Palos Verdes Peninsula Unified School District

MALAGA COVE
ADMINISTRATION
CENTER

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Palos Verdes Estates
California 90274-1277
(310) 378-9966
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Walker Williams
Superintendent
of Schools

Board of Education

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Vice President

Malcolm S. Sharp
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Larry Vanden Bos
Member

Department Extensions and FAX Numbers

Superintendent, x 404
(310) 378-0732 (FAX)

Business Services, x 418
(310) 791-1306 (FAX)

Curriculum and Instruction, x 163
(310) 791-2919 (FAX)

Human Resources, x 417
(310) 791-2948 (FAX)

Pupil Services, x 551
(310) 378-1971 (FAX)

June 14, 2013

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
53 July 2, 2013
Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
c/o Olga Castaneda, Head, Board Specialist
383 Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

SUBJECT: PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT REQUEST FOR BOARD TO LEVY TAXES AND TO DIRECT THE AUDITOR-CONTROLLER TO PLACE TAXES ON TAX ROLL

At an election held on June 6, 2000, the electorate of the Palos Verdes Peninsula Unified School District (the "District") authorized the District to issue bonds in the aggregate principal amount of up to $46,000,000. On November 2, 2000, pursuant to a resolution of the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles (the "County") adopted on August 29, 2000, at the request of the District, pursuant to a resolution of the Board of Education adopted on July 27, 2000, a series of bonds from such authorization designated the "Palos Verdes Peninsula Unified School District (Los Angeles County, California) General Obligation Bonds, Election of 2000, Series A" in an aggregate principal amount of $20,550,000 was issued and sold (the "Series 2000 Bonds").

On April 3, 2002, pursuant to a resolution of the Board of Supervisors of the County adopted on March 5, 2002, at the request of the District, pursuant to a resolution of the Board of Education adopted on February 7, 2002, a series of bonds designated the "Palos Verdes Peninsula Unified School District (Los Angeles County, California) General Obligation Bonds, Election of 2000, Series B" in an aggregate initial principal amount of $15,020,098.45 was issued and sold (the "Series 2002 Bonds").

On January 26, 2005, pursuant to a resolution of the Board of Education adopted on January 7, 2005, and a Paying Agent Agreement, dated as of January 1, 2005, by and between the District and U.S. Bank National

Association, as paying agent (the "Paying Agent"), a series of bonds designated the "Palos Verdes Peninsula Unified School District (Los Angeles County, California) General Obligation Refunding Bonds, Series 2005" in an aggregate principal amount of $20,400,000 (the "Prior Series 2005 Refunding Bonds") was issued and sold to refund a portion of the outstanding Series 2000 Bonds.

On March 28, 2006, pursuant to a resolution of the Board of Education adopted on February 23, 2006, and a Paying Agent Agreement, dated as of March 1, 2006, by and between the District and U.S. Bank National Association, as paying agent, a series of bonds designated the "Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Refunding Bonds, Series 2006" in an aggregate principal amount of $11,865,000 (the "Prior Series 2006 Refunding Bonds") was issued and sold to refund a portion of the outstanding Series 2002 Bonds.

On November 8, 2005, the electorate of the District authorized the District to issue bonds in the aggregate principal amount of up to $30,000,000 to finance specific construction, repair and improvement projects for the District's core academic facilities.

On March 28, 2006, pursuant to a resolution of the Board of Supervisors of the County adopted on February 14, 2006, at the request of the District, pursuant to a resolution of the Board of Education adopted on January 26, 2006, a series of bonds designated the "Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Bonds, Election of 2005 (Measure R), Series 2006" in an aggregate initial principal amount of $23,004,232.85 (the "Prior Measure R Series 2006 Bonds") was issued and sold.

On November 8, 2005, the electorate of the District authorized the District to issue bonds in the aggregate principal amount of up to $10,000,000 to finance specific construction, repair and improvement projects for the District's co-curricular facilities.

On March 28, 2006, pursuant to a resolution of the Board of Supervisors of the County adopted on February 14, 2006, at the request of the District, pursuant to a resolution of the Board of Education adopted on January 26, 2006, a series of bonds designated the "Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Bonds, Election of 2005, Series 2006" in an aggregate initial principal amount of $2,003,987.65 (the "Prior Measure S Series 2006 Bonds") was issued and sold.

At this time, the District has authorized and intends to issue refunding bonds (the "Refunding Bonds") to refund a portion of the District's outstanding Prior Series 2005 Refunding Bonds, Prior Series 2006 Refunding Bonds, Prior Measure R Series 2006 Bonds and Prior Measure S Series 2006 Bonds (collectively, the "Prior Bonds"). This action was approved by a resolution adopted by the Board of Education of the

District on June 13, 2013, pursuant to Articles 9 and 11 of Chapter 3 of Part I of Division 2 of Title 5 of the *California Government Code* and other applicable provisions of law, a copy of which is enclosed.

The District formally requests, in accordance with *California Education Code* Section 15250 and other applicable provisions of law that the Board of Supervisors adopt the enclosed resolution on July 2, 2013, to levy the appropriate taxes for the payment of the Refunding Bonds and such portion of the Prior Bonds as shall remain outstanding following the issuance of the Refunding Bonds and to direct the Auditor-Controller of the County to place these taxes on the tax roll every year according to a debt service schedule and instructions that will be provided upon the issuance of the Refunding Bonds, currently scheduled to occur on July 3, 2013.

