [Premium]			
Total Sources of Funds			
<i>Uses of Funds</i>			
Building Fund			
Applicable Debt Service Fund ⁽¹⁾			
Escrow Fund ⁽²⁾			
Underwriter's Discount			
Costs of Issuance ⁽³⁾			
Total Uses of Funds			

- (1) Used to pay a portion of the interest due on the Series E Bonds through August 1, 2021 and a portion of the interest due on the Refunding Bonds through August 1, 2019.
- (2) Amounts on deposit will be used to defease and redeem the Refunded Bonds.
- (3) Represents all costs of issuance, including legal fees, printing costs, rating agency fees, the costs and fees of the Paying Agent, Escrow Agent and financial advisor and other costs of issuance of the Bonds.

Application and Investment of Bonds Proceeds and Tax Revenues in Connection with Series E Bonds

The proceeds from the sale of the Series E Bonds paid to the District by the Underwriter to the extent of the principal amount thereof shall be deposited in the Beaumont Unified School District Election of 2008 General Obligation Bond Building Fund (the "Building Fund") established under the Series E County Resolution and shall be kept separate and distinct from all other District and County funds. Interest earned on the investment of monies held in the Building Fund shall be retained in the Building Fund. The proceeds shall be used for the purpose for which the Series E Bonds are issued.

The original issue premium received by the District from the sale of the Series E Bonds and the *ad valorem* property taxes securing the payment of the Series E Bonds, when received, shall be kept separate and apart in the Beaumont Unified School District Election of 2008 General Obligation Bond Debt Service Fund (the "Series E Debt Service Fund") established under the Series E County Resolution and used only for payments of principal and interest on the Series E Bonds. Interest earned on the investment of monies held in the Series E Debt Service Fund shall be retained in the Series E Debt Service Fund and used to pay principal and interest on the Series E Bonds when due.

Any excess proceeds of the Series E Bonds not needed for the purpose for which the Series E Bonds are issued shall be transferred from the Building Fund to the Series E Debt Service Fund and applied to the payment of principal of and interest on the Series E Bonds. If after payment in full of the Series E Bonds there remain excess proceeds in the Series E Debt Service Fund, any such excess amounts shall be transferred to the District's General Fund. Amounts which the District determines are required to be rebated to the federal government will be deposited in the Beaumont Unified School District Election of 2008 General Obligation Bond Rebate Fund (the "Series E Rebate Fund") established under the Series E County Resolution.

Investment of Bond Proceeds. Monies held in the Building Fund, the Series E Debt Service Fund and the Series E Rebate Fund established under the Series E County Resolution may be invested in any investment permitted by law. It is anticipated that monies in the Building Fund, the Series E Rebate Fund and the Series E Debt Service Fund will be invested in the Riverside County Treasurer's Pooled Investment Fund (the "Pooled Investment Fund"). All funds held by the County Treasurer in the Building Fund and the Series E Debt Service Fund are expected to be invested at the sole discretion of the County Treasurer, on behalf of the District, in investment pools of the County into which the District may lawfully invest its funds or in any other investment authorized pursuant to the California Government Code, all in accordance with the investment policy of the County, as such statutes and investment policy may be amended or supplemented from time to time. Under existing law, amounts in the Building Fund are required to be invested in the County treasury and will be invested in the Pooled Investment Fund. See Appendices D and E hereto.

Application and Investment of Bonds Proceeds and Tax Revenues in Connection with Refunding Bonds

The Refunding Bonds are being issued to: (i) advance refund the Refunded Bonds, (ii) pay a portion of the interest due on the Refunding Bonds through August 1, 2019, and (iii) pay the costs of issuing the Refunding Bonds.

A portion of the proceeds from the sale of the Refunding Bonds will be deposited into an Escrow Fund (the "Escrow Fund") created and maintained by ZB, National Association dba Zions Bank, as escrow agent (the "Escrow Agent"), under the Escrow Agreement, by and between the District and the Escrow Agent, for the purpose of paying debt service on the Refunded Bonds through the applicable redemption date and redeeming the Refunded Bonds on such applicable date. The amount deposited, together with certain securities and interest earnings thereon, has been calculated to be sufficient to pay the amounts required by the previous sentence. See "SOURCES AND USES OF FUNDS" and "LEGAL MATTERS—Verification."

