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

ITEM: 3.4
(ID # 12101)
MEETING DATE:
Tuesday, March 17, 2020

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Adoption of Resolution No. 2020-065 Authorizing the Issuance and Sale of Taxable Pension Obligation Bonds, Series 2020, in An Aggregate Amount Not To Exceed $730 million, All Districts. [$4,186,763 - Bond Proceeds 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Board Resolution No. 2020-065 authorizing the issuance and sale of its Taxable Pension Obligation Bonds, Series 2020, in an aggregate amount not to exceed $730,000,000, to refund a portion of the County's obligation to the California Public Employees' Retirement System, and authorizing the execution and delivery of a first supplemental trust agreement, a purchase contract and a continuing disclosure certificate and the preparation of an official statement and other matters related thereto.

ACTION:Policy

Don R. Kent, Assistant CEO-County Finance Officer 3/11/2020

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes:	Spiegel, Washington and Perez
Nays:	Jeffries and Hewitt
Absent:	None
Date:	March 17, 2020
xc:	EO

Kecia R. Harper
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	$4,186,763	$0	$4,186,763	$0
NET COUNTY COST	$0	$0	$0	$0
SOURCE OF FUNDS: 100% Bond Proceeds			Budget Adjustment: No	
			For Fiscal Year: 19/20	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Board Policy B-25, Pension Management and Other Post-Employment Benefits, states, "The County seeks to maintain a minimum funding level of 80% in its CalPERS defined benefit pension plan. To the extent the funding level falls below that, the County will prepare a plan to address the issue." In addition, at the February 4, 2020 Board of Supervisors meeting, Item 3.15 requested that the Executive Office "return with specific pension debt reduction strategies or options." As presented in the most recent Pension Advisory Review Committee (PARC) report dated January 14, 2020, the unfunded liability was approximately $3.5 billion, which equates to 70.4% funded, and is projected to increase over the course of the next decade.

The Executive Office has evaluated pension funding options for the County's CalPERS Miscellaneous and Safety Plans for nearly two years to address these issues. In an effort to reduce the unfunded liability over time, it will require additional payments to be made. An option to achieve this goal is to accumulate each years' annual savings that will result from the issuance of Pension Obligation Bonds (POBs). Current record lows in the U.S. Treasury bond market make POBs a viable option to achieve cost savings. Taxable municipal bond interest rates have declined to under 3.00% at the end of February 2020. Compare this to the CalPERS rate of 7.00% for the Unfunded Accrued Actuarial Liability (UAAL), interest cost reductions of greater than 50% will be achieved and are projected to result in savings more than $268 million over 18 years. This is based on an issuance amount of $727 million.

The proceeds of the issuance will be invested with CalPERS. Bartel Associates, the County's independent actuary, evaluated the investment risk and provided an analysis, just as it did in 2018. The methodology used for the analysis was a model of 30-year simulations of investment returns of each asset class in CalPERS' portfolio. Success is defined as the County's future contributions to CalPERS over the next 30 years being reduced by the issuance of POBs due to the reduction in interest rates achieved by this strategy.

The most recent analysis showed the likelihood of success at 85% assuming an all-in interest cost of approximately 2.78% (which includes a cushion of more than 0.25% should rates rise during the time it takes to go to market). The difference between the CalPERS rate of 7.00% versus what is achievable today by issuing POBs at 2.78%, represents a very large spread of

4.22 percentage points (422 basis points). To put this into perspective, the spread on the 2005 POBs, which have shown to be successful, was only at 284 basis points.

Bond Refinance History

In addition to Bartel Associates' projection of the likelihood of success for a new POB, they prepared an analysis of the County's 2005 pension obligation bond issuance. The results of the 2005 POBs may provide some guidance in proceeding with a 2020 issuance. Their most recent report, which was included as part of the January 14, 2020 PARC report, shows an estimated cumulative benefit of $138 million, as of February 15, 2020.

During the 15-year time frame that the 2005 POBs have been outstanding, CalPERS has realized an average annual return of 6.5%, which is greater than the 2005 POBs' all-in interest rate of 4.91%.

The savings on the 2005 POBs could increase further, or decrease, over the remaining term of the bond depending on CalPERS' investment performance. The primary risk that the County bears regarding its pension obligations is investment risk. It bears that risk independent of any bond issue. The proposed POBs (which would refinance approximately 20% of the County's combined UAAL) would have the effect of modestly increasing that risk. As it pertains to the proposed bond issue, an annual rate of return from CalPERS of greater than the County's cost of borrowing (presently estimated to be at or below 2.78%) is all that is needed to avoid a loss.

The POB debt service has been structured to provide overall long-term cost reductions, achieving level annual savings for each base that is refunded, compared to the CalPERS existing payment schedule. This is reflected in the selection of unfunded liability bases (or layers) for both the Miscellaneous and Safety employee plans.

Committee Recommendations

On Feb. 13, 2020, the PARC reviewed the proposed POB issuance and recommended that it be considered by the Debt Advisory Committee (DAC) for its review. It was reviewed and unanimously approved by the DAC on Feb. 20, 2020 and recommended to be presented to the County Board of Supervisors. In compliance with the Board Policy B-24, Debt Management Policy, the proposed POB maturities will not extend beyond the terms of the bases that are to be refinanced.

Summary

If approved by the Board of Supervisors, the POBs would be sold in mid-April of 2020 and close by the end of that month, achieving an additional $400,000 of savings in FY 19-20. The bond proceeds would be applied to the unfunded liability simultaneously with the bond closing. In connection with the issuance of the bonds, Columbia Capital Management, LLC, will serve as

Municipal Advisor, Bartel Associates, LLC as actuarial consultant, Orrick, Herrington & Sutcliffe LLP, as bond counsel, Kutak Rock LLP, as disclosure counsel, Raymond James & Associates, Inc., as senior managing underwriter, and BofA Securities, Citigroup Global Markets, and Barclays as co-managers.

Upon completion of the sale of the bonds, and when final debt service and savings are known, PARC will return with recommendations to the Board, based on a variety of strategies as cited in Policy B-25, on how each year of the annual savings might be implemented. Further reductions in the unfunded liability and improvement in the funded status ratio over time are possible and will have an accelerated effect if each year's annual savings are accumulated and sent to CalPERS in the form of additional discretionary payments. Another option is to accumulate the savings in the Section 115 Pension Trust, which is solely to be used to make additional payments to CalPERS.

The POBs are expected to receive a rating of AA by Standard & Poor's and Aa3 or A1 by Moody's, which is the current rating of the 2005 POBs.

Impact on Residents and Businesses

The cost of the County's Miscellaneous and Safety defined benefit pension plans have been rising and are projected, by independent actuary Bartel Associates, LLC., to continue to rise through the early 2030s. With rising costs, the County must assign more financial resources to pay these costs. Pension Obligation Bonds will reduce the County's interest cost on a portion of what is due to CalPERS, thus providing savings which can then be used to make additional discretionary payments to CalPERS.

Additional Fiscal Information

The costs associated with the issuance of these bonds will be paid through the bond proceeds.

ATTACHMENTS:

1.) Authorizing Resolution
2.) First Supplemental Trust Agreement
3.) Purchase Contract
4.) Preliminary Official Statement
5.) Continuing Disclosure Certificate (contained in Exhibit F of the Preliminary Official Statement)

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

George A. Johnson, County Executive Officer 3/11/2020

Gregory P. Priamos, Director County Counsel 3/11/2020

BOARD OF SUPERVISORS COUNTY OF RIVERSIDE

RESOLUTION NO. 2020-065

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE AUTHORIZING THE ISSUANCE AND SALE OF ITS TAXABLE PENSION OBLIGATION BONDS, SERIES 2020, IN AN AGGREGATE AMOUNT NOT TO EXCEED $730,000,000, TO REFUND A PORTION OF THE COUNTY'S OBLIGATION TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM, AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL TRUST AGREEMENT, A PURCHASE CONTRACT AND A CONTINUING DISCLOSURE CERTIFICATE AND THE PREPARATION OF AN OFFICIAL STATEMENT AND OTHER MATTERS RELATED THERETO

FORM APPROVED COUNTY COUNSEL
BY: MCT 11 MAR 2020
MICHAEL C. THOMAS DATE

WHEREAS, the County of Riverside (the "County") previously issued its County of Riverside Taxable Pension Obligation Bonds, Series 2005 A (the "Series 2005 A Bonds"), in the aggregate principal amount of $400,000,000, of which $218,830,000 principal amount is currently outstanding;

WHEREAS, the Series 2005 A Bonds were issued pursuant to the Trust Agreement, dated as of February 1, 2005 (the "Original Trust Agreement"), by and between the County and Wells Fargo Bank, National Association, as trustee (the "Trustee") (capitalized undefined terms used herein have the meanings ascribed thereto in the Original Trust Agreement);

WHEREAS, the Series 2005 A Bonds were issued for the purpose of refunding a portion of the County's obligations to the System evidenced by the PERS Contract;

WHEREAS, the Original Trust Agreement provides that the County may at any time issue Additional Bonds (in addition to the Series 2005 A Bonds) on a parity with the Series 2005 A Bonds for the purpose of satisfying any obligation of the County to make payments to the System pursuant to the Retirement Law relating to pension benefits accruing to the System's members, and/or for payment of all costs incidental to or connected with the issuance of Additional Bonds for such purpose, but only subject to the conditions set forth therein;

WHEREAS, the Original Trust Agreement provides that such Additional Bonds may be issued in any Mode as may be set forth in a Supplemental Trust Agreement;

WHEREAS, prior to the issuance of the Series 2005 A Bonds, the Superior Court of the State of California for the County of Riverside entered default judgment to the effect that, among other things, the bonds to be issued by the County to refund the County's unfunded accrued actuarial liability to the System, upon execution and delivery thereof, would be valid, legal and binding obligations of the County;

WHEREAS, for the purpose of refunding an additional portion of certain of the County's obligations to the System evidenced by the PERS Contract, the County desires to issue its County of Riverside Taxable Pension Obligation Bonds, Series 2020 (the "Series 2020 Bonds"), in an aggregate amount not exceeding the sum of (a) the County's unfunded accrued actuarial liability for County employees under the PERS Contract and the Retirement Law as of the date of issuance of the Series 2020 Bonds, as determined by Bartel Associates, LLC (the "Actuary"), (b) any original issue discount on the Series 2020 Bonds, and (c) the costs of issuance of the Series 2020 Bonds (including underwriters' discount on the Series 2020 Bonds);

WHEREAS, as of June 30, 2018, based upon the System's actuarial valuations for the Miscellaneous Plan of the County of Riverside and the Safety Plan of the County of Riverside and an analysis the Actuary, the County had an obligation in the amount of $3,506,658,203 pursuant to the PERS Contract and the Retirement Law as an unfunded accrued actuarial liability for County employees;

WHEREAS, the Actuary has estimated that the County's unfunded accrued actuarial liability for County employees under the PERS Contract and the Retirement Law will be an amount at least equal to $730,000,000 as of the expected date of issuance of the Series 2020 Bonds;

WHEREAS, the Original Trust Agreement provides that the Original Trust Agreement and the rights and obligations of the County and the Owners thereunder may be amended at any time by a Supplemental Trust Agreement, which the County and the Trustee may enter into without the consent of any Owners and without the consent of the 2005 Bond Insurer to provide for the issuance of any Additional Bonds and to provide the terms of such Additional Bonds, subject to the conditions and upon compliance with the procedure set forth in Article IV of the Original Trust Agreement;

WHEREAS, in order to provide for the issuance of the Series 2020 Bonds and to provide the terms of the Series 2020 Bonds, the County proposes to enter into a First Supplemental Trust Agreement with the Trustee, amending the Original Trust Agreement (such First Supplemental Trust Agreement in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "First Supplemental Trust Agreement");

WHEREAS, the Series 2020 Bonds are expected to be issued as Standard Bonds;

WHEREAS, Raymond James & Associates, Inc. (the "Representative"), on behalf of itself and the other underwriters to be designated pursuant hereto, has presented the County with a proposal, in the form of a Purchase Contract, to purchase the Series 2020 Bonds (such Purchase Contract, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Purchase Contract");

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Series 2020 Bonds, the underwriters thereof must have reasonably determined that the County has, or one or more appropriate obligated persons have, undertaken in a written agreement or contract for the benefit of the holders of the Series 2020 Bonds to provide disclosure of certain financial information and certain listed events on an ongoing basis;

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

WHEREAS, a form of the Preliminary Official Statement to be distributed in connection with the public offering of the Series 2020 Bonds has been prepared (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Preliminary Official Statement");

WHEREAS, there have been prepared and submitted to this meeting forms of:

(a) the First Supplemental Trust Agreement;

(b) the Purchase Contract;

(c) the Continuing Disclosure Certificate; and

(d) the Preliminary Official Statement;

WHEREAS, the Board of Supervisors of the County (the "Board") desires to authorize the issuance of the Series 2020 Bonds and the execution of such documents and the performance of such acts as may be necessary or desirable to effect the issuance of the Series 2020 Bonds;

WHEREAS, Section 5852.1 of the California Government Code requires that the Board obtain from an underwriter, financial advisor or private lender and disclose, in a meeting open to the public, prior to authorization of the issuance of the Series 2020 Bonds, good faith estimates of (a) the true interest cost of the Series 2020 Bonds, (b) the sum of all fees and charges paid to third parties with respect to the Series 2020 Bonds, (c) the amount of proceeds of the Series 2020 Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Series 2020 Bonds, and (d) the sum total of all debt service payments on the Series 2020 Bonds calculated to the final maturity of the Series 2020 Bonds, plus the fees and charges paid to third parties not paid with the proceeds of the Series 2020 Bonds;

WHEREAS, in compliance with Section 5852.1 of the California Government Code, the Board has obtained from Columbia Capital Management, LLC, the County's municipal advisor (the "Municipal Advisor"), and the Representative the required good faith estimates and such estimates are disclosed and set forth in Exhibit A attached hereto; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the refunding of a portion of the County's unfunded accrued actuarial liability for County employees under the PERS Contract and the Retirement Law authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the County is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such refunding for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, in regular session assembled on March 17, 2020, does hereby resolve, find, determine and order as follows:

Section 1. All of the recitals herein contained are true and correct and the Board so finds.