IT IS THEREFORE REQUESTED THAT:

1. The Board of Supervisors adopt the enclosed County Resolution on July 2, 2013. (Two originals are enclosed.)

2. After the Board of Supervisors has taken action on this letter, the District requests that the Clerk of the Board of Supervisors furnish two (2) certified copies of the County Resolution to:

Donald S. Field, Esq.
Orrick, Herrington & Sutcliffe LLP
777 South Figueroa Street, Suite 3200
Los Angeles, CA 90017-5585

and send one (1) copy of the County Resolution to each of the following:

Los Angeles County Treasurer and Tax Collector
Attention: John Patterson
500 West Temple Street, Room 432
Los Angeles, CA 90012

Los Angeles County Auditor Controller
Attention: Lotis De Ungria
500 West Temple Street, Room 603
Los Angeles, CA 90012

Los Angeles County Counsel
Attention: Cammy DuPont
500 West Temple Street, Room 648
Los Angeles, CA 90012

Sincerely,

Lydia Cano
Deputy Superintendent

LC:ld

cc: Donald S. Field, Esq.

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, CALIFORNIA AUTHORIZING THE LEVY OF TAXES FOR GENERAL OBLIGATION REFUNDING BONDS OF THE PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT, DESIGNATING THE PAYING AGENT THEREFOR AND DIRECTING THE COUNTY AUDITOR-CONTROLLER TO MAINTAIN TAXES ON THE TAX ROLL

WHEREAS, the issuance of up to $46,600,000 principal amount of general obligation bonds of the Palos Verdes Peninsula Unified School District, County of Los Angeles, State of California (the "District"), was authorized at an election held within the District on June 6, 2000, the proceeds of which are to be used for the authorized school purposes approved by the voters of the District at said election; and

WHEREAS, on November 2, 2000, pursuant to a resolution of the Board of Supervisors of the County (the "County Board") adopted on August 29, 2000, at the request of the District, pursuant to a resolution of the Board of Education adopted on July 27, 2000, a series of bonds designated the "Palos Verdes Peninsula Unified School District (Los Angeles County, California) General Obligation Bonds, Election of 2000, Series A" in an aggregate principal amount of $20,550,000 (the "Series 2000 Bonds") was issued and sold; and

WHEREAS, on April 3, 2002, pursuant to a resolution of the County Board adopted on March 5, 2002, at the request of the District, pursuant to a resolution of the Board of Education adopted on February 7, 2002, a series of bonds designated the "Palos Verdes Peninsula Unified School District (Los Angeles County, California) General Obligation Bonds, Election of 2000, Series B" in an aggregate initial principal amount of $15,020,098.45 (the "Series 2002 Bonds") was issued and sold; and

WHEREAS, on January 26, 2005, pursuant to a resolution of the Board of Education adopted on January 7, 2005, and a Paying Agent Agreement, dated as of January 1, 2005, by and between the District and U.S. Bank National Association, as paying agent (the "Paying Agent"), a series of bonds designated the "Palos Verdes Peninsula Unified School District (Los Angeles County, California) General Obligation Refunding Bonds, Series 2005" in an aggregate principal amount of $20,400,000 (the "Prior Series 2005 Refunding Bonds") was issued and sold to refund a portion of the outstanding Series 2000 Bonds; and

WHEREAS, on March 28, 2006, pursuant to a resolution of the Board of Education adopted on February 23, 2006, and a Paying Agent Agreement, dated as of March 1, 2006, by and between the District and U.S. Bank National Association, as paying agent, a series of bonds designated the "Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Refunding Bonds, Series 2006" in an aggregate principal amount of $11,865,000 (the "Prior Series 2006 Refunding Bonds") was issued and sold to refund a portion of the outstanding Series 2002 Bonds; and

WHEREAS, the issuance of up to $30,000,000 principal amount of general obligation bonds of the District was authorized at an election held within the District on November 8, 2005,

the proceeds of which are to be used to finance specific construction, repair and improvement projects for the District's core academic facilities; and

WHEREAS, on March 28, 2006, pursuant to a resolution of the County Board adopted on February 14, 2006, at the request of the District, pursuant to a resolution of the Board of Education adopted on January 26, 2006, a series of bonds designated the "Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Bonds, Election of 2005 (Measure R), Series 2006" in an aggregate initial principal amount of $23,004,232.85 (the "Prior Measure R Series 2006 Bonds") was issued and sold; and

WHEREAS, the issuance of up to $10,000,000 principal amount of general obligation bonds of the District was authorized at an election held within the District on November 8, 2005, the proceeds of which are to be used to finance specific construction, repair and improvement projects for the District's co-curricular facilities; and

WHEREAS, on March 28, 2006, pursuant to a resolution of the County Board adopted on February 14, 2006, at the request of the District, pursuant to a resolution of the Board of Education adopted on January 26, 2006, a series of bonds designated the "Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Bonds, Election of 2005, Series 2006" in an aggregate initial principal amount of $2,003,987.65 (the "Prior Measure S Series 2006 Bonds") was issued and sold; and