Moneys in the Escrow Fund will be invested in cash and non-callable direct obligations of the United States Treasury or other non-callable obligations, the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America. Causey, Demgen & Moore, P.C., independent certified public accountants, acting as verification agent (the "Verification Agent") with respect to the Escrow Fund, will certify that the proceeds of the Refunding Bonds deposited into the Escrow Fund, along with the interest earnings thereon, will be sufficient: (i) to pay the debt service due on the Refunded Bonds through the applicable redemption date, and (ii) to redeem the Refunded Bonds at a redemption price equal to the principal amount thereof, without premium. See "LEGAL MATTERS—Verification."

Amounts on deposit in the Escrow Fund are not available to pay debt service on the Bonds.

Investment of Moneys in Funds. Moneys in the Beaumont Unified School District 2018 General Obligation Refunding Bond Debt Service Fund (Election of 2008, Series C) (Federally Taxable) (the "Refunding Debt Service Fund"), established under the Refunding District Resolution, are to be used only for payments of principal of and interest on the Refunding Bonds and may be invested in any one or more investments which are lawful investments for school districts under the laws of the State of California.

It is anticipated that moneys in the Refunding Debt Service Fund will be invested in the County treasury and will be invested in the Pooled Investment Fund. See Appendices D and E hereto.

SECURITY FOR THE BONDS

The Bonds are general obligation bonds of the District payable solely from *ad valorem* property taxes levied on taxable property within the District. Each of the Board of Supervisors of the County and the Board

of Supervisors of San Bernardino County is empowered and obligated annually to levy *ad valorem* taxes, without limitation of rate or amount, for the payment of the principal and interest on the Bonds due and payable in the next succeeding bond year (less amounts on deposit in the applicable Debt Service Fund), upon the property within each county's respective boundaries which is subject to taxation by the District (except certain personal property which is taxable at limited rates). Pursuant to the provisions of Education Code 15260, the tax shall be levied according to the ratio which the assessed value of the property in the District in any county bears to the total assessed value of the property in the District. In light of this provision, given current assessed valuations, more than 99% of the *ad valorem* taxes are to be levied on property within the County and less than 1% on property within San Bernardino County. The Education Code further provides that, when collected, the *ad valorem* taxes shall be paid into the county treasury of the county which levied the taxes, and requires the Treasurer-Tax Collector of San Bernardino County, upon order of the San Bernardino County Auditor, to pay the *ad valorem* taxes collected to the Treasurer of the County. The Resolution pledges as security for the Bonds the proceeds from the levy of the *ad valorem* tax which are collected and allocated to the payment of the Bonds. See "TAX BASE FOR PREPAYMENT OF BONDS" herein.

The District currently has \$67,709,422 principal amount of general obligation bonds outstanding (the "Prior General Obligation Bonds"). Upon issuance of the Bonds, the District will have \$ _____* principal amount of general obligation bonds outstanding. The Prior General Obligation Bonds are also payable solely from *ad valorem* property taxes levied on taxable property within the District to repay such bonds.

The amount of the annual *ad valorem* tax levied to repay the Bonds and the Prior General Obligation Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds and the Prior General Obligation Bonds in any year. Fluctuations in the annual debt service on the Bonds and the Prior General Obligation Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate. Economic and other factors beyond the District's control could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate. These factors include a general market decline in real property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the federal government, the State of California (the "State") and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by a natural or manmade disaster, such as earthquake, flood or toxic contamination.

The assessed valuation of property in the District decreased from fiscal year 2009 through 2012 before increasing thereafter. See "TAX BASE FOR REPAYMENT OF THE BONDS—Historical Data Concerning District Tax Base." While the assessed valuations in the District have been increasing in recent fiscal years, future declines in real estate values in southern California, natural disasters or other factors could result in lower assessed values in the District and, in turn, both a higher annual tax rate within the District and a higher level of delinquencies in tax payments. The County has adopted the Teeter Plan (defined below). As a result, the District's receipt of property taxes from the County is not subject to delinquencies. The District is not eligible to participate in the County of San Bernardino's Teeter Plan and as a result receives only the *ad valorem* taxes actually collected. See "TAX BASE FOR REPAYMENT OF THE BONDS—*Ad Valorem* Property Taxation—*Teeter Plan*."