Section 2. The Board hereby finds and declares that the issuance of the Series 2020 Bonds to refund a portion of the County's unfunded accrued actuarial liability for County employees under the PERS Contract and the Retirement Law and the other actions contemplated hereby are in the best interests of the County and are expected, based on investment and other assumptions, to result in significant savings to the taxpayers of the County.

Section 3. The issuance of the Series 2020 Bonds, in an aggregate principal amount of not to exceed $730,000,000, on the terms and conditions set forth in, and subject to the limitations specified in the First Supplemental Trust Agreement, is hereby authorized and approved. The Series 2020 Bonds, in substantially the forms set forth in the First Supplemental Trust Agreement submitted to this meeting and made a part hereof as though set forth herein, be and the same are hereby approved; provided, however, that (a) the Series 2020 Bonds shall be issued as Standard Bonds, (b) the aggregate principal amount of the Series 2020 Bonds shall not exceed the sum of the County's unfunded accrued actuarial liability for County employees under the PERS Contract and the Retirement Law as of the date of issuance of the Series 2020 Bonds, as determined by the Actuary, plus any original issue discount on the Series 2020 Bonds, plus the costs of issuance of the Series 2020 Bonds (including underwriters' discount on the Series 2020 Bonds), (c) the true interest cost for the Series 2020 Bonds shall not exceed 3.50%, and (d) the Series 2020 Bonds shall mature not later than 21 years from the date of issuance thereof.

The obligations of the County under the Series 2020 Bonds, including the obligation to make all payments of interest and principal when due, are obligations of the County imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The Series 2020 Bonds do not constitute an obligation of the County for which the County is obligated to levy or pledge any form of taxation. Neither the Series 2020 Bonds nor the obligation of the County to make payments on the Series 2020 Bonds constitutes an indebtedness of the County, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

Section 4. The First Supplemental Trust Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. Each of the Chair of the Board, and any such other member of the Board as the Chair may designate, the Treasurer-Tax Collector of the County, the County Executive Officer of the County, the Chief Operating Officer of the County, the Chief Deputy County Executive Officer of the County, the Deputy County Executive Officer of the County and the County Finance Officer of the County, and such other officers of the County as the County Executive Officer may designate (the "Authorized Officers") is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the County, to execute and deliver the First Supplemental Trust Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may, upon consultation with County Counsel, require or approve, such requirement or approval to be conclusively evidenced by the execution of the First Supplemental Trust Agreement by such Authorized Officer. The Clerk of the Board is authorized and directed to affix and attest the seal of the County to the First Supplemental Trust Agreement.

Section 5. The Purchase Contract, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the County (a) to designate, as a member or members of the underwriting group for the Series 2020 Bonds, one or more broker-dealers with a national reputation for underwriting municipal debt obligations, such designation to be conclusively evidenced by the execution of the Purchase Contract by such Authorized Officer, and (b) to execute and deliver the Purchase Contract in the form submitted to this meeting, with such changes, insertions (including the insertion of the names of the members of the underwriting group designated as provided herein) and omissions as the Authorized Officer executing the same may, upon consultation with County Counsel, require or approve, such requirement or approval to be conclusively evidenced by the execution of the Purchase Contract by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not result in an aggregate underwriters' discount (not including any original issue discount) from the principal amount of the Series 2020 Bonds in excess of 0.50% of the aggregate principal amount of the Series 2020 Bonds.

Section 6. The Continuing Disclosure Certificate, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the County, to execute and deliver the Continuing Disclosure Certificate in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may, upon consultation with County Counsel, require or approve, such requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Certificate by such Authorized Officer.

Section 7. The Preliminary Official Statement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, be and the same is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2020 Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the County that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

Section 8. The preparation and delivery of a final Official Statement (the "Official Statement"), and its use in connection with the offering and sale of the Series 2020 Bonds, be and the same is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the County, to execute the final Official Statement and any amendment or supplement thereto.

Section 9. In connection with the issuance of the Series 2020 Bonds, the County approves the appointment of (a) Columbia Capital Management, LLC, as Municipal Advisor, (b) Orrick, Herrington & Sutcliffe LLP, as bond counsel, (c) Kutak Rock LLP, as disclosure counsel, and (d) Raymond James & Associates, Inc., as senior managing underwriter.

Section 10. The Authorized Officers are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things which they or any of them deem necessary or advisable in order to carry out the issuance of the Series 2020 Bonds and to consummate the transactions contemplated by the First Supplemental Trust Agreement, the Purchase Contract, the Continuing Disclosure Certificate, the Official Statement and this Resolution.

Section 11. All actions heretofore taken by the officers and employees of the County with respect to the issuance and sale of the Series 2020 Bonds, or in connection with or related to any of the agreements or documents referenced herein, are hereby approved, confirmed and ratified.

Section 12. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE OF CLERK

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Kecia Harper, Clerk of the Board of Supervisors of the County of Riverside, California, do hereby certify that the foregoing Resolution No. 2020-065 was duly adopted by the Board of Supervisors of said County, at a meeting of said Board held on the 17th day of March, 2020, and that it was so adopted by the following vote:

AYES: Spiegel, Washington and Perez

NOES: Jeffries and Hewitt

ABSTAIN: None

ABSENT: None

, Deputy
Clerk of the Board of Supervisors
of the County of Riverside

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

Kecia R. Harper, Clerk of said Board

By
Deputy

03.17.2020 3.4

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Series 2020 Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the County by the Municipal Advisor and the Representative.

Principal Amount. The Municipal Advisor and the Representative have informed the County that, based on the County's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Series 2020 Bonds to be sold is $727,375,000, (the "Estimated Principal Amount").

True Interest Cost of the Series 2020 Bonds. The Municipal Advisor and the Representative have informed the County that, assuming that the Estimated Principal Amount of the Series 2020 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the Series 2020 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Series 2020 Bonds, is 2.52%.

Finance Charge of the Series 2020 Bonds. The Municipal Advisor and the Representative have informed the County that, assuming that the Estimated Principal Amount of the Series 2020 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the Series 2020 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Series 2020 Bonds), is $4,186,763.

Amount of Proceeds to be Received. The Municipal Advisor and the Representative have informed the County that, assuming that the Estimated Principal Amount of the Series 2020 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the County for sale of the Series 2020 Bonds, less the finance charge of the Series 2020 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Series 2020 Bonds, is $723,188,237.

Total Payment Amount. The Municipal Advisor and the Representative have informed the County that, assuming that the Estimated Principal Amount of the Series 2020 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the County will make to pay debt service on the Series 2020 Bonds, plus the finance charge for the Series 2020 Bonds, as described above, not paid with the proceeds of the Series 2020 Bonds, calculated to the final maturity of the Series 2020 Bonds, is $876,163,952, which excludes any reserves or capitalized interest paid or funded with proceeds of the Series 2020 Bonds (which may offset such total payment amount).

The foregoing estimates constitute good faith estimates only as of February 21, 2020, and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the Series 2020 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Series 2020 Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Series 2020 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Series 2020 Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Series 2020 Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the County's financing plan, or a combination of such factors. The actual date of sale of the Series 2020 Bonds and the actual principal amount of the Series 2020 Bonds sold will be determined by the County based on the timing of the need for proceeds of the Series 2020 Bonds and other factors. The actual interest rates borne by the Series 2020 Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Series 2020 Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic, national, international and other factors beyond the control of the County, the Municipal Advisor or the Representative.

PRELIMINARY OFFICIAL STATEMENT DATED ____________, 2020

NEW ISSUE—BOOK-ENTRY ONLY

Moody's: "[__]"
S&P: "[__]"
See "RATINGS"

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the County, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2020 Bonds is exempt from State of California personal income taxes. Bond Counsel observes that interest on the Series 2020 Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Series 2020 Bonds. See "TAX MATTERS" herein.

$727,165,000*
COUNTY OF RIVERSIDE
TAXABLE PENSION OBLIGATION BONDS, SERIES 2020

Dated: Date of Delivery

Due: February 15, as shown on inside cover

The County of Riverside (the "County") is issuing its Taxable Pension Obligation Bonds, Series 2020 (the "Series 2020 Bonds") under a Trust Agreement, dated as of February 1, 2005, as supplemented by a First Supplemental Trust Agreement, dated as of April 1, 2020 (collectively, the "Trust Agreement"), both by and between the County and Wells Fargo Bank, National Association, as trustee (the "Trustee"), to (i) refund a portion of the County's obligations to the California Public Employee's Retirement System ("CalPERS" or the "System") under the CalPERS Contract (as described herein), evidencing a portion of the County's obligation to pay the County's unfunded accrued actuarial liability to the System and (ii) pay the costs of issuance related to the Series 2020 Bonds. Pursuant to the Trust Agreement, the Series 2020 Bonds will be issued on parity with the County's Series 2005 Bonds (as defined herein), which were previously issued to refund a portion of the County's obligation to CalPERS under the CalPERS Contract. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2020 BONDS" herein.

The Series 2020 Bonds will be issued to refinance the County's statutory obligation to appropriate and make payments to CalPERS for certain amounts arising as a result of retirement benefits accruing to members of the System. The obligations of the County under the Series 2020 Bonds, including the obligation to make all payments of the principal, premium, if any, and interest on, when due, are obligations of the County imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. See "PLAN OF FINANCING" and "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2020 BONDS" herein.

The Series 2020 Bonds will be issued as current interest bonds. The Series 2020 Bonds accrue interest from the date of delivery thereof and are payable semiannually on February 15 and August 15 of each year, commencing August 15, 2020.

The Series 2020 Bonds are being issued in fully registered form, and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC") in the United States. DTC will act as Securities Depository for the Series 2020 Bonds. Individual purchases of Series 2020 Bonds will be made in book-entry form only in denominations of $5,000 principal amount, or any integral multiple thereof. Purchasers will not receive certificates representing their beneficial ownership interest in the Series 2020 Bonds purchased. See "APPENDIX C — BOOK-ENTRY-ONLY SYSTEM."

The Series 2020 Bonds are subject to redemption prior to maturity as described herein. See "THE SERIES 2020 BONDS — Redemption Provisions" herein.

THE SERIES 2020 BONDS DO NOT CONSTITUTE AN OBLIGATION OF THE COUNTY FOR WHICH THE COUNTY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION. NEITHER THE SERIES 2020 BONDS NOR THE OBLIGATION OF THE COUNTY TO MAKE PAYMENTS ON THE SERIES 2020 BONDS CONSTITUTE AN INDEBTEDNESS OF THE COUNTY, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

This cover page contains information for general reference only. It is not intended to be a summary of the security or terms of this issue. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision. Capitalized terms used on this cover page not otherwise defined will have the meanings set forth herein.