WHEREAS, the Board of Education of the District has authorized, by a resolution adopted on June 13, 2013, the issue of refunding bonds to be designated the "Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Refunding Bonds, Series 2013A" and the "Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Refunding Bonds, Taxable Series 2013B" (collectively, the "Refunding Bonds") for the purpose of refunding portions of the Prior Series 2005 Refunding Bonds, the Prior Series 2006 Refunding Bonds, the Prior Measure R Series 2006 Bonds and the Prior Measure S Series 2006 Bonds (collectively, the "Prior Bonds"); and

WHEREAS, Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code provides a procedure for the issuance of the Refunding Bonds by the Board of Education of the District; and

WHEREAS, the District has requested that the County Treasurer and Tax Collector (the "Treasurer") be appointed as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Refunding Bonds; and

WHEREAS, the County Board has been formally requested by the Board of Education of the District to levy taxes in an amount sufficient to pay the principal and interest on the Refunding Bonds and to continue to levy taxes in an amount sufficient to pay the principal and interest on such portion of the Prior Bonds as shall remain outstanding following the issuance of the Refunding Bonds; and to direct the Auditor-Controller of the County to place on its 2013-2014 tax roll, and all subsequent tax rolls until said Refunding Bonds and Prior Bonds remaining outstanding are paid in accordance with their terms, taxes sufficient to fulfill the requirements of

the debt service schedules that will be provided to the Auditor-Controller after issuance of the Refunding Bonds;

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Levy of Taxes. That the County Board levy taxes in each year in an amount sufficient to pay the principal of and interest coming due on the Refunding Bonds and the Prior Bonds remaining outstanding after issuance of the Refunding Bonds.

Section 2. Preparation of Tax Roll. That the Auditor-Controller of the County of Los Angeles is hereby directed to place on its 2013-2014 tax roll, and all subsequent tax rolls until said Refunding Bonds and Prior Bonds remaining outstanding are paid in accordance with their terms, taxes in an amount sufficient to pay the principal of and interest on such Refunding Bonds and Prior Bonds, according to a debt service schedule to be provided by the District after sale of the Refunding Bonds.

Section 3. Paying Agent. That the Treasurer or the Treasurer's third party designee, act as Paying Agent for the Refunding Bonds. The Treasurer is authorized to contract with a third party to perform the services of Paying Agent.

Section 4. Effective Date. This Resolution shall take effect immediately upon its passage.

The foregoing resolution was on the 2nd day of July, 2013, adopted by the Board of Supervisors of the County of Los Angeles and *ex officio* the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

SACHI A. HAMAI, Executive Officer-Clerk of the Board of Supervisors of the County of Los Angeles.

By: Lachelle Smitherman
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI, County Counsel

By: Lynn E. DiPaul
Principal Deputy County Counsel

RESOLUTION NO. 34 – 2012/13

A RESOLUTION OF THE BOARD OF EDUCATION OF THE PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT AUTHORIZING THE SALE AND ISSUANCE OF NOT TO EXCEED $44,000,000 AGGREGATE PRINCIPAL AMOUNT OF PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, IN ONE OR MORE SERIES, APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE ESCROW AGREEMENTS, BOND PURCHASE AGREEMENTS AND CONTINUING DISCLOSURE CERTIFICATES, APPROVING THE FORM, AND AUTHORIZING A METHOD FOR REVIEW AND APPROVAL BY MEMBERS OF SAID BOARD, OF ONE OR MORE OFFICIAL STATEMENTS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Palos Verdes Peninsula Unified School District (the "District") has heretofore issued the Palos Verdes Peninsula Unified School District (Los Angeles County, California) General Obligation Refunding Bonds, Series 2005 (the "Prior 2005 Refunding Bonds") in the original principal amount of $20,400,000; and

WHEREAS, the District has heretofore issued the Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Refunding Bonds, Series 2006 (the "Prior 2006 Refunding Bonds") in the original principal amount of $11,865,000; and

WHEREAS, the County of Los Angeles (the "County") has heretofore issued, on behalf of the District, the Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Bonds, Election of 2005 (Measure R), Series 2006 (the "Prior 2006 Measure R Bonds") in the original principal amount of $23,004,232.85; and

WHEREAS, the County has heretofore issued, on behalf of the District, the Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Bonds, Election of 2005 (Measure S), Series 2006 (the "Prior 2006 Measure S Bonds" and, together with the Prior 2005 Refunding Bonds, the Prior 2006 Refunding Bonds and the Prior 2006 Measure R Bonds, the "Prior Bonds" and, each series of Prior Bonds, individually, a "Series of Prior Bonds") in the original principal amount of $2,003,987.65; and

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law (the "Act"), the District is authorized to issue refunding bonds to refund all or a portion of one or more Series of Prior Bonds; and

WHEREAS, it is desirable that all or a portion of one or more Series of Prior Bonds be refunded (such refunded Prior Bonds being referred to herein as the "Refunded Bonds"); and

WHEREAS, in order to refund all or a portion of one or more Series of Prior Bonds, it is desirable that the District issue one or more series of refunding bonds to be designated the "Palos

Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Refunding Bonds, Series __," with completed and/or such additional or other series designations as may be approved as herein provided (collectively, the "Refunding Bonds" and each series of Refunding Bonds, individually, a "Series of Refunding Bonds"), according to the terms and in the manner herein provided; and