THE BONDS ARE GENERAL OBLIGATION BONDS OF THE DISTRICT AND DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY OR THE COUNTY OF SAN BERNARDINO. NO PART OF ANY FUND OF THE COUNTY OR THE COUNTY OF SAN BERNARDINO IS PLEDGED OR OBLIGATED TO THE PAYMENT OF THE BONDS.

* Preliminary, subject to change.

TAX BASE FOR REPAYMENT OF THE BONDS

The information in this section describes *ad valorem* property taxation, assessed valuation, and other measures of the tax base of the District. The Bonds are payable solely from *ad valorem* taxes levied and collected by the County and the County of San Bernardino on taxable property in the District. Currently, more than 99% of the *ad valorem* taxes are collected from property located in the County and the remaining portion of less than 1% from property located in the County of San Bernardino. The District's General Fund is not a source for the repayment of the Bonds.

Ad Valorem Property Taxation

The collection of property taxes is significant to the District and the owners of the Bonds in two respects. First, the general 1% *ad valorem* property tax levy, which is levied in accordance with Article XIII A of the California Constitution and its implementing legislation, funds a portion of the District's revenues which are used to operate the District's educational program. See "DISTRICT FINANCIAL MATTERS—Revenue Sources" below. Second, the Board of Supervisors of the County and the Board of Supervisors of San Bernardino County will levy and collect *ad valorem* taxes on all taxable parcels in the District and within their respective boundaries which are pledged specifically to the repayment of the Bonds and the Prior General Obligation Bonds. As described below, the general *ad valorem* property tax levy and the additional *ad valorem* property tax levy pledged to repay the Bonds and the Prior General Obligation Bonds will be collected on the annual tax bills distributed by the County and the County of San Bernardino to the owners of parcels within the boundaries of the District.

Method of Property Taxation. Beginning in fiscal year 1978-79, Article XIII A and its implementing legislation permitted each county to levy and collect all property taxes (except for levies to support prior voter approved indebtedness) and prescribed how levies on county-wide property values were to be shared with local taxing entities within each county. All property is assessed using full cash value as defined by Article XIII A of the State Constitution. State law, however, provides exemptions from *ad valorem* property taxation for certain classes of property such as churches, colleges, non-profit hospitals, and charitable institutions.

For purposes of allocating a county's 1% base property tax levy, future assessed valuation growth allowed under Article XIII A (new construction, certain changes of ownership, up to 2% inflation) will be allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and schools will share the growth of "base" sources from the tax rate area. Each year's growth allocation becomes part of each agency's allocation in the following year. The availability of revenue from growth in the tax bases in such entities may be affected by the existence of redevelopment agencies which, under certain circumstances, may be entitled to sources resulting from the increase in certain property values. State law exempts \$7,000 of the assessed valuation of an owner-occupied principal residence. This exemption does not result in any loss of revenue to local agencies since an amount equivalent to the taxes that would have been payable on such exempt values is made up by the State.

Taxes are levied for each fiscal year on taxable real and personal property which is situated in a county as of the preceding January 1. Real property which changes ownership or is newly constructed is revalued at the time the change in ownership occurs or the new construction is completed. The current year property tax rate will be applied to the reassessment, and the taxes will then be adjusted by a proration factor to reflect the portion of the remaining tax year for which taxes are due.

For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed public utilities property and real property having a tax lien which is sufficient, in the opinion of the county assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year, and if unpaid become delinquent on December 10 and April 10, respectively. A penalty of 10 percent attaches immediately to all delinquent payments. Property on the secured roll with respect to which taxes are delinquent becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5 percent per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property is subject to sale by the Treasurer-Tax Collector of the county levying the tax.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10 percent penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5 p.m. on October 31, an additional penalty of 1.5 percent attaches to them on the first day of each month until paid. A county has four ways of collecting delinquent unsecured personal property taxes: (1) bringing a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the county recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property improvements or possessory interests belonging or assessed to the delinquent taxpayer.