The Series 2020 Bonds will be offered when, as and if issued and received by the Underwriters, subject to the approval as to their legality by Orrick, Herrington & Sutcliffe LLP, Bond Counsel, and certain other conditions. Columbia Capital Management, LLC. is serving as Municipal Advisor to the County in connection with the issuance of the Series 2020 Bonds. Certain legal matters will be passed upon for the Underwriters by their counsel, Jones Hall, A Professional Law Corporation, San Francisco, California and for the County by Kutak Rock LLP, Los Angeles, California, Disclosure Counsel, and by the Riverside County Counsel. It is anticipated that the Series 2020 Bonds in definitive form will be available for delivery to DTC in New York, New York on or about April [__], 2020.

Raymond James

[LIST CO-UNDERWRITERS]

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* Preliminary; subject to change.

$727,165,000*
COUNTY OF RIVERSIDE
TAXABLE PENSION OBLIGATION BONDS, SERIES 2020

MATURITY SCHEDULE

Base CUSIP†: _______

Serial Current Interest Bonds

Maturity (February 15)	Principal Amount	Interest Rate	Yield	CUSIP†

$________ ____% Term Current Interest Bonds due [DATE]—Yield ____% CUSIP† ___

$________ ____% Term Current Interest Bonds due [DATE]—Yield ____% CUSIP† ___

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* Preliminary; subject to change.

† *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 Global Market Intelligence. Copyright © 2020 CUSIP Global Services. All rights reserved. This data is not intended to create a database and does not serve in any way as a substitute for CGS. CUSIP® numbers are provided for convenience of reference only. Neither the County nor the Underwriter guarantee the accuracy of the CUSIP data.*

This Official Statement is delivered for use in connection with the issuance, sale and delivery of the Series 2020 Bonds and may not be reproduced or used, in whole or in part, for any other purpose.

No dealer, broker, salesperson or other person has been authorized by the County to give any information or to make any representation other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the Series 2020 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

All summaries of the documents referred to in this Official Statement are made subject to the provisions of such documents, respectively, and do not purport to be complete statements of any or all of such provisions.

This Official Statement is not to be construed as a contract with the purchasers of the Series 2020 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 information and expressions of opinions herein are subject to change without notice, and neither delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement:

> The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

This Official Statement, including any supplement or amendment hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through the Electronic Municipal Marketplace Access (EMMA) website. The County also maintains a website. In addition, certain information and reports found on other websites are referred to in this Official Statement. However, the information and reports available at the County's or such other websites are not incorporated by reference herein and must not be relied upon in making an investment decision with respect to the Series 2020 Bonds.

The issuance and sale of the Series 2020 Bonds have not been registered under the Securities Act of 1933 in reliance upon an exemption provided thereunder by Section 3(a)(2) for the issuance and sale of municipal securities.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2020 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. CONSEQUENTLY, THE MARKET PRICE PAID BY AN INVESTOR DURING THE STABILIZATION PERIOD MAYBE HIGHER THAN THE PREVAILING MARKET RATE.

4840-1978-3519.10

Security and Sources of Payment for the Series 2020 Bonds

In 2005, the County issued its Taxable Pension Obligation Bonds, Series 2005 A (the "Series 2005 Bonds"), pursuant to the Master Trust Agreement and the laws of the State to refund a portion of the County's obligations to CalPERS under the CalPERS Contract, evidencing the County's unfunded accrued actuarial liability to the System. The Series 2005 Bonds are currently outstanding in the approximate aggregate principal amount of $218,830,000. The Series 2020 Bonds will be on parity with the Series 2005 Bonds under the Trust Agreement.

The obligations of the County under the Series 2020 Bonds (and the Series 2005 Bonds), including the obligation to make all payments of the principal, as applicable, premium, if any, and interest on, when due, are obligations of the County imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. Pursuant to the Trust Agreement, the County is required to prepay its Fiscal Year debt service requirements to the Trustee no later than July 31 of each year. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2020 BONDS" herein.

THE SERIES 2020 BONDS DO NOT CONSTITUTE AN OBLIGATION OF THE COUNTY FOR WHICH THE COUNTY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION. NEITHER THE SERIES 2020 BONDS NOR THE OBLIGATION OF THE COUNTY TO MAKE PAYMENTS ON THE SERIES 2020 BONDS CONSTITUTE AN INDEBTEDNESS OF THE COUNTY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

The County has not established a debt service reserve fund for the Series 2020 Bonds.

The assets of CalPERS will not secure or be available to pay principal, premium, if any, and interest on, the Series 2020 Bonds.

Validation

The authorization by the County of the issuance of the Series 2005 Bonds and any Additional Bonds (as defined herein, and which include the Series 2020 Bonds) under the Trust Agreement as obligations of the County imposed by law, and as to the validity and conformity of the Series 2005 Bonds and Additional Bonds (which include the Series 2020 Bonds) with all applicable provisions of law, were validated by a judgment of the Superior Court of the State of California in and for the County of Riverside entered on May 3, 2004. The time period for the filing of appeals with respect to the judgment has expired. No appeals were filed and therefore, the judgment is final. See "VALIDATION" herein.

Redemption

The Series 2020 Bonds are subject to redemption as described herein. See "THE SERIES 2020 BONDS — Redemption Provisions" herein.

Continuing Disclosure

The County has agreed to provide, or cause to be provided, to the Municipal Securities Rulemaking Board certain annual financial information and operating data and, in a timely manner, notice of certain listed events for purposes of Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule") adopted by the Securities and Exchange Commission. These covenants have been made in order to assist the understanding the likelihood of success for certain proposed scenarios for the Bonds. The POB Study defines "success" as a lower cost present value of contribution cash flows and CalPERS asset balance after 30 years with the Bonds issued, as compared to if the Bonds are not issued. The POB Study states that it is based on a stochastic model with 1,000 trials for investment returns over the next 30 years. Based on those returns, the POB Study calculated the required County CalPERS contributions both with and without the issuance of the Bonds. The same analysis was completed for four potential scenarios for the Bonds with varying assumptions for average effective interest rate, average duration and par amount. The California Public Employees' Pension Reform Act (PEPRA) requires that employers always contribute annually at least the normal cost, which means that the County's contribution may not be reduced below the normal cost amount even if the plans are funded in excess of 100%. For this reason, Bartel calculated the likelihood of success with and without the normal cost minimum requirement. Based on the analysis, the POB Study presents the County with likelihood of success for the Safety Plan and the Miscellaneous Plan, on a combined basis, ranging from a low of 80% (without normal cost minimum) or 76% (with normal cost minimum) to a high of 84% (without normal cost minimum) or 81% (with normal cost minimum).

On [_______], 2020, Bartel updated the POB Study to specifically address the plan of finance discussed in the following paragraph related to the Series 2020 Bonds, and to reflect interest rates as of February 21, 2020 plus twenty-five basis points, which projected a probability of success of [__]% with the required normal cost minimum.

At the March 17, 2020 the Board of Supervisors approved the issuance of the Series 2020 Bonds, which would refund approximately 25% of total UAAL, split approximately evenly between the Miscellaneous Plan and the Safety Plan. The total UAAL is comprised of numerous "bases" of the Miscellaneous Plan and the Safety Plan pursuant to which various benefit and experience changes are amortized. The bases were created over time as actual experience differed from the CalPERS actuarial assumptions, and include a 30-year fresh start in 2008, a golden handshake in 2010, and various assumption changes, method changes, and special gains and losses. Future bases may be created due to a number of factors, including but not limited to similar factors that resulted in new bases in the past. Proceeds of the Series 2020 Bonds will be used by the County to prepay the bases highlighted in the tables below. As a result of such prepayment, the County's scheduled contributions to CalPERS for such refunded bases will be eliminated.

[Remainder of Page Intentionally Blank]

The County's obligations under the CalPERS Contract are, and the County's obligations with respect to the Series 2020 Bonds upon issuance, including the obligation to make all payments of principal, premium, if any, and interest on, when due, are obligations of the County imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The Series 2020 Bonds do not constitute an obligation of the County for which the County is obligated to levy or pledge any form of taxation. Neither the Series 2020 Bonds nor the obligation of the County to make payments on the Series 2020 Bonds constitute an indebtedness of the County, the State, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS" herein.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Series 2020 Bonds are set forth below:

Sources	***Series 2020 Bonds***
Principal Amount of Series 2020 Bonds	$
Net Original Issue Premium/Discount	
Total Sources	$
Uses	
Refunding of CalPERS Contract Obligations	$
Costs of Issuance Fund*	
Total Uses	$

* Includes Underwriters' discount, legal fees, fees of the municipal advisor, the Trustee, the actuary and the rating agencies, printing costs and certain miscellaneous expenses.

THE SERIES 2020 BONDS

Terms of the Series 2020 Bonds

Series 2020 Bonds. The Series 2020 Bonds will be dated their date of delivery, will be issued only in fully registered form, in denominations of $5,000 principal amount or any integral multiple thereof and will mature on the dates and in the amounts and bear interest at the rates (based on a 360-day year of twelve 30-day months) set forth on the inside front cover hereof. Interest on the Series 2020 Bonds will be payable semiannually on February 15 and August 15 of each year, commencing August 15, 2020 (each, a "Series 2020 Interest Payment Date").

The Series 2020 Bonds will bear interest from the Series 2020 Interest Payment Date next preceding the date of authentication thereof, unless (i) a Series 2020 Bond is authenticated on or before a Series 2020 Interest Payment Date and after the close of business on the preceding Record Date (as defined below), in which event it will bear interest from such Series 2020 Interest Payment Date, or (ii) a Series 2020 Bond is authenticated on or before the first Record Date, in which event interest thereon will be payable from the date of delivery of the Series 2020 Bonds; provided, however, that if at the time of authentication of any Series 2020 Bond interest is then in default on the Outstanding Series 2020 Bonds, such Series 2020 Bond will bear interest from the Series 2020 Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding Series 2020 Bonds. Payment of interest on the Series 2020 Bonds due on or before the maturity or prior redemption thereof will be made to the person whose name appears in the registration books kept by the Trustee as the Owner of such Series 2020 Bonds as of the close of business on the Record Date for a Series 2020 Interest Payment Date, whether or not such day is a

If some but not all of the Series 2020 Bonds maturing on February 15, 20__ are redeemed pursuant to the section above captioned "—Optional Redemption", the Principal Amount of Series 2020 Bonds maturing on February 15, 20__ to be subsequently redeemed pursuant to mandatory sinking fund redemption will be reduced by the aggregate Principal Amount of the Series 2020 Bonds maturing on February 15, 20__ so redeemed pursuant to the section above captioned "—Optional Redemption," such reduction to be allocated among redemption dates in authorized denominations, as designated by the County in a Written Certificate of the County filed with the Trustee.

Make-Whole Optional Redemption. The Series 2020 Bonds are subject to optional redemption prior to their respective stated maturity dates, at the option of the County, in whole or in part, in such order of maturity as may be designated by the County and on a pro rata pass-through distribution of principal basis within any maturity, on any date, prior to February 15, 20[__], at a redemption price (the "Make-Whole Redemption Price") equal to the greater of:

(1) the issue price of 100% of the principal amount of the Series 2020 Bonds to be redeemed; or

(2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Series 2020 Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Series 2020 Bonds are to be redeemed, discounted to the date on which the Series 2020 Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate, plus 15 basis points;

plus, in each case, accrued interest on the Series 2020 Bonds to be redeemed to the redemption date.

"Treasury Rate" means, with respect to any redemption date for a particular Series 2020 Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available on a date selected by the County that is at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Series 2020 Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield as of such redemption date on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

On and after February 15, 20[__], the Series 2020 Bonds will be subject to redemption as described under "Optional Redemption" above and will no longer be subject to Make-Whole Optional Redemption.

At the request of the Trustee, the redemption price of the Series 2020 Bonds to be redeemed as described under "Make-Whole Optional Redemption" shall be determined by an independent accounting firm, investment banking firm or financial advisor retained by the Trustee at the County's expense to calculate such redemption price. The Trustee and the County may conclusively rely on the determination of such redemption price by such independent accounting firm, investment banking firm or financial advisor, and neither the Trustee nor the County shall be liable for such reliance.

Selection of Series 2020 Bonds for Redemption. (a) If, at the time of a redemption of less than all of the Series 2020 Bonds of a maturity, the Series 2020 Bonds of such maturity are registered in book-entry only form and the Securities Depository, or its nominee, is the sole Owner of such Series 2020 Bonds, the Series 2020 Bonds of such maturity shall be redeemed on a "Pro-Rata Pass-Through Distribution of Principal" basis in accordance with the Securities Depository's procedures; provided, however, that such redemption shall be made in accordance with the operational arrangements of the Securities Depository pursuant to the Trust Agreement or any defect therein will not invalidate any of the proceedings taken in connection with such redemption.