WHEREAS, the District desires to secure the timely payment of all or a portion of the principal of and interest on each Series of Refunding Bonds by obtaining a bond insurance policy with respect thereto, if such a policy is available and determined to be economically advantageous; and

WHEREAS, the moneys to redeem each Series of Prior Bonds to be refunded will be applied to such purpose pursuant to an Escrow Agreement by and between the District and the paying agent for such Series of Prior Bonds, as paying agent and as escrow bank (each such Escrow 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 an "Escrow Agreement"); and

WHEREAS, the Board of Education of the District (the "Board of Education") desires to authorize the sale of each Series of Refunding Bonds by a negotiated sale pursuant to one or more Bond Purchase Agreements (each such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as a "Bond Purchase Agreement") to be entered into with Piper Jaffray & Co., as underwriter (the "Underwriter"); and

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 Refunding Bonds, the underwriter thereof must have reasonably determined that the District has undertaken in a written agreement or contract for the benefit of the holders of the Refunding Bonds to provide disclosure of certain financial and operating information and certain enumerated events on an ongoing basis; and

WHEREAS, in order to cause such requirement to be satisfied, the District desires to execute and deliver one or more Continuing Disclosure Certificates (each 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 a "Continuing Disclosure Certificate"); and

WHEREAS, a form of the Preliminary Official Statement to be distributed in connection with a public offering of the initial Series of Refunding 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"); and

WHEREAS, the Los Angeles County Superintendent of Schools has jurisdiction over the District; and

WHEREAS, this Board of Education desires that the County levy and collect a tax on all taxable property within the District sufficient to provide for payment of each Series of Refunding Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County (the "Board of Supervisors"), the Auditor-Controller of the County (together with any authorized deputy thereof, the "County Auditor-Controller"), the Treasurer and Tax Collector of the County (together with any authorized deputy thereof, the "County Treasurer") and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of each Series of Refunding Bonds and such portion of each Series of Prior Bonds as shall remain outstanding following the issuance of the related Series of Refunding Bonds; and

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

(a) the Escrow Agreement;

(b) the Bond Purchase Agreement;

(c) the Continuing Disclosure Certificate; and

(d) the Preliminary Official Statement; and

WHEREAS, the District desires to proceed to issue and sell one or more Series of Refunding Bonds and to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and issuance of each such Series of Refunding Bonds; and

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

NOW, THEREFORE, BE IT RESOLVED by this Board of Education of the Palos Verdes Peninsula Unified School District, County of Los Angeles, California, as follows:

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

Section 2. Determination. This Board of Education hereby determines that prudent management of the fiscal affairs of the District requires that, subject to the provisions of Section 4 hereof, the District issue one or more Series of Refunding Bonds under the provisions of the Act to refund all or a portion of one or more Series of Prior Bonds.

Section 3. Authorization and Designation of Refunding Bonds. Subject to the provisions of Section 4 hereof, the issuance from time to time (but not later than December 31, 2013) of one or more Series of Refunding Bonds, in the aggregate principal amount of not to

exceed $44,000,000, on the terms and conditions set forth, and subject to the limitations specified, herein, is hereby authorized and approved. Each Series of Refunding Bonds shall be dated, shall accrue interest at the rates, shall mature on the dates, and shall be as otherwise provided in the related Bond Purchase Agreement, as the same shall be completed as provided in this Resolution.

Each Series of Refunding Bonds may be issued such that the interest on such Series of Refunding Bonds is Tax-Exempt or such that the interest on such Series of Refunding Bonds is not Tax-Exempt. The term "Tax-Exempt" means, with respect to interest on any obligations of a state or local government, that such interest is excluded from the gross income of the holders thereof for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Internal Revenue Code of 1986 (the "Code"). The term "Taxable Bonds" means those Refunding Bonds the interest on which is not Tax-Exempt. The Board of Education hereby finds and determines that, pursuant to Section 5903 of the California Government Code, the interest payable on each Series of Refunding Bonds issued as Taxable Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of such Series of Refunding Bonds.

Section 4. Sale of Bonds. Because of the need for flexibility in timing the sale of the Refunding Bonds in order to achieve maximum interest cost savings, the Board of Education hereby determines to sell each Series of Refunding Bonds by a negotiated sale. The Bond Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. The President of this Board of Education, and such other member of this Board of Education as the President may designate, the Superintendent of the District and the Deputy Superintendent of the District, and such other officer or employee of the District as the Superintendent may designate (the "Authorized Officers") are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver one or more Bond Purchase Agreements in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the applicable Bond Purchase Agreement by such Authorized Officer; provided, however, that (i) no Series of Refunding Bonds shall be authorized in a principal amount which, when combined with the principal amount of all Series of Refunding Bonds previously authorized and issued pursuant hereto, is in excess of $44,000,000, (ii) no Series of Refunding Bonds shall have a final maturity date later than the latest maturity date of the corresponding Refunded Bonds, (iii) the interest rate on any Refunding Bond shall not be in excess of 12.00% per annum, (iv) the true interest cost for each applicable Series of Refunding Bonds shall not be in excess of 4.00%, (v) the total net interest cost to maturity of each applicable Series of Refunding Bonds, plus the principal amount of such Series of Refunding Bonds, shall not be in excess of the total net interest cost to maturity of the applicable Refunded Bonds, plus the principal amount of such Refunded Bonds, and (vi) the underwriter's discount (not including any original issue discount) shall not exceed 1.00% of the aggregate principal amount of the corresponding Series of Refunding Bonds.