District Assessed Valuation. Both the general 1% *ad valorem* property tax levy and the additional *ad valorem* levy for the Bonds and the Prior General Obligation Bonds are based upon the assessed valuation of the parcels of taxable property in the District. Property taxes allocated to the District are collected by the County and the County of San Bernardino at the same time and on the same tax rolls as are county, city and special district taxes. The assessed valuation of each parcel of property is the same for both District and county taxing purposes. The valuation of secured property within the District is established as of January 1, and is subsequently equalized in September of each year, when tax bills are mailed to property owners.

Appeals and Adjustments of Assessed Valuations. Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in the form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. County assessors may independently reduce assessed values as well based upon the above factors or reductions in the fair market value of the taxable property. In most cases, an appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. Such reductions are subject to yearly reappraisals and may be adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS."

A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

The District does not have information regarding pending appeals of assessed valuation of property within the District. No assurance can be given that property tax appeals currently pending or in the future will not significantly reduce the assessed valuation of property within the District.

Taxation of State-Assessed Utility Property. A portion of property tax revenue of the District is derived from utility property subject to assessment by the State Board of Equalization. State-assessed property, or "unitary property," is property of a utility system with components located in many taxing jurisdictions that are assessed as part of a "going concern" rather than as individual pieces of real or personal

property. The assessed value of unitary and certain other state-assessed property is allocated to the counties by the State Board of Equalization, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the District) according to statutory formulae generally based on the distribution of taxes in the prior year.

Teeter Plan. The County has implemented an alternative method for the distribution of secured property taxes to local agencies, known as the "Teeter Plan." Although San Bernardino County has implemented a Teeter Plan, the District may not elect to proceed under that Teeter Plan because the District's headquarters are not located in San Bernardino County. As a result, with respect to *ad valorem* taxes levied on parcels within the District and San Bernardino County, the District receives only the amount paid by the owners of such parcels.

The Teeter Plan provisions are now set forth in Sections 4701 to 4717 of the California Revenue and Taxation Code. Upon adoption and implementation of this method by a county board of supervisors, local agencies for which the county acts as "bank" and certain other public agencies and taxing areas located in the county receive annually the full amount of their share of property taxes on the secured roll, including delinquent property taxes which have yet to be collected. While a county benefits from the penalties associated with these delinquent taxes when they are paid, the Teeter Plan is intended to provide participating local agencies with stable cash flow and the elimination of collection risk.

To implement a Teeter Plan, the board of supervisors of a county generally must elect to do so by July 15 of the fiscal year in which it is to apply. As a separate election, a county may elect to have the Teeter Plan procedures also apply to assessments on the secured roll. The Board of Supervisors of the County has adopted the Teeter Plan and has elected to include school districts in its Teeter Plan. Thus, the County's Teeter Plan applies to the District.

Once adopted, a county's Teeter Plan will remain in effect in perpetuity unless the board of supervisors orders its discontinuance or unless prior to the commencement of a fiscal year a petition for discontinuance is received and joined in by resolutions of the governing bodies of not less than two-thirds of the participating districts in the county. An electing county may, however, opt to discontinue the Teeter Plan with respect to any levying agency in the county if the board of supervisors, by action taken not later than July 15 of a fiscal year, elects to discontinue the procedure with respect to such levying agency and the rate of secured tax delinquencies in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll by that agency. Although the rate of delinquency for a variety of local agencies, including the District, has exceeded the 3% delinquency threshold from time to time, the County has never discontinued the Teeter Plan with respect to any levying agency.

Upon making a Teeter Plan election, a county must initially provide a participating local agency with 95% of the estimated amount of the then accumulated tax delinquencies (excluding penalties) for that agency. In the case of the initial year distribution of assessments (if a county has elected to include assessments), 100% of the assessment delinquencies (excluding penalties) are to be apportioned to the participating local agency which levied the assessment. After the initial distribution, each participating local agency receives annually 100% of the secured property tax levies to which it is otherwise entitled, regardless of whether the county has actually collected the levies.

If any tax or assessment which was distributed to a Teeter Plan participant is subsequently changed by correction, cancellation or refund, a pro rata adjustment for the amount of the change is made on the records of the treasurer and auditor of the county. Such adjustment for a decrease in the tax or assessment is treated by the County as an interest-free offset against future advances of tax levies under the Teeter Plan.