Effect of Redemption. If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price of the Series 2020 Bonds called for redemption is held by the Trustee, then on the redemption date designated in such notice, Series 2020 Bonds so called for redemption will become due and payable, and from and after the date so designated interest on such Series 2020 Bonds will cease to accrue, and the Owners of such Series 2020 Bonds will have no rights in respect thereof except to receive payment of the redemption price thereof.

Book-Entry System

DTC will act as securities depository for the Series 2020 Bonds. The Series 2020 Bonds will be issued as fully registered bonds registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered Series 2020 Bond will be issued for each maturity of the Series 2020 Bonds. See "APPENDIX F — BOOK-ENTRY ONLY SYSTEM." The County and the Trustee cannot and do not give any assurances that DTC, DTC Participants or others will distribute payments of principal or premium, if any, and interest on the Series 2020 Bonds paid to DTC or its nominee as the registered owner, or will distribute any redemption notices or other notices, to the beneficial owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The County and the Trustee are not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to beneficial owner with respect to the Series 2020 Bonds or an error of delay relating thereto.

Transfer and Exchange of Series 2020 Bonds

Transfer. Any Series 2020 Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of the Trust Agreement by the person in whose name it is registered, in person or by such person's duly authorized attorney, upon surrender of such Series 2020 Bond for cancellation at the Corporate Trust Office of the Trustee accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee; provided, however, that the Trustee will require the payment by the owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege; and provided further, that the Trustee may refuse to transfer any Series 2020 Bonds during the 15 day period prior to the date established by the Trustee for the selection of Series 2020 Bonds for redemption, or to transfer any Series 2020 Bonds selected by the Trustee for redemption. Whenever any Series 2020 Bond will be surrendered for transfer, the County will execute and the Trustee will authenticate and deliver to the transferee a new Series 2020 Bond or Series 2020 Bonds of the same series of bonds and maturity of authorized denominations equal to the Principal Amount of the Series 2020 Bond surrendered. The County and the Trustee may deem and treat the owner of any Series 2020 Bond as the absolute owner of such Series 2020 Bond for the purpose of receiving payment thereof and for all other purposes, whether such Series 2020 Bond will be overdue or not, and neither the County nor the Trustee will be affected by any notice or knowledge to the contrary; and payment of the principal, or redemption price of and the interest due on such Series 2020 Bond will be made only to such owner, which payments will be valid and effectual to satisfy and discharge liability on such Series 2020 Bond to the extent of the sum or sums so paid.

Exchange of Bonds. Any Series 2020 Bond may, in accordance with its terms, be exchanged at the Corporate Trust Office of the Trustee for a new Series 2020 Bond or Series 2020 Bonds of the same series of bonds and maturity of authorized denominations equal to the Principal Amount of the Series 2020 Bond surrendered; provided, however, that the Trustee will require the payment by the owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a connected with the issuance of Additional Bonds for such purpose, and/or (ii) the purpose of refunding any Bonds then Outstanding, including payment of all costs incidental to or connected with such refunding. Such Additional Bonds may be issued on parity with the Series 2020 Bonds and the Series 2005 Bonds without the consent of any Owner or the bond insurer for the Series 2005 Bonds. The Series 2020 Bonds constitute Additional Bonds under the Trust Agreement. For more information regarding the issuance of additional bonds, see "APPENDIX D — SUMMARY OF THE TRUST AGREEMENT — Additional Bonds."

DEBT SERVICE SCHEDULE

The following table sets forth the annual debt service schedule for the Series 2020 Bonds (assuming no optional redemptions).

	*Series 2020 Bonds**			*Series 2005 Bonds*	*Series 2005 Bonds and Series 2020 Bonds*
Fiscal Year Ending June 30	**Principal**	**Interest**	**Total Fiscal Year Debt Service**	**Total Fiscal Year Debt Service**	**Total Fiscal Year Debt Service**

*Preliminary; subject to change.
Source: The County and the Underwriters

interpretation of their rights in bankruptcy or otherwise and consequently may entail risks of delay, limitation, or modification of their rights.

County System Pension Benefit Liability

Many factors influence the amount of the County's pension benefit liability, including, without limitation, inflationary factors, changes in statutory provisions of the Retirement Law, changes in the levels of benefits provided or in the contribution rates of the County, increases or decreases in the number of covered employees, changes in actuarial assumptions or methods, and differences between actual and anticipated investment performance of CalPERS. Any of these factors could give rise to additional liability of the County to CalPERS as a result of which the County would be obligated to make additional payments to CalPERS over the amortization schedule for full funding of the County's obligation to CalPERS. See "PENSION PLAN" herein and "APPENDIX A—FINANCIAL INFORMATION – Retirement Program."

Seismic, Topographic and Climatic Conditions

The financial stability of the County can be adversely affected by a variety of factors, particularly those that may affect infrastructure and other public improvements and private improvements and the continued habitability and enjoyment of such improvements. Such additional factors include, without limitation, geologic conditions (such as earthquakes), topographic conditions (such as earth movements and floods) and climatic conditions (such as droughts and floods and wildfires).

The area encompassed by the County, like that in much of California, may be subject to unpredictable seismic activity. There are a number of known active or potentially active faults that traverse through portions of the County, including the San Jacinto Fault and the San Andreas Fault. The County takes proactive steps to mitigate the impacts (including economic) of emergencies and disasters through coordinated planning, preparedness, response and recovery efforts, however, if there were to be an occurrence of severe seismic activity in or around the County, the County could be adversely affected from a reduction in assessed values of property in the County. See "—Assessed Value of Taxable Property" below.

Building codes require that some of these factors be taken into account, to a limited extent, in the design of improvements. Some of these factors may also be taken into account, to a limited extent, in the design of other infrastructure and public improvements neither designed nor subject to design approval by the County. Design criteria in any of these circumstances are established upon the basis of a variety of considerations and may change, leaving previously-designed improvements unaffected by more stringent subsequently established criteria. In general, design criteria reflect a balance at the time of protection and the future costs of lack of protection, based in part upon a present perception of the probability that the condition will occur and the seriousness of the condition should it occur. Conditions may occur and may result in damage to improvements of varying seriousness, such that the damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost or because repair or replacement will not facilitate habitability or other use, or because other considerations preclude such repair or replacement. Under any of these circumstances, the actual value of public and private improvements within the County in general may well depreciate or disappear, notwithstanding the establishment of design criteria for any such condition.

The County, and all of Southern California, experienced a severe drought between 2011 and 2015. In addition, in recent years, wildfires have caused extensive damage throughout the State, including within the County. Certain of these fires have burned thousands of acres and destroyed hundreds and in some cases thousands of homes. In some instances entire neighborhoods have been destroyed. Several fires seismically active region, and damage from an earthquake in or near the area could cause moderate to extensive damage to taxable property. In addition to seismic, topographic and climatic conditions, other natural or manmade disasters, such as flood, fire, ongoing drought, toxic dumping or acts of terrorism, could cause a reduction in the assessed value of taxable property within the County. Economic and market forces, such as a downturn in the regional economy generally, can also affect assessed values, particularly as these forces might reverberate in the residential housing and commercial property markets. In addition, the total assessed value can be reduced through the reclassification of taxable property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes).

Reductions in the market values of taxable property may cause property owners to appeal assessed values and may also be associated with an increase in delinquency rates for taxes. Section 2(b) of Article XIIIA of the California Constitution and Section 51 of the Revenue and Taxation Code, which follow from "Proposition 8," require the County assessor to annually enroll either a property's adjusted base year value (its "Proposition 13 Value") or its current market value, whichever is less. When the current market value replaces the higher Proposition 13 Value on the assessor's roll, that lower value is referred to as its "Proposition 8 Value." Although the annual increase for a Proposition 13 Value is limited to no more than 2%, the same restriction does not apply to a Proposition 8 Value. The Proposition 8 Value of a property is reviewed annually as of January 1; the current market value must be enrolled as long as the Proposition 8 Value falls below the Proposition 13 Value. Thus, any subsequent increase or decrease in market value is enrolled regardless of any percentage increase or decrease. Only when a current Proposition 8 Value exceeds its Proposition 13 Value attributable to a piece of property (adjusted for inflation), does the County assessor reinstates the Proposition 13 Value.

Decreases in the aggregate value of taxable property within the County resulting from natural disaster or other calamity, reclassification by ownership or use, or as a result of the operation of Proposition 8 all may have an adverse impact on the General Fund revenues available to make debt service payments on the Series 2020 Bonds.

In addition, failure by large property owners to pay property taxes when due may also cause a decrease in General Fund revenues available to make debt service payments on the Series 2020 Bonds.

See "- Seismic, Topographic and Climatic Calamities" and "APPENDIX A – INFORMATION REGARDING THE COUNTY OF RIVERSIDE– FINANCIAL INFORMATION – *Ad Valorem* Property Taxes."

Cybersecurity

As a recipient and provider of personal, private and sensitive information, the County faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to the County's digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. The County has not experienced an attack on its computer operating systems within the last five years which resulted in a breach of its cybersecurity systems. Additionally, the County carries cybersecurity insurance. However, no assurances can be given that the County's efforts to manage cyber threats and attacks will be successful or that any such attack will not materially impact the operations or finances of the County. See "INFORMATION REGARDING THE CITY OF SOUTH SAN FRANCISCO— Risk Management" in Appendix A hereto for more information with respect to the City's earthquake insurance coverage. "APPENDIX A — DEMOGRAPHIC AND ECONOMIC INFORMATION — Cybersecurity" for more information regarding the County's cybersecurity policies.

analysis of the budget is posted by the Legislative Analyst's Office at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the current and past State budgets may be found at the website of the State Treasurer, www.treasurer.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the County or the Underwriter, and the County and the Underwriter take no responsibility for the continued accuracy of the internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated herein by these references.

For a description of certain potential impacts of the State budget on the finances and operations of the County, see "APPENDIX A — INFORMATION REGARDING THE COUNTY OF RIVERSIDE — FINANCIAL INFORMATION — Impacts of State Budget."

State Budget for Fiscal Year 2019-20. The Governor released his proposed State budget for fiscal year 2019-20 (the "Proposed 2019-20 State Budget") on January 10, 2019. On May 9, 2019, the Governor released the May Revision to the Proposed 2019-20 State Budget (the "2019-20 May Revision"). The Governor signed the 2019-20 State Budget on June 27, 2019 which sets forth a balanced budget for Fiscal Year 2019-2020 (the "2019-20 State Budget"). The 2019-20 State Budget notes several potential risks to California's economy, including the impact of a slowing global economy, projected slower economic and wage growth in the United States, and growing federal deficits constraining the federal government's options to address the economic slowdown.

The 2019-20 State Budget estimates that total resources available in Fiscal Year 2018-19 totaled approximately $149.46 billion (including a prior year balance of approximately $11.42 billion) and total expenditures in Fiscal Year 2018-19 totaled approximately $142.69 billion. The 2019-20 State Budget projects total resources available for Fiscal Year 2019-20 of approximately $150.58 billion (inclusive of revenues and transfers of approximately $143.80 billion and prior year balance of approximately $6.77 billion). The 2019-20 State Budget projects expenditures totaling $147.78 billion (inclusive of non-Proposition 98 expenditures of approximately $91.89 billion and Proposition 98 expenditures of approximately $55.89 billion). The 2019-20 State Budget proposes to allocate approximately $1.38 billion of the general fund's projected fund balance to the Reserve for Liquidation of Encumbrances and $1.41 billion of the general fund's projected fund balance to the State's Special Fund for Economic Uncertainties. In addition, the 2019-20 State Budget estimates the Rainy Day Fund will have a fund balance of $16.52 billion.

As applicable to counties, the 2019-20 State Budget includes, but is not limited to, the following:

- The 2019-20 State Budget includes $650 million in one-time funds to support local governments in addressing homelessness in the State, including providing mental health and substance use disorder treatment services, as well as emergency shelters and housing support Proposed 2019-20 State Budget proposal regarding homelessness, emergency shelters and navigations centers. The 2019-20 May Revision increases the total investment from $500 million to $650 million, provides $275 million of that funding directly to counties, and expands eligible uses of funds to include innovative projects such as hotel/motel conversions, rapid rehousing or jobs programs. Combined with other targeted investments, the 2019-20 May Revision includes approximately $1 billion to combat homelessness.
- The 2019-20 State Budget revises the county IHSS MOE and includes an increase of $55 million from the General Fund to reflect revised 1991 Realignment revenue projections and IHSS caseload and cost projections.