Section 5. Designated Costs of Issuing Refunding Bonds. The refunding of all or a portion of each Series of Prior Bonds is hereby approved. Each such refunding shall be

accomplished by paying the principal of and interest on the applicable Series of Prior Bonds due and payable through and including the earliest practicable date for which notice of redemption can be given (the "Redemption Date"), if any, and redeeming such Series of Prior Bonds on the Redemption Date and paying the redemption price therefor, plus accrued interest thereon to the Redemption Date. In accordance with Section 53553 of the Act, with respect to each Series of Refunding Bonds, this Board of Education hereby designates the following costs and expenses as the "designated costs of issuing the refunding bonds:"

(i) all expenses incident to the calling, retiring, or paying of the applicable Refunded Bonds and incident to the issuance of such Series of Refunding Bonds, including the charges of any escrow agent or trustee in connection with the issuance of such Series of Refunding Bonds or in connection with the redemption or retirement of such Refunded Bonds;

(ii) the interest upon such Refunded Bonds from the date of sale of such Series of Refunding Bonds to the date upon which such Refunded Bonds will be paid pursuant to call; and

(iii) any premium necessary in the calling or retiring of such Refunded Bonds.

Section 6. Escrow Agreement. The form of Escrow Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver one or more Escrow Agreements in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the applicable Escrow Agreement by such Authorized Officer.

Section 7. Form of Bonds; Execution. (a) *Form of Refunding Bonds.* Each Series of Refunding Bonds shall be issued in fully registered form without coupons. The Refunding Bonds, and the certificate of authentication and registration and the forms of assignment to appear on each of them, shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.

(b) *Execution of Refunding Bonds.* The Refunding Bonds shall be signed by the manual or facsimile signature of the President of the Board of Education, and countersigned by the manual or facsimile signature of the Clerk of the Board of Education (or the designee of either such respective officers if the President or the Clerk of the Board of Education are unabialable). The Refunding Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent (as defined herein).

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

conclusive evidence that the Refunding Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

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

Section 8. Terms of Bonds. (a) *Date of Refunding Bonds*. Each Series of Refunding Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the applicable Bond Purchase Agreement.

(b) *Denominations*. Each Series of Refunding Bonds shall be issued in denominations of $5,000 principal amount or any integral multiple thereof, or such other denominations as shall be designated in the applicable Bond Purchase Agreement.

(c) *Maturity*. Each Series of Refunding Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the applicable Bond Purchase Agreement. No Refunding Bond shall mature later than the latest maturity date of the corresponding Refunded Bonds. No Refunding Bond shall have principal maturing on more than one principal maturity date.

(d) *Interest*. Each Series of Refunding Bonds shall bear interest at an interest rate or rates not to exceed 12.00% per annum, payable on such semiannual dates of each year as shall be set forth in the applicable Bond Purchase Agreement, commencing on the date set forth in the applicable Bond Purchase Agreement (each, an "Interest Payment Date"), computed on the basis of a 360-day year of twelve 30-day months. Each Refunding Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated as of a date during the period from the 15th day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a business day, or such other date or dates as may be set forth in the Bond Purchase Agreement (each, a "Record Date") to such Interest Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date for such Series of Refunding Bonds, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Refunding Bond, interest is in default on any outstanding Refunding Bonds of such Series, such Refunding Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Refunding Bonds of such Series.

Section 9. Payment of Bonds. (a) *Request for Tax Levy*. The money for the payment of principal, redemption premium, if any, and interest on each Series of Refunding Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on each Series of Refunding Bonds in such year, and to pay from such taxes all amounts due on such Refunding Bonds. The Board of

Supervisors, the County Auditor-Controller, the County Treasurer and other officials of the County are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property of the District sufficient to provide for payment of all principal of and interest on each Series of Refunding Bonds as the same shall become due and payable, and to apply moneys in the District's interest and sinking fund as necessary to the payment of such Series of Refunding Bonds, as provided herein, and to provide for the payment of any portion of any Series of Prior Bonds which are to remain outstanding pursuant to the authorizing resolution or paying agent agreement, as applicable, under which such bonds were issued. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, (i) to transmit a certified copy of this Resolution and the debt service schedule for each Series of Refunding Bonds to the Board of Supervisors, the County Auditor-Controller and the County Treasurer in sufficient time to permit the County to establish tax rates and necessary funds or accounts for each Series of Refunding Bonds, and (ii) to formally request that the Board of Supervisors adopt a resolution to levy the appropriate taxes as herein provided.

(b) *Principal.* The principal of each Series of Refunding Bonds shall be payable in lawful money of the United States of America to the person whose name appears on the books for the registration and transfer of the Refunding Bonds maintained by the Paying Agent in accordance with Section 11(d) hereof (the "Registration Books") as the registered Owner thereof (the "Owner"), upon the surrender thereof at the principal corporate trust office of the Paying Agent.

(c) *Interest; Record Date.* The interest on each Series of Refunding Bonds shall be payable on each Interest Payment Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Payment Date, such interest to be paid by check or draft mailed on such Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to such Owner at such Owner's address as it appears on the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least $1,000,000 of outstanding Refunding Bonds of a Series who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Payment Date.

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

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

(f) *Insurance.* The payment of principal of and interest on all or a portion of any Series of Refunding Bonds may be secured by a municipal bond insurance policy as shall be described in the applicable Bond Purchase Agreement. The applicable Bond Purchase Agreement may provide that no municipal bond insurance policy shall be obtained. The

Authorized Officers are each hereby authorized and directed to apply for, or cause to be applied for, municipal bond insurance for each Series of Refunding Bonds and to obtain such insurance if doing so puts such Series of Refunding Bonds (or portion thereof) and the marketing thereof on a economically advantageous basis, and is deemed to be in the best interests of the District. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver a contract or contracts for such insurance if such contract is deemed by the Authorized Officer executing the same to be in the best interests of the District, such determination to be conclusively evidenced by such Authorized Officer's execution and delivery of such contract. If the Authorized Officers so deem and obtain municipal bond insurance, and the insurer selected is Build America Mutual Assurance Company ("BAM"), the Authorized Officers are each hereby authorized and directed to enter into BAM's Build America Mutual Master Insurance Agreement in substantially BAM's standard form with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of such agreement by such Authorized Officer.

Section 10. Redemption Provisions. (a) *Optional Redemption.* Each Series of Refunding Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the applicable Bond Purchase Agreement. The applicable Bond Purchase Agreement may provide that the related Series of Refunding Bonds shall not be subject to optional redemption.

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

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

(d) *Notice of Redemption.* Notice of any redemption of the Refunding Bonds of a Series shall be mailed by the Paying Agent, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners

thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the applicable Continuing Disclosure Certificate.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Series of Refunding Bonds and the date of issue of such Series of Refunding Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Refunding Bonds to be redeemed; (vi) if less than all of the Refunding Bonds of any maturity of a Series are to be redeemed, the distinctive numbers of the Refunding Bonds of each maturity of such Series to be redeemed; (vii) in the case of Refunding Bonds of a Series redeemed in part only, the respective portions of the principal amount of the Refunding Bonds of each maturity of such Series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Refunding Bonds to be redeemed; (ix) a statement that such Refunding Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Refunding Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

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

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

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

(g) *Funds for Redemption.* Prior to or on the redemption date of any Refunding Bonds there shall be available in the interest and sinking fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as in this Resolution provided, the Refunding Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Refunding Bonds to be redeemed upon presentation and surrender of such Refunding Bonds, provided that all monies in the interest and sinking fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the interest and sinking fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Refunding Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the interest and sinking fund of the District or otherwise held in trust for the payment of redemption price of the Refunding Bonds, the monies shall be held in or returned or transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

(h) *Defeasance of Refunding Bonds.* If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Refunding Bonds of a Series all or any part of the principal, interest and premium, if any, on such Refunding Bonds at the times and in the manner provided herein and in such Refunding Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners of such Refunding Bonds shall cease to be entitled to the obligation of the District as provided in Section 9 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under such Refunding Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by such Refunding Bonds, but only out of monies on deposit in the interest and sinking fund or otherwise held in trust for such payment; and provided further, however, that the provisions of subsection (i) of this Section shall apply in all events.

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

(i) *Unclaimed Monies.* Any money held in any fund created pursuant to this Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal

of, redemption premium, if any, or interest on a Series of Refunding Bonds and remaining unclaimed for two years after the principal of all of such Series of Refunding Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from the fund; or, if no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Section 11. Paying Agent. (a) *Appointment; Payment of Fees and Expenses.* This Board of Education does hereby consent to and confirm the appointment of the County Treasurer to act as the initial paying agent for each Series of Refunding Bonds. The County Treasurer is hereby authorized to contract with any third party to perform the services of Paying Agent under this Resolution. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the applicable Series of Refunding Bonds, or from the interest and sinking fund of the District, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, such fees and expenses shall be paid by the District.

(b) *Resignation, Removal and Replacement of Paying Agent.* The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the County Treasurer. If at any time the Paying Agent shall resign or be removed, the County Treasurer shall appoint a successor Paying Agent, which shall be any bank, trust company, national banking association or other financial institution doing business in and having a corporate trust office in California, with at least $100,000,000 in net assets.

(c) *Principal Corporate Trust Office.* Unless otherwise specifically noted, any reference herein to the Paying Agent shall initially mean the County Treasurer and his designated agents or his successors or assigns, acting in the capacity of paying agent, registrar, authenticating agent and transfer agent (the "Paying Agent"), and any reference herein to the "principal corporate trust office" of the Paying Agent for purposes of transfer, registration, exchange, payment, and surrender of the Refunding Bonds shall initially mean the office of the County Treasurer or the principal corporate trust office of his designated agent bank or other office of his designated agent bank designated thereby for a particular purpose; provided, however, that in the event that "Paying Agent" shall refer to any successor paying agent, bond registrar, authenticating agent or transfer agent for the Refunding Bonds, "principal corporate trust office" shall include the principal corporate trust office or other office of such successor Paying Agent designated thereby for a particular purpose.