- A new Access to Housing and Services Fund, with an initial State investment of $750 million, which will pay rent for individuals facing homelessness, support new dwelling units, and help stabilize board and care facilities and homes;

- A reduction in probation term lengths for both felony and misdemeanants to two years, matched with an investment in more intensive supervision and services for misdemeanant probationers; and

- $695 million, growing to $1.4 billion in the out-years, for preventative health care, over a third of which will be aimed at the unsheltered homeless population.

The complete Proposed Fiscal Year 2020-21 Budget is available from the California Department of Finance website at www.dof.ca.gov. Neither the County nor the Underwriters can take responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Future State Budgets. No prediction can be made by the County as to whether the State will encounter budgetary problems in future fiscal years, and if this occurs, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the County cannot predict the final outcome of future State budget negotiations, the impact that such budgets will have on County finances and operations or what actions will be taken in the future by the State Legislature and Governor to deal with changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors, over which the County has no control.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

Article XIIIA of the State Constitution

On June 6, 1978, State voters approved Proposition 13, which added Article XIIIA to the State Constitution. Article XIIIA, as amended, limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service: (i) on indebtedness approved by the voters prior to December 1, 1978; (ii) on bonded indebtedness approved by a two-thirds vote on or after December 1, 1978, for the acquisition or improvement of real property; or (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters voting on the proposition, but only if certain accountability measures are included in the proposition. Article XIIIA defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under 'full cash value,' or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment" subject to exemptions in certain circumstances of property transfer or reconstruction. The full cash value is subject to annual adjustment to reflect increases, not to exceed 2% for any year, or decreases in the consumer price index or comparable local data, or to reflect reductions in property value caused by damage, destruction or other factors.

Article XIIIA has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, including a general economic downturn, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster, and in other minor or technical ways.

Articles XIIIC and XIIID of the State Constitution

On November 5, 1996, State voters approved Proposition 218, known as the "Right to Vote on Taxes Act." Proposition 218 adds Articles XIIIC and XIIID to the State Constitution and contains a number of interrelated provisions affecting the ability of local agencies (including the County) to levy and collect both existing and future taxes, assessments and property-related fees and charges. The interpretation and application of Proposition 218 will ultimately be determined by the courts with respect to a number of the matters discussed below, and it is not possible at this time to predict with certainty the outcome of such determination.

Article XIIIC requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the County require a majority vote and taxes for specific purposes, even if deposited in the County's General Fund, require a two-thirds vote. The voter approval requirements of Proposition 218 reduce the flexibility of the County to raise revenues for the General Fund, and no assurance can be given that the County will be able to impose, extend or increase such taxes in the future to meet increased expenditure needs.

Article XIIID also adds several provisions making it generally more difficult for local agencies to levy and maintain property-related fees, charges, and assessments for municipal services and programs, such as hearings and stricter and more individualized benefit requirements and findings. These provisions include, among other things: (i) a prohibition against assessments which exceed the reasonable cost of the proportional special benefit conferred on a parcel; (ii) a requirement that assessments must confer a "special benefit," as defined in Article XIIID, over and above any general benefits conferred; (iii) a majority protest procedure for assessments which involves the mailing of notice and a ballot to the record owner of each affected parcel, a public hearing and the tabulation of ballots weighted according to the proportional financial obligation of the affected party; and (iv) a prohibition against fees and charges which are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. If the County is unable to continue to collect these revenues, the services and programs funded with these revenues would have to be curtailed and/or the County's General Fund might have to be used to support them. The County is unable to predict whether or not in the future it will be able to continue all existing services and programs funded by the fees, charges and assessments in light of Proposition 218 or, if these services and programs are continued, which amounts (if any) would be used from the County's General Fund to continue to support such activities.

Article XIIIC also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. This extension of the initiative power is not limited to taxes imposed on or after November 6, 1996, the effective date of Proposition 218, and could result in retroactive repeal or reduction in any existing taxes, assessments, fees and charges, subject to overriding federal constitutional principles relating to the impairments of contracts. Legislation implementing Proposition 218 provides that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution. However, no assurance can be given that the voters of the County will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the County's General Fund.

shift is approved by two-thirds of both houses and certain other conditions are met. The State also will not be able to borrow from local property tax revenues for more than two fiscal years within a period of ten fiscal years. In addition, the State cannot reduce the local sales tax rate or restrict the authority of local governments to impose or change the distribution of the State-wide local sales tax. The State may also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also provides that if the State reduces the motor vehicle license fee rate currently in effect, 0.65% of vehicle value, the State must provide local governments with equal replacement revenues. Further, Proposition 1A requires the State, beginning July 1, 2005, to suspend State mandates affecting cities, counties and special districts, excepting mandates relating to employee rights, schools or community colleges, in any year that the State does not fully reimburse local governments for their costs to comply with such mandates.

Proposition 1A may result in increased and more stable County revenues. The magnitude of such increase and stability is unknown and would depend on future actions by the State. However, Proposition 1A could also result in decreased resources being available for State programs. This reduction, in turn, could affect actions taken by the State to resolve budget difficulties. Such actions could include increasing State taxes, decreasing spending on other State programs or other action, some of which could be adverse to the County.

Proposition 22

Proposition 22, approved by California voters in November 2010, prohibits the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment or local government projects and services and prohibits fuel tax revenues from being loaned for cash-flow or budget balancing purposes to the State General Fund or any other State fund. In addition, Proposition 22 generally eliminates the State's authority to temporarily shift property taxes from cities, counties and special districts to schools, temporarily increase a school and community college districts' share of property tax revenues, prohibits the State from borrowing or redirecting redevelopment property tax revenues or requiring increases in pass-through payments thereof, and prohibits the State from reallocating vehicle license fee revenues to pay for State-imposed mandates. In addition, Proposition 22 requires a two-thirds vote of each house of the State legislature and a public hearing process to be conducted in order to change the amount of fuel excise tax revenues shared with cities and counties. Proposition 22 prohibits the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies. While Proposition 22 will not change overall State and local government costs or revenues by the express terms thereof, it will cause the State to adopt alternative actions to address its fiscal and policy objectives.

Proposition 26

On November 2, 2010, the voters passed Proposition 26, which amends the State Constitution to require that certain state and local fees be approved by two-thirds of each house of the Legislature instead of a simple majority, or by local voters. The change in law affects regulatory fees and charges such as oil recycling fees, hazardous materials fees and fees on alcohol containers.

Proposition 26 provides that the local government bears the burden of proving by a preponderance of evidence that a levy, charge or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the government activity, and that the manner in which those costs are allocated to a payor bear a reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. The County does not believe that Proposition 26 will adversely affect its General Fund revenues.

acquiring on behalf of a Plan will be required to represent that either (i) no prohibited transactions under ERISA or Section 4975 of the Code will occur in connection with the acquisition of such Series 2020 Bond or (ii) the acquisition of such Series 2020 Bond is subject to a statutory or administrative exemption.

Employee benefit plans that are governmental plans (as defined in Section 3(32) of ERISA and some church plans (as defined in Section 3(33) of ERISA) are not subject to ERISA requirements nor to Section 4975 of the Code. However, governmental plans and church plans that are "qualified" under Section 401(a) of the Code are subject to restrictions with respect to prohibited transactions under Section 503(a)(1)(B) of the Code, the sanction for violation being the loss of "qualified" status. Governmental plans may also be subject to state and local laws imposing restrictions on investments.

Any Plan fiduciary who proposes to cause a Plan to purchase Series 2020 Bonds should (i) consult with its counsel with respect to the potential applicability of ERISA and the Code to such investments and whether any exemption would be applicable and (ii) determine on its own whether all conditions have been satisfied. Moreover, each Plan fiduciary should determine whether, under the general fiduciary standards of investment prudence and diversification, an investment in the Series 2020 Bonds is appropriate for the Plan, taking into account the overall investment policy of the Plan and the composition of the Plan's investment portfolio, and whether such investment is authorized by the terms of such Plan.

VALIDATION

In 2004, the County, acting pursuant to the provisions of Section 860 *et seq*. of the California Code of Civil Procedure and Section 53511 et seq. of the California Government Code, filed a complaint in the Superior Court of the State of California for the County of Riverside seeking judicial validation of the Series 2005 Bonds and all Additional Bonds (which include the Series 2020 Bonds) and certain other matters, including the Trust Agreement. On May 3, 2004, the court entered a default judgment to the effect that, among other things, the County's Series 2005 Bonds and all Additional Bonds (which include the Series 2020 Bonds) are valid, legal and binding obligations of the County not subject to the debt limitation provided in Article XVI, Section 18 of the State Constitution and that the County's Series 2005 Bonds and all Additional Bonds (which include the Series 2020 Bonds) are valid and in conformity with all applicable provisions of law. The Trust Agreement was also the subject of the default judgment. The time period for the filing of appeals with respect to the judgment has expired. No appeals were filed and therefore, the judgment is final. In issuing its opinion as to the validity of the Series 2020 Bonds, Bond Counsel will rely upon the entry of the foregoing default judgment.

THE COUNTY

The County was organized in 1893 from territory in San Bernardino and San Diego Counties and encompasses 7,177 square miles. The County is bordered on the north by San Bernardino County, on the east by the State of Arizona, on the south by San Diego and Imperial Counties and on the west by Orange and Los Angeles Counties. The County is the fourth largest (by area) in the State and stretches 185 miles from the Arizona border to within 20 miles of the Pacific Ocean. There are 29 incorporated cities in the County. According to the State Department of Finance, Demographic Research Unit, the County's population was estimated at 2,440,124 as of January 1, 2019, reflecting a 1.1% increase over January 1, 2018.

The County is a general law county divided into five supervisorial districts on the basis of registered voters and population. The County is governed by a five-member Board of Supervisors (the "Board"), elected by district. Members serve staggered four-year terms, and the chairman is elected by the Board members. County administration includes appointed and elected officials, boards, commissions and committees which assist the Board of Supervisors.

CalPERS, Lincoln Plaza, 400 Q Street Sacramento, California 95811 or (888) 225-7377, www.calpers.ca.gov for other information, including information relating to its financial position and investments.

Additional information on the County's Retirement Program is described in more detail in "APPENDIX A — INFORMATION REGARDING THE COUNTY OF RIVERSIDE — FINANCIAL INFORMATION – Retirement Program." See also, "PLAN OF FINANCING" herein.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the County, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2020 Bonds is exempt from State of California personal income taxes. Bond Counsel observes that interest on the Series 2020 Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Series 2020 Bonds. The proposed form of opinion of Bond Counsel is contained in Appendix E hereto.

The following discussion summarizes certain U.S. federal tax considerations generally applicable to holders of the Series 2020 Bonds that acquire their Series 2020 Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the U.S. Internal Revenue Service (the "IRS") with respect to any of the U.S. federal tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Series 2020 Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose "functional currency" is not the U.S. dollar. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the Series 2020 Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their Series 2020 Bonds pursuant to this offering for the issue price that is applicable to such Series 2020 Bonds (i.e., the price at which a substantial amount of the Series 2020 Bonds are sold to the public) and who will hold their Series 2020 Bonds as "capital assets" within the meaning of Section 1221 of the Code.

As used herein, "U.S. Holder" means a beneficial owner of a Series 2020 Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, "Non-U.S. Holder" generally means a beneficial owner of a Series 2020 Bond (other than a partnership) that is not a applicable to ordinary income if such U.S. holder's holding period for the Series 2020 Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Defeasance of the Series 2020 Bonds. If the County defeases any Series 2020 Bond, the Series 2020 Bond may be deemed to be retired for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the holder's adjusted tax basis in the Series 2020 Bond.

Information Reporting and Backup Withholding. Payments on the Series 2020 Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Series 2020 Bonds may be subject to backup withholding at the current rate of 24% with respect to "reportable payments," which include interest paid on the Series 2020 Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Series 2020 Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Non-U.S. Holders

Interest. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act," payments of principal of, and interest on, any Series 2020 Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation, a such term is defined in the Code, which is related to the County through stock ownership and (2) a bank which acquires such Series 2020 Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. federal withholding tax provided that the beneficial owner of the Series 2020 Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "Information Reporting and Backup Withholding," or an exemption is otherwise established.

Disposition of the Series 2020 Bonds. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "FATCA," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the County or a deemed retirement due to defeasance of the Series 2020 Bond) or other disposition of a Series 2020 Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the County) or other disposition and certain other conditions are met.

U.S. Federal Estate Tax. A Series 2020 Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that, at the time of such individual's death, payments of interest with

CONTINUING DISCLOSURE

[DAC REPORT FORTHCOMING]

The County has covenanted for the benefit of the Owners and beneficial owners of the Series 2020 Bonds to comply with the Rule and will enter into a Continuing Disclosure Certificate as of the closing date, in which it covenants to provide certain financial information and other operating data on an annual basis not later 60 days after the County normally receives its audited financial statements from its auditors in each year but in no event later than February 15 (commencing with the audited financial statements for the 2019-20 Fiscal Year), and information regarding certain listed events, if any such events should occur, to the owners of the Series 2020 Bonds and to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system, or any successor thereto, during the term of the Series 2020 Bonds. See "APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriters in complying with the Rule.

Within the last five years, the County and certain of its related entities have failed to comply in certain respects with continuing disclosure obligations related to outstanding indebtedness. The failure to comply fell into two general categories: (i) failure to provide timely significant event notices, most often with respect to changes in the ratings of outstanding indebtedness, and primarily related to changes in the ratings of various bond insurers insuring the indebtedness of the County or its related entities; (ii) missing, incomplete or late filing of annual or quarterly reports or operating information with respect to a number of the bond issues. In almost every case with respect to obligations related to the General Fund, such information and reports were available on the County's website and/or available in other continuing disclosure filings made by the County, though not directly incorporated by reference across all prior issues filed with the Municipal Securities Rulemaking Board; and in all of the cases where a notice of failure to file was required to be filed, no notice of failure to file such information was provided. The County and its related entities have reviewed their previous filings and have made corrective filings where material, including an omnibus corrective notice regarding bond insurer ratings and ratings of the County's General Fund debt.

In order to ensure ongoing compliance by the County and its related entities with their continuing disclosure undertakings, (i) the County has instituted enhanced procedures to ensure future compliance and coordination between the County and its related entities; and (ii) the County has contracted with a consultant to assist the County in filing accurate, complete and timely disclosure reports. The County continues to review its procedures to ensure continued compliance with the Rule.

The County was advised by two underwriters that they filed self-reports under the Securities and Exchange Commission's (the "SEC") Municipalities Continuing Disclosure Cooperation ("MCDC") initiative regarding incorrect statements in the County's official statements concerning the County's compliance with its continuing disclosure requirements. In addition, the County filed a self-report under MCDC with respect to statements concerning continuing disclosure compliance made in official statements for over 30 bond issues of the County and related issuers. In connection with such self-reporting, on March 3, 2017, the SEC notified the County that, as of the date of such notice, the SEC did not intend to recommend any enforcement action by the SEC against the County.

MUNICIPAL ADVISOR

The County has retained the services of Columbia Capital Management, LLC, Glendale, California, as Municipal Advisor (the "Municipal Advisor") in connection with the issuance of the Series 2020 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent

The Series 2020 Bonds are offered for sale at the initial prices stated on the inside cover page of this Official Statement, which may be changed from time to time by the Underwriters. The Series 2020 Bonds may be offered and sold to certain dealers at prices lower than the public offering prices.

[Retail Distribution Language, if any, to be provided by underwriters]

MISCELLANEOUS

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Trust Agreement and other documents are available, upon request, and upon payment to the County of a charge for copying, mailing and handling, from the County Clerk at the County of Riverside, 4080 Lemon Street, Riverside, California 92501.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the County and the purchasers or Owners of any of the Series 2020 Bonds.

The execution and delivery of this Official Statement have been duly authorized by the County.

COUNTY OF RIVERSIDE

By______________________________________
County Executive Officer

APPENDIX B

THE COUNTY OF RIVERSIDE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Series 2020 Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2020 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2020 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium (if any), and interest payments on the Series 2020 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of County or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2020 Bonds at any time by giving reasonable notice to the County or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2020 Bond certificates will be printed and delivered to DTC.

APPENDIX D

SUMMARY OF THE TRUST AGREEMENT

[to be provided]

thereof by, and validity against, any parties other than the County. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Trust Agreement. We call attention to the fact that the rights and obligations under the Series 2020 Bonds and the Trust Agreement and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against counties in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute or having the effect of a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Series 2020 Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Series 2020 Bonds constitute valid and binding obligations of the County.

2. The Trust Agreement has been duly executed and delivered by, and constitutes a valid and binding obligation of, the County.

3. Interest on the Series 2020 Bonds is exempt from State of California personal income taxes. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2020 Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

"*Rule*" means paragraph (b)(5) of Rule 15c2 12 adopted by the Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The County shall, or shall cause the Dissemination Agent (if other than the County) to, not later than 60 days after the County normally receives its audited financial statements from its auditors in each year but in no event later than February 15, commencing with the audited financial statements for the 2019-20 Fiscal Year, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that if the audited financial statements of the County are not available by the date required above for the filing of the Annual Report, the County shall submit unaudited financial statements and submit the audited financial statements as soon as available. If the County's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event.

(b) If the County is unable to provide to the Repository an Annual Report by the date required in subsection (a), the County shall send a notice to the Repository in substantially the form attached as Exhibit A with a copy to the Dissemination Agent (if other than the County) and the Trustee. The Dissemination Agent (if other than the County) shall not be required to file a Notice to Repository of Failure to File an Annual Report.

(c) The Dissemination Agent (if other than the County) shall file a report with the County stating it has filed the Annual Report in accordance with its obligations hereunder, stating the date it was provided.

Section 4. Content of Annual Reports. The County's Annual Report shall contain or incorporate by reference the following financial information or operating data presented in the final Official Statement relating to the Series 2020 Bonds, updated to incorporate information for the most recent Fiscal Year:

(a) The audited financial statements of the County for the preceding Fiscal Year, prepared in accordance with Generally Accepted Accounting Principles applicable to governmental entities. If the County's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in the format similar to the financial statement contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available;

(b) To the extent not included in the financial statements, the following type of information will be provided in one or more reports:

(i) assessed valuations, tax levies and delinquencies for real property located in the County for the Fiscal Year of the County most recently ended;

(ii) summary financial information on revenues, expenditures and fund balances for the County's total budget funds for the Fiscal Year of the County most recently ended;

(iii) summary financial information on the proposed and adopted budget of the County for the current Fiscal Year and any changes in the adopted budget;

(ix) defeasances;

(x) release, substitution, or sale of property, if any, securing repayment of the Series 2020 Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of the County (for purposes of the event identified in this Subsection 5(xii), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person);

(xiii) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material; and

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) incurrence of a Financial Obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the County, any of which affect security holders, if material; and

(xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the County, any of which reflect financial difficulties.

Section 6. Termination of Reporting Obligation. The County's obligations under this Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2020 Bonds or upon delivery to the County and to the Dissemination Agent (if other than the County) of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. If such termination occurs prior to the final maturity of the Series 2020 Bonds, the County shall give notice of such termination in the same manner as for a Listed Event under Section 5.

Section 7. Dissemination Agent. The County may, from time to time, appoint or engage a Dissemination Agent (if other than the County) to assist it in carrying out its obligations under this Certificate, and may discharge any such Dissemination Agent (if other than the County), with or without appointing a successor Dissemination Agent (if other than the County). The Dissemination Agent (if other than the County) may resign by providing 60 days' written notice to the County. The Dissemination Agent (if other than the County) shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Certificate.

County) negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent (if other than the County) and payment of the Series 2020 Bonds.

Section 12. Beneficiaries. This Certificate shall inure solely to the benefit of the County, the Dissemination Agent (if other than the County), the Participating Underwriters, the Owners and Beneficial Owners from time to time of the Series 2020 Bonds, and shall create no rights in any other person or entity.

Section 13. Governing Law. This Certificate shall be governed by the laws of the State of California and the federal securities laws.

Dated: ___________, 2020

COUNTY OF RIVERSIDE

By ______________________________________
County Executive Officer

FIRST SUPPLEMENTAL TRUST AGREEMENT

by and between

COUNTY OF RIVERSIDE

and

WELLS FARGO BANK, NATIONAL ASSOCIATION, AS TRUSTEE

Dated as of __________ 1, 2020

Relating to
County of Riverside
Taxable Pension Obligation Bonds
Series 2020

4139-8455-9394.6

FIRST SUPPLEMENTAL TRUST AGREEMENT

THIS FIRST SUPPLEMENTAL TRUST AGREEMENT (this "First Supplemental Trust Agreement"), dated as of __________ 1, 2020, is by and between the COUNTY OF RIVERSIDE, a political subdivision organized and existing under the Constitution and the laws of the State of California (the "County"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

WITNESSETH:

WHEREAS, the County previously issued its County of Riverside Taxable Pension Obligation Bonds, Series 2005 A (the "Series 2005 A Bonds"), in the aggregate principal amount of $400,000,000, of which $218,830,000 principal amount is currently outstanding;

WHEREAS, the Series 2005 A Bonds were issued pursuant to the Trust Agreement, dated as of February 1, 2005 (the "Original Trust Agreement"), by and between the County and the Trustee (capitalized undefined terms used herein have the meanings ascribed thereto in the Original Trust Agreement);

WHEREAS, the Series 2005 A Bonds were issued for the purpose of refunding a portion of the County's obligations to the System evidenced by the PERS Contract;

WHEREAS, the Original Trust Agreement provides that the County may at any time issue Additional Bonds (in addition to the Series 2005 A Bonds) on a parity with the Series 2005 A Bonds for the purpose of satisfying any obligation of the County to make payments to the System pursuant to the Retirement Law relating to pension benefits accruing to the System's members, and/or for payment of all costs incidental to or connected with the issuance of Additional Bonds for such purpose, but only subject to the conditions set forth therein;

WHEREAS, the Original Trust Agreement provides that such Additional Bonds may be issued in any Mode as may be set forth in a Supplemental Trust Agreement;

WHEREAS, for the purpose of refunding an additional portion of the County's obligations to the System evidenced by the PERS Contract, the County has determined to issue a Series of Additional Bonds, to be denominated County of Riverside Taxable Pension Obligation Bonds, Series 2020 (the "Series 2020 Bonds"), in the aggregate principal amount of $__________, such Series 2020 Bonds to be issued as Standard Bonds;

WHEREAS, the Original Trust Agreement provides that the Original Trust Agreement and the rights and obligations of the County and the Owners thereunder may be amended at any time by a Supplemental Trust Agreement, which the County and the Trustee may enter into without the consent of any Owners and without the consent of the 2005 Bond Insurer to provide for the issuance of any Additional Bonds and to provide the terms of such Additional Bonds, subject to the conditions and upon compliance with the procedure set forth in Article IV of the Original Trust Agreement;

ARTICLE XIII

SERIES 2020 BONDS

Section 13.01. Definitions. (a) Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Trust Agreement and of any certificate, opinion or other document herein or therein mentioned, have the meanings herein specified.

"First Supplemental Trust Agreement" means this First Supplemental Trust Agreement, dated as of __________ 1, 2020, by and between the County and Wells Fargo Bank, National Association, as Trustee.

"Independent Investment Banker" means one of the Reference Treasury Dealers as designated by the County.

"Series 2020 Bonds" means the County of Riverside Taxable Pension Obligation Bonds, Series 2020, issued hereunder.

"Series 2020 Closing Date" means the date upon which the Series 2020 Bonds are delivered to the Series 2020 Original Purchaser, being __________, 2020.

"Series 2020 Continuing Disclosure Certificate" means the Continuing Disclosure Certificate, dated as of the date hereof, of the County, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Series 2020 Original Purchaser" means the original purchaser or purchasers of the Series 2020 Bonds from the County.

"Series 2020 Participating Underwriters" has the meaning ascribed to the term "Participating Underwriters" in the Series 2020 Continuing Disclosure Certificate.

Section 13.02. Authorization of Series 2020 Bonds. The County has reviewed all proceedings heretofore taken relative to the authorization of the Series 2020 Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Series 2020 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the County is now duly authorized, pursuant to each and every requirement of the Act, to issue the Series 2020 Bonds in the form and manner and for the purpose provided herein and that the Series 2020 Bonds shall be entitled to the benefit, protection and security of the provisions of the Trust Agreement.

Section 13.03. Terms of Series 2020 Bonds. (a) The Series 2020 Bonds shall be designated "County of Riverside Taxable Pension Obligation Bonds, Series 2020." The aggregate principal amount of Series 2020 Bonds that may be issued and Outstanding under this Trust Agreement shall not exceed $__________, except as may be otherwise provided in Section 2.09.

(b) The Series 2020 Bonds shall be issued in Authorized Denominations of $5,000 principal amount or any integral multiple thereof.

surrender thereof at maturity or on redemption prior to maturity at the Corporate Trust Office of the Trustee.

(g) The Series 2020 Bonds shall be subject to redemption as provided in Section 13.07.