(d) *Registration Books.* The Paying Agent shall keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Refunding Bonds, which shall at all times be open to inspection by the District and the County, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on the Registration Books, Refunding Bonds as provided in Sections 12 and 13 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Refunding Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District or the County in a format mutually agreeable to the Paying Agent and the District and/or the County.

Section 12. Transfer Under Book-Entry System; Discontinuation of Book-Entry System. (a) Unless otherwise specified in the applicable Bond Purchase Agreement, The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for a Series of Refunding Bonds, including any such successor thereto appointed pursuant to this Section ("DTC"), is hereby appointed depository for each Series of Refunding Bonds and each Series of Refunding Bonds shall be issued in book-entry form only, and shall be initially registered in the name of "Cede & Co.," as nominee of DTC ("Cede & Co."). One bond certificate shall be issued for each maturity of each Series of Refunding Bonds; provided, however, that if different CUSIP numbers are assigned to Refunding Bonds of a Series maturing in a single year or, if Refunding Bonds of a Series maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Refunding Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 13 hereof:

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

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

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

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Refunding Bond for each maturity of each Series shall be executed and delivered (in the aggregate principal amount of such Refunding Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Refunding Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Refunding Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 8 hereof and the receipt of such a written request of the

District, and thereafter, the Refunding Bonds shall be transferred pursuant to the provisions set forth in Section 13 hereof; provided, however, that the Paying Agent shall not be required to deliver such new Refunding Bonds within a period of less than 60 days after the receipt of any such written request of the District.

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

(d) The District and the Paying Agent shall be entitled to treat the person in whose name any Refunding Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent; and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Refunding Bonds, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Refunding Bonds.

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

Section 13. Transfer and Exchange. (a) *Transfer.* Following the termination or removal of DTC or successor depository pursuant to Section 12 hereof, or upon the initial delivery of a Series of Refunding Bonds not registered in the name of Cede & Co., as nominee of DTC, any Refunding Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Refunding Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for transfer, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 7 hereof, a new Refunding Bond or Refunding Bonds, of the same series, maturity, interest payment dates and interest rate (for a like aggregate principal amount). The Paying Agent may require the payment by any Owner of Refunding Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

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

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

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for exchange, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 7 hereof, a new Refunding Bond or Refunding Bonds of the same series, maturity, interest payment dates and interest rate (for a like aggregate principal amount). The Paying Agent may 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.

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

Section 14. Continuing Disclosure Certificate. The form of Continuing Disclosure Certificate, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver one or more Continuing Disclosure Certificates in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution of the applicable Continuing Disclosure Certificate by such Authorized Officer.

Section 15. Preliminary Official Statement. The form of Preliminary Official Statement relating to the first issuance of Refunding Bonds, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, with such changes therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of such Refunding Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized, and any one of the Authorized Officers is hereby directed, to certify on behalf of the District that the information contained in such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). If and to the extent it is necessary to make substantial changes to such Preliminary Official Statement prior to the offering and sale of the initial Refunding Bonds, the use of the Preliminary Official Statement in connection with the offering and sale of such Refunding Bonds, and the certification of its finality within the meaning of Rule 15c2-12 by an Authorized Officer, shall follow the distribution to this Board of Education of a revised draft of such Preliminary Official Statement with accompanying directions and instructions to members of this Board of Education to review such revised Preliminary Official Statement and provide comments to such Authorized Officer. For subsequent Series of Refunding Bonds, the preparation of a Preliminary Official Statement with respect each such subsequent Series of Refunding Bonds, similar in form and content to the Preliminary Official Statement relating to the first Series of Refunding Bonds but with such updates as shall be deemed necessary, is hereby authorized and approved, and the certification of

its finality within the meaning of Rule 15c2-12 by an Authorized Officer and its use in connection with the offering and sale of each such subsequent Series of Refunding Bonds, which are also hereby authorized, shall follow the distribution to this Board of Education of a substantially complete draft of a Preliminary Official Statement relating to such Series of Refunding Bonds with accompanying directions and instructions to members of this Board of Education to review such Preliminary Official Statement and provide comments to such Authorized Officer.

Section 16. Official Statement. The preparation and delivery of a final Official Statement with respect a Series of Refunding Bonds (each, an "Official Statement") and its use in connection with the offering and sale of such Series of Refunding Bonds are hereby authorized and approved. Each Official Statement shall be in substantially the form of the related 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. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, to execute each final Official Statement, and any amendment or supplement thereto, for and in the name of the District.

Section 17. Tax Covenants. (a) The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on a Tax-Exempt Series of Refunding Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate (each, a "Tax Certificate") to be executed by the District on the date of issuance of each Tax-Exempt Series of Refunding Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Refunding Bonds.

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

(c) Notwithstanding any provision of this Section, if the District shall provide to the County Treasurer an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds ("Opinion of Bound Counsel") that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Tax-Exempt Series of Refunding Bonds under Section 103 of the Code, the County Treasurer may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

Section 18. Cost of Issuance. The Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by a bank, national banking association or trust company meeting the qualifications necessary to be a paying agent set forth in Section 11, as cost of issuance administrator, proceeds of the sale of each Series of

Refunding Bonds, in an amount as shall be set forth in the applicable Bond Purchase Agreement, for the purposes of paying the costs associated with the issuance of such Series of Refunding Bonds.