Section 13.04. **Form of Series 2020 Bonds.** The Series 2020 Bonds and the authentication endorsement and assignment to appear thereon shall be substantially in the form set forth in Exhibit B attached hereto, with appropriate or necessary insertions, omissions and variations as permitted or required hereby. Each Series 2020 Bond shall bear the letter prefix "R-" and be numbered consecutively upward.

Section 13.05. **Procedure for the Issuance of Series 2020 Bonds; Application of Series 2020 Bond Proceeds.** At any time after the sale of the Series 2020 Bonds in accordance with the Act, the County shall execute the Series 2020 Bonds for issuance under this Trust Agreement and shall deliver them to the Trustee, and thereupon the Series 2020 Bonds shall be authenticated and delivered by the Trustee upon the Written Request of the County and upon receipt of payment therefor from the Series 2020 Original Purchaser. Upon receipt of payment for the Series 2020 Bonds from the Series 2020 Original Purchaser, the Trustee shall set aside and deposit the proceeds received from such sale, $__________, as follows:

(a) The Trustee shall deposit $__________ of the Series 2020 Bond proceeds in the Refunding Fund, which fund the Trustee shall reopen and reestablish. On the Series 2020 Closing Date, the Trustee shall promptly transfer all amounts in the Refunding Fund to the System. Thereafter, except as may be provided in a Supplemental Trust Agreement, the Refunding Fund shall be closed.

(b) The Trustee shall deposit $__________ in the Costs of Issuance Fund, which fund the Trustee shall reopen and reestablish. All money in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay or reimburse the Costs of Issuance of the Series 2020 Bonds upon receipt of a Written Request of the County filed with the Trustee, each of which shall be sequentially numbered and shall state the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is six months following the Series 2020 Closing Date or upon the earlier Written Request of the County, any remaining balance in the Costs of Issuance Fund shall be transferred to the Bond Fund. Thereafter, except as may be provided in a Supplemental Trust Agreement, the Costs of Issuance Fund shall be closed.

Section 13.06. **Book-Entry System for the Series 2020 Bonds.** (a) Except as otherwise provided in subsections (b) and (c) of this Section, the Series 2020 Bonds shall initially be issued in the form of a single authenticated fully registered bond for each Principal Payment Date of the Series 2020 Bonds, and shall be registered in the name of Cede & Co., as nominee for DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. Payment of the interest on any Series 2020 Bond registered in the name of Cede & Co. shall be made on each respect to the principal or redemption price of and the interest on each such Series 2020 Bond and all notices with respect to each such Series 2020 Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The County is hereby authorized and requested to execute and deliver the Representation Letter and, in connection with any successor nominee for DTC or any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions hereunder.

(f) In the event that any transfer or exchange of Series 2020 Bonds is authorized under subsection (b) or (c) of this Section, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Series 2020 Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Sections 2.08 and 2.09 hereof. In the event that definitive Series 2020 Bonds are issued to Owners other than Cede & Co., its successor as nominee for DTC as Owner of all the Series 2020 Bonds, another Securities Depository as holder of all the Series 2020 Bonds, or the nominee of such successor Securities Depository, the provisions of Sections 2.06 and 2.07 hereof shall also apply to, among other things, the registration, exchange and transfer of the Series 2020 Bonds and the method of payment of the principal or redemption price of and the interest on the Series 2020 Bonds.

Section 13.07. Redemption of Series 2020 Bonds. (a) *Optional Redemption Prior to February 15, 20__.* The Series 2020 Bonds shall be subject to optional redemption, in whole or in part (and if in part, as described in Section 13.08), on any date on or after February 15, 20__ and prior to February 15, 20__, at the option of the County, from any source of available funds, at a redemption price equal to the greater of the following.

(i) 100% of the Principal Amount of the Series 2020 Bonds to be redeemed; or

(ii) the sum of the present value of the remaining scheduled payments of Principal Amounts and interest on the Series 2020 Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2020 Bonds are to be redeemed, discounted to the date on which such Series 2020 Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus ____ basis points;

plus, in each case, accrued interest on the Series 2020 Bonds to be redeemed to the date fixed for redemption.

"Treasury Rate" means, with respect to any redemption date for a particular Series 2020 Bond pursuant to this subsection, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available on a date selected by the County that is at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Series 2020 Bond to be redeemed; provided, however, that if the period from

Sinking Fund Redemption Date (February 15)	Principal Amount to be Redeemed
(Maturity)	

If some but not all of the Series 2020 Bonds maturing on February 15, 20__ are redeemed pursuant to Section 13.07, the Principal Amount of Series 2020 Bonds maturing on February 15, 20__ to be subsequently redeemed pursuant to this subsection shall be reduced by the aggregate Principal Amount of the Series 2020 Bonds maturing on February 15, 20__ so redeemed pursuant to Section 13.07, such reduction to be allocated among redemption dates in Authorized Denominations, as designated by the County in a Written Certificate of the County filed with the Trustee.

Section 13.08. Selection of Series 2020 Bonds for Redemption. (a) If, at the time of a redemption of less than all of the Series 2020 Bonds of a maturity, the Series 2020 Bonds of such maturity are registered in book-entry only form and the Securities Depository, or its nominee, is the sole Owner of such Series 2020 Bonds, the Series 2020 Bonds of such maturity shall be redeemed on a "Pro-Rata Pass-Through Distribution of Principal" basis in accordance with the Securities Depository's procedures; provided, however, that such redemption shall be made in accordance with the operational arrangements of the Securities Depository then in effect. The underwriters of the Series 2020 Bonds have advised the County that the Series 2020 Bonds will be made eligible, in the case of a partial redemption of a maturity thereof, to be treated by the Securities Depository in accordance with its rules and procedures, as a "pro rata pass-through distribution of principal." The Trustee shall send notice to the Securities Depository in accordance with such rules and procedures to effect a pro rata reduction of principal of the applicable Series 2020 Bonds to accomplish partial redemptions of the Series 2020 Bonds through a pass-through distribution of principal. In connection with each such redemption, the Trustee shall include in the notice of redemption sent by the Trustee pursuant to Section 3.03 the dollar amount per $1,000 principal amount payable on account of principal and accrued interest to effect a pro rata reduction through a pass-through distribution of principal on the related redemption date. The Securities Depository shall be responsible for distributing the principal and accrued interest among its direct participants, as applicable, pro rata in accordance with its rules and procedures for a pro rata pass-through distribution of principal based upon the beneficial interest in the Series 2020 Bonds being redeemed that the Securities Depository's records list as owned by each Securities Depository direct participant as of the record date for such payment. Any failure of the Trustee to make such selection or of the Securities Depository or its participants or any other intermediary, to make such selection or proportional allocation, for whatever reason, will not affect the sufficiency or the validity of the redemption of the Series 2020 Bonds.

(b) If, at the time of a redemption of less than all of the Series 2020 Bonds of a maturity, the Series 2020 Bonds of such maturity are registered in book-entry only form and the Securities Depository, or its nominee, is the sole Owner of such Series 2020 Bonds, but the Securities

IN WITNESS WHEREOF, the County has caused this First Supplemental Trust Agreement to be signed in its name by its representative thereunto duly authorized, and the Trustee has caused this First Supplemental Trust Agreement to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

COUNTY OF RIVERSIDE

By: ______________________________

[SEAL]

ATTEST:

____
Clerk of the Board of Supervisors
of the County of Riverside

WELLS FARGO BANK, NATIONAL ASSOCIATION, AS TRUSTEE

By: ______________________________
Authorized Officer

Corporate Trust Office of the Trustee). Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Trust Agreement.

The Series 2020 Bonds are being issued as Standard Bonds.

Under the Trust Agreement, the County has previously issued its Taxable Pension Obligation Bonds, Series 2005 A (the "Series 2005 A Bonds"), in the aggregate principal amount of $400,000,000, of which $__________ principal amount is currently Outstanding. The Series 2020 Bonds are being issued on a parity with the Series 2005 A Bonds.

Under the Trust Agreement, Additional Bonds may be issued on a parity with the Series 2005 A Bonds and the Series 2020 Bonds, but subject to the conditions and upon compliance with the procedures set forth in the Trust Agreement. The Series 2005 A Bonds and the Series 2020 Bonds and any such Additional Bonds are collectively referred to as the "Bonds." The Bonds are obligations imposed by law payable from funds to be appropriated by the County pursuant to the Public Employees' Retirement Law, commencing with Section 20000 of the California Government Code (the "Retirement Law"). Reference is hereby made to the Act and to the Trust Agreement and any and all amendments thereof and supplements thereto for a description of the terms on which the Series 2020 Bonds are issued, the rights of the registered owners of the Series 2020 Bonds, security for payment of the Series 2020 Bonds, remedies upon default and limitations thereon, and amendment of the Trust Agreement (with or without consent of the registered owners of the Bonds); and all the terms of the Trust Agreement are hereby incorporated herein and constitute a contract between the County and the registered owner of this Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents.

The obligations of the County under the Bonds, including the obligation to make all payments of interest and principal when due, are obligations of the County imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The Bonds do not constitute an obligation of the County for which the County is obligated to levy or pledge any form of taxation. Neither the Bonds nor the obligation of the County to make payments on the Bonds constitute an indebtedness of the County, the State, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

The Series 2020 Bonds are subject to redemption on the dates, at the redemption prices and pursuant to the terms set forth in the Trust Agreement. Notice of redemption of any Series 2020 Bonds or any portions thereof shall be given as set forth in the Trust Agreement.

This Bond may be transferred or exchanged pursuant to the terms set forth in the Trust Agreement. The County and the Trustee may deem and treat the registered owner of this Bond as the absolute owner of this Bond for the purpose of receiving payment hereof and for all other purposes, whether this Bond shall be overdue or not, and neither the County nor the Trustee shall be affected by any notice or knowledge to the contrary.

The rights and obligations of the County and of the owners of the Bonds may be amended by a Supplemental Trust Agreement entered into by the County and the Trustee, as provided in the Trust Agreement.

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Trust Agreement which has been authenticated on _______.

WELLS FARGO BANK, NATIONAL ASSOCIATION, AS TRUSTEE

By: ________________________________
Authorized Officer

COUNTY OF RIVERSIDE
$________________ Taxable Pension Obligation Bonds, Series 2020

PURCHASE CONTRACT

_______________, 2020

Riverside County Board of Supervisors
County of Riverside
4080 Lemon Street, 4th Floor
Riverside, California 92501

Ladies and Gentlemen:

The undersigned, Raymond James & Associates, Inc. (the "**Representative**"), as representative of itself and _____________ (collectively with the Representative, the "**Underwriters**"), acting on its own behalf and not as fiduciary or agent of the County of Riverside (the "**County**"), offers to enter into this Purchase Contract (this "**Purchase Contract**") with the County. This offer is made subject to written acceptance by the County prior to 11:59 p.m., California time, on the date hereof, and upon such acceptance, this Purchase Contract will be binding upon the County and the Underwriters.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriters hereby agree to purchase from the County, and the County hereby agrees to sell to the Underwriters, all (but not less than all) of the $__________ aggregate principal amount of the County's Taxable Pension Obligation Bonds, Series 2020 (the "**Bonds**"). The purchase price for the Bonds shall be equal to $__________ (being the aggregate principal amount thereof plus original issue premium of $_________ and less an Underwriters' discount of $____________).

2. The Bonds. The Bonds shall be dated their date of delivery and shall mature on the dates, and bear interest at the rates and have the prices or yields, in each case as set forth on Exhibit A hereto. The Bonds are being issued pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "**Act**"), Resolution No. _________, as adopted by the Board of Supervisors of the County (the "**Board of Supervisors**") on March 17, 2020 (the "**Resolution**"), and a Trust Agreement, dated as of February 1, 2005, as amended and supplemented by a First Supplemental Trust Agreement, dated as of _________ 1, 2020 (collectively, the "**Trust Agreement**"), each by and between the County and Wells Fargo Bank, National Association, as trustee thereunder (the "**Trustee**"), and in full conformity with the Constitution and laws of the State of California (the "**State**"), as amended and supplemented. The Bonds will be registered initially in the name of "Cede & Co." as nominee of The Depository Trust Company ("**DTC**") in New York, N.Y., the securities depository for the Bonds.

Pursuant to a contract dated April 1, 1945 and witnessed December 26, 1944 (as amended to date, and as may further be amended from time to time, the "**CalPERS Contract**")

Statement and as set forth on Exhibit A hereto, and said public offering prices may be changed from time to time by the Underwriters.