Section 19. Professional Services. In connection with the issuance of Refunding Bonds, Piper Jaffray & Co. is hereby appointed to serve as the Underwriter, and Orrick, Herrington & Sutcliffe LLP is hereby appointed to serve as Bond Counsel and Disclosure Counsel to the District.

Section 20. Delegation of Authority. The officers and employees of the District are, and each of them hereby is, authorized and directed to execute and deliver, for and on behalf of the District, any and all documents and instruments and to do and cause to be done any and all acts and things necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 21. Approval of Actions. All actions heretofore taken by the officers and employees of the District with respect to the issuance and sale of the Refunding Bonds, or in connection with or related to any of the agreements or documents referred to herein, are hereby approved, confirmed and ratified.

Section 22. Interpretation. The terms of this Resolution shall be interpreted broadly to effect the purpose of providing broad and clear authority for the officers and employees of the District to provide for the issuance of, and issue, from time to time, one or more Series of Refunding Bonds in accordance with the provisions of the documents described herein and the Act on the terms set forth in this Resolution.

Section 23. Effective Date. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED this day, June 13, 2013.

Anthony Collatos, President of the Board of Education of the Palos Verdes Peninsula Unified School District

ATTEST:

Malcolm S. Sharp, Clerk of the Board of Education of the Palos Verdes Peninsula Unified School District

EXHIBIT A

FORM OF REFUNDING BOND

Number	**UNITED STATES OF AMERICA**	**Amount**
R-__	**STATE OF CALIFORNIA**	**$_____**
	COUNTY OF LOS ANGELES	

PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT
(COUNTY OF LOS ANGELES, CALIFORNIA)
GENERAL OBLIGATION REFUNDING BONDS, SERIES __

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

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

Palos Verdes Peninsula Unified School District, county of Los Angeles, State of California (the "District"), acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date set forth above or upon prior redemption hereof, the Principal Amount specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless this bond is authenticated as of a date during the period from the Record Date (as defined herein) next preceding any interest payment date to such interest payment date, inclusive, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before _____ 15, 20__, in which event it shall bear interest from the date hereof) at the Interest Rate per annum stated above, payable commencing on _____ 1, 20__, and thereafter on _____ 1 and _____ 1 in each year, until payment of the Principal Amount. This Bond is issued pursuant to a Resolution adopted by the Board of Education of the District on _____, 2013 (the "Resolution"). Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The principal hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of the paying agent/registrar and transfer agent of the District (the "Paying Agent"), initially the Treasurer and Tax Collector of the County of Los Angeles. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such Registered Owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later

than the Record Date immediately preceding an interest payment date, of the owner of Refunding Bonds aggregating at least $1,000,000 in principal amount, interest will be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, maturities and redemption provisions), in the aggregate principal amount of $_____, and designated as "Palos Verdes Peninsula Unified School District (County of Los Angeles, California) General Obligation Refunding Bonds, Series __" (the "Bonds"). The Bonds were authorized by the Resolution and are issued pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable law. The Bonds are issued and sold by the Board of Education of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated _____, 20__ (the "Bond Purchase Agreement"), by and between the District and Piper Jaffray & Co..

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

This Bond is transferable by the Registered Owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations of the same tenor, interest payments, and same aggregate principal amount will be issued to the transferee in exchange herefor.

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

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

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

by order of the Board of Education duly made and entered on its minutes. The Bonds represent an obligation payable out of the interest and sinking fund of the District, and the money for the payment of principal of, premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District.

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

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

IN WITNESS WHEREOF, the Board of Education of the Palos Verdes Peninsula Unified School District, county of Los Angeles, State of California, has caused this bond to be signed by its President and countersigned by the Clerk of said Board, as of the date set forth above.

_____

Anthony Collatos
President of the Board of Education of the
Palos Verdes Peninsula Unified School
District

Countersigned:

_____

Malcolm S. Sharp
Clerk of the Board of Education of the
Palos Verdes Peninsula Unified School
District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

Treasurer and Tax Collector of the County of Los Angeles, California, as Paying Agent/Registrar and Transfer Agent

By: U.S. Bank National Association, as agent

By: _____
Authorized Officer

ASSIGNMENT

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

_____
I.D. Number

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

Dated: _____

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

CLERK'S CERTIFICATE

I, Malcolm S. Sharp, Clerk of the Board of Education of the Palos Verdes Peninsula Unified School District, County of Los Angeles, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on June 13, 2013, and entered in the minutes thereof, of which meeting all of the members of the Board of Education had due notice and at which a quorum thereof was present, and that at said meeting the resolution was adopted by the following vote:

AYES: 5

NOES: 0

ABSTAIN: 0

ABSENT: 0

An agenda of the meeting was posted at least 72 hours before the meeting at 375 Via Almar, Palos Verdes Estates, California, a location freely accessible to members of the public, and a brief description of the resolution appeared on the agenda.

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

Dated: 6-13 2013

Malcolm S. Sharp, Clerk of the Board of Education of Palos Verdes Peninsula Unified School District