The County acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the County and the Underwriters; (ii) in connection with such transaction, including the process leading thereto, the Underwriters are acting solely as principals and not as agents or fiduciaries of the County; (iii) none of the Underwriters has assumed an advisory or fiduciary responsibility in favor of the County with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriters, or any affiliate of the Underwriters, have advised or are currently advising the County on other matters) or assumed any other obligation to the County except the obligations expressly set forth in this Purchase Contract or otherwise imposed by law, (iv) the Underwriters have financial and other interests that differ from those of the County; and (v) the County has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

5. The Closing. At 8:00 a.m., California time, on ___________, 2020, or at such other time and on such other date as shall have been mutually agreed upon by the County and the Underwriters (the "**Closing Date**"), the County will deliver to the Underwriters, through the facilities of DTC, the Bonds in registered form duly executed and other documents hereinafter mentioned, and the Underwriters will accept such delivery and pay the purchase price thereof in immediately available funds to the order of the County (the "**Closing**").

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

(a) The County is a political subdivision, organized and existing pursuant to the Constitution and laws of the State, and has all requisite right, power and authority to conduct its business, to adopt the Resolution, to issue the Bonds and to execute this Purchase Contract, the Trust Agreement and the Continuing Disclosure Certificate (collectively, the "**Documents**"), and to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by the Documents.

(b) (i) At or prior to the Closing, the County will have taken all actions required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the execution and delivery of the Bonds and the Documents, the adoption by the County of the Resolution, and the performance by the County of the obligations contained in the Documents, have been duly authorized and such authorization will be in full force and effect at the time of the Closing; (iii) this Purchase Contract and the CalPERS Contract have been duly executed and delivered and constitute the valid and legally binding obligation of the County enforceable against the County in accordance with their respective terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws in effect for the protection of debtors and by application of general principles of equity; (iv) the Board of Supervisors has duly authorized the consummation by the County of all transactions contemplated by the Documents and the Resolution; and (v) the County has authorized and approved the Preliminary Official Statement and the Official Statement and the distribution thereof by the Underwriters.

(c) No consent, approval, authorization, license, order, filing, registration, qualification, election or referendum, of or by any person, organization, State court or State governmental agency or public body whatsoever is required for the consummation of the shall occur or any pre-existing fact or condition shall become known which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the County shall promptly notify the Underwriters thereof, and (ii) if in the reasonable opinion of the Underwriters and the County, such event, fact or condition requires the preparation and publication of a supplement or amendment to the Official Statement, the County will at its expense supplement or amend the Official Statement in a form and in a manner jointly approved by the Underwriters and the County, which approval shall not be unreasonably withheld.

(h) The County received the Proposed 2020 POB Study (the "**POB Study**") prepared by Bartel Associates, LLC ("**Bartel**") and on or prior to the date of the Preliminary Official Statement the County received a "bring-down" study from Bartel (the "**POB Study Bring-down**") updating the analysis in the POB Study to the date of the POB Study Bring-down.

(i) The County undertakes that, for a period beginning with the day on which the Bonds are delivered to the Underwriters and ending on the earlier of (i) the time when the Official Statement is available to any person from the MSRB, but no less than 25 days following the "end of the underwriting period," as defined in the Rule, or (ii) 90 days from the end of the underwriting period, it will (a) apprise the Underwriters of all material developments, if any, occurring with respect to the County and (b) if determined by the County or requested by the Underwriters, prepare a supplement to the Official Statement in respect of any such material event. The period described in the preceding sentence shall be reduced to 25 days if the Official Statement has been deposited with the MSRB and is available from such depository upon request. The Underwriters hereby agree to use its best efforts to deposit the Official Statement with the MSRB so that such period will be reduced to 25 days. Unless otherwise notified in writing by the Underwriters, the County may assume that the end of this underwriting period occurs on the date when the County delivers the Bonds to the Underwriters.

(j) Between the date hereof and the Closing, without the prior written consent of the Underwriters, the County will not have issued any bonds, notes or other obligations for borrowed money except as may be described in or contemplated by the Official Statement.

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

(l) The County will punctually pay or cause to be paid the principal of and interest to become due on the Bonds in strict conformity with the terms of the Trust Agreement and the Bonds and it will faithfully observe and perform all of the conditions, covenants and requirements of the Bonds and the Documents.

(m) The County will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters if and as the Underwriters may reasonably request in order (i) 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 Underwriters may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and will, if requested by the Underwriters, use its best efforts to continue such qualifications in effect so long as required for distribution of the Bonds; provided that the County shall not be required to pay any fees in connection with the

the Continuing Disclosure Certificate, the Trust Agreement and the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been jointly agreed to in writing by the County and the Underwriters; (ii) all actions under which, in the opinion of Orrick, Herrington & Sutcliffe LLP, ("**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 shall perform or have performed all of its obligations required under or specified in the Resolution, the Trust Agreement or this Purchase Contract to be performed at or prior to the Closing;

(c) To the best knowledge of the County, based on reasonable inquiry, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, is pending or threatened against the County that has any of the effects described in Section 6(e) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) No order, decree or injunction of any court of competent jurisdiction, nor any order, ruling or regulation of the Securities and Exchange Commission, has been issued or made with the purpose or effect of prohibiting the issuance, offering or sale of the Bonds as contemplated hereby and no legislation has been enacted, or a bill favorably reported for adoption, or a decision by any court rendered, or a ruling, regulation, proposed regulation or official statement by or on behalf of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter has been made or issued, to the effect that the Bonds or any other securities of the County or of any similar body of the type contemplated herein are not exempt from the registration, qualification or other requirements of the Securities Act and as then in effect, or of the Trust Indenture Act of 1939, as amended and as then in effect; and

(e) At or prior to the Closing, the Underwriters shall have received a copy of the following documents in each case dated at and as of the Closing and satisfactory in form and substance to the Underwriters:

(i) An approving opinion of Bond Counsel as to the Bonds in the form attached to the Official Statement as APPENDIX E, addressed to the County and upon which the Underwriters may rely;

(ii) A supplemental opinion of Bond Counsel, addressed to the Underwriters, to the effect that:

(A) the Purchase Contract has been duly executed and delivered by the County and is a valid and binding obligation of the County, except as enforcement may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against counties in the State and except that no opinion need be expressed with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability;

(B) the statements contained in the Official Statement in the sections thereof titled "INTRODUCTION," "THE SERIES 2020 BONDS" (except information relating to DTC and its book-entry system as to which no opinion is order or consent decree to which the County or any of its properties is subject;

(D) the County has full right and lawful authority to deliver the Official Statement, to execute and deliver the Bonds, and to execute and deliver the Documents, to adopt the Resolution and the County has duly authorized, executed and delivered the Official Statement and the Documents;

(E) except as otherwise disclosed in the Official Statement, to the best knowledge of the County, based on reasonable inquiry, there is no action, suit or proceeding, inquiry or investigation before or by any State court, public board or body, other than as disclosed in the Official Statement pending or, to the knowledge of the County, threatened against or affecting the County, (a) contesting in any way the completeness or accuracy of the Official Statement, or wherein an unfavorable decision, ruling or finding is likely to have a material adverse effect on the financial condition of the County, the transactions contemplated by the Documents, the Resolution or the Official Statement, or (b) which will adversely affect the validity or enforceability of, or the authority or ability of the County to perform its obligations under the Bonds, the CalPERS Contract, the Documents, the Resolution, or any other agreement or instrument to which the County is a party and which is used or contemplated for use in consummation of the transactions contemplated by the Documents, the Resolution or the Official Statement;

(F) the representations and warranties of the County herein are true and correct in all material respects as of the date made and as of the date of the Closing, and the County has performed all its obligations required under or specified in the Resolution and the Documents to be performed at or prior to the Closing; and

(G) such official has reviewed the Official Statement and on such basis certifies that, to the best of his knowledge after reasonable inquiry, the Official Statement does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

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

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

(B) the Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect at and as of the Closing, except for amendments, if any, adopted with the consent of the Underwriters;

(vi) An opinion, dated the date of the Closing addressed to the Underwriters, of Best Best & Krieger LLP, as special counsel to the County, in such form as may be acceptable to the Underwriters, to the effect that:

(A) The County of Riverside is a political subdivision duly nothing has come to our attention which would lead us to believe that the Official Statement (other than financial and statistical data therein and incorporated therein by reference and DTC and its book entry system, as to which no opinion is expressed) contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(G) Except as described in the Official Statement, no approval, consent, or authorization of any governmental or public agency, authority, or person is required for the adoption of the Resolution, or execution and delivery of the Trust Agreement, the Official Statement, the Purchase Contract, and the Continuing Disclosure Certificate or the performance by the County of its respective obligations thereunder that has not been obtained (provided that no opinion is given or expressed regarding securities or blue sky laws);

(vii) An incumbency certificate of the Trustee and a certificate of an authorized officer of the Trustee, dated the date of Closing in form and substance satisfactory to the Underwriters, to the effect that:

(A) the Trustee is a duly organized and validly existing national banking association under the laws of the United States of America, having full right, power and authority to enter into the Trust Agreement;

(B) the Trust Agreement has been duly authorized, executed and delivered by the Trustee and (assuming the due authorization, execution and delivery thereof by the County) constitutes the valid and binding obligation of the Trustee, enforceable in accordance with its terms, except to the extent that enforceability may be limited by principles of equity or by bankruptcy, moratorium, reorganization or other laws applicable to creditors' rights generally; and

(C) the execution and delivery by the Trustee of the Trust Agreement, and the performance by the Trustee of the terms thereof, do not violate any provision of the Trustee's Articles of Association or Bylaws or, to the best of such officer's knowledge after due inquiry, any existing law, regulation or ruling; nor, to the best of such officer's knowledge after like inquiry, are the Indentures in violation of, nor do they cause a default under, any agreement or instrument to which the Trustee is a party;

(viii) Evidence from Moody's Investors Service, Inc. and S&P Global Ratings that the Bonds have been rated "___" and "___", respectively, and that such rating continues in effect as of the Closing;

(ix) A certified copy of the Resolution and one executed original of each of the documents and such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriters or Bond Counsel may reasonably request in order to evidence compliance by the County with legal requirements, the truth and accuracy, at and as of the Closing, of the representations, warranties and agreements of the County herein contained and the statements contained in the Official Statement, and the due performance and satisfaction by the County at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the

(iv) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Representative, materially adversely affects the market price of the Bonds;

(v) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be 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, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect;

(vi) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriters' ability to trade the Bonds;

(vii) a general banking moratorium shall have been established by federal or State authorities or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by orders of the Securities and Exchange Commission or any other governmental authority;

(viii) the United States has become engaged in hostilities which have resulted in a declaration of war or a national emergency or there has occurred any other outbreak of hostilities or a national or international calamity or crisis, or there has occurred any escalation of existing hostilities, calamity or crisis, financial or otherwise, the effect of which on the financial markets of the United States being such as, in the reasonable opinion of the Representative, would affect materially and adversely the ability of the Underwriters to market the Bonds;

(ix) the marketability of the Bonds or the market price thereof, in the reasonable opinion of the Underwriters, has been materially adversely affected by any of the following events or occurrences: (1) any rating of the Bonds shall have been downgraded, suspended or withdrawn by a national rating service, (2) there shall have been any official statement by a national rating service as to a possible downgrading (such as being placed on "credit watch" or "negative outlook" or any similar qualification) of the Bonds, or (3) any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the County's obligations;

(x) the commencement of any action, suit or proceeding described in Section 6(e) hereof which, in the reasonable judgment of the Representative, materially except as provided herein. All of the County's representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Representative, until the earlier of: (i) delivery of and payment for the Bonds hereunder; and (ii) any termination of this Purchase Contract.

14. Counterparts. This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

15. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

16. State of California Law Governs. The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State.

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EXHIBIT A

MATURITY SCHEDULE

COUNTY OF RIVERSIDE
Taxable Pension Obligation Bonds, Series 2020

Maturity Date (February 15)	*Principal Amount*	*Coupon*	*Yield*	*Purchase Price*

$_________ ____% Term Bonds due February 15, 20__—Yield ____%

REDEMPTION TERMS

Optional Redemption.

The Bonds maturing on and after February 15, 20__, will be subject to optional redemption, in whole or in part (and if in part, as described in the Trust Agreement), on any date on or after February 15, 20__, at the option of the County, from any source of available funds, at a redemption price equal to the Principal Amount of the Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption.

The Bonds maturing on February 15, 20__ will be subject to mandatory sinking fund redemption, in part, on February 15 in each year, commencing February 15, 20__, at a redemption price equal to 100% of the principal amount of such Bonds to be redeemed, without premium, plus accrued interest thereon to the date of redemption, in the aggregate respective principal amounts in the respective years as follows: