

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AUTHORIZING THE ISSUANCE AND SALE OF BONDS OF ANAHEIM CITY SCHOOL DISTRICT, IN ONE OR MORE SERIES OR SUBSERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000, BY A NEGOTIATED SALE PURSUANT TO ONE OR MORE BOND PURCHASE AGREEMENTS, PRESCRIBING THE TERMS OF SALE OF THE BONDS, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE BOND PURCHASE AGREEMENTS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, an election was duly called and held in the Anaheim City School District, County of Orange, California (the “District”), on November 2, 2010, at which the following proposition (as abbreviated pursuant to Section 13247 of the California Elections Code) was submitted to the electors of the District:

“To improve local elementary schools by fixing leaky roofs, deteriorating restrooms, plumbing, sewer systems, wiring, dry rot, termite damage; removing asbestos/ other hazardous materials; improving fire/ school safety; improving classroom instructional technology for teaching math, science and 21st-century skills; relieving overcrowding; and qualifying for up to \$84 million in state matching funds, shall Anaheim City (Elementary) School District issue \$169,300,000 of bonds, at legal rates, with independent citizen oversight and no money for administrator salaries?”

WHEREAS, at least 55% of the votes cast on said proposition were in favor of issuing said bonds; and

WHEREAS, pursuant to California Government Code Section 53506 *et seq.*, including Section 53508.7 thereof, and California Education Code Section 15140, the Board of Education of the District (the “Board of Education”) has requested the Board of Supervisors (the “Board of Supervisors”) of the County of Orange (the “County”) to issue, in the name of and on behalf of the District, a portion of the bonds, in one or more series or subseries, designated the “Anaheim City School District General Obligation Bonds, Election of 2010, Series 2011” (collectively, the “Series 2011 Bonds”), with such additional or other series or subseries designations as may be approved as herein provided, in an aggregate principal amount not exceeding \$35,000,000, and to authorize the sale of the bonds by a negotiated sale to Piper Jaffray & Co., as representative of itself and E. J. De La Rosa & Co., as underwriters (collectively, the “Underwriter”) pursuant to one or more Bond Purchase Agreements (each such Bond Purchase Agreement, in the form submitted to and on file with the Clerk of this Board of Supervisors, with such changes, insertions and omissions as are made pursuant to this County Resolution, being referred to herein as a “Bond Purchase Agreement”), all according to the terms and in the manner set forth in a resolution (the “District Resolution”) duly adopted by the Board of Education of the District on

March 14, 2011, a certified copy of which has been filed with the Clerk of this Board of Supervisors; and

WHEREAS, the American Recovery and Reinvestment Act of 2009 (the “Recovery Act”) added Section 54AA to the Internal Revenue Code of 1986 (the “Code”), authorizing state and local governments, at their option, to issue Build America Bonds, as described and authorized therein (“Build America Bonds”), in 2009 and 2010, as federally taxable governmental bonds with federal subsidies for a portion of their borrowing costs, and there are proposals to extend such program beyond 2010; and

WHEREAS, the Recovery Act authorizes another new debt instrument known as “Qualified School Construction Bonds” (“Qualified School Construction Bonds”), which are federally taxable bonds with federal subsidies for which the federal government subsidizes the interest cost (up to a set rate) through the allowance of direct subsidy payments; and

WHEREAS, the Recovery Act limits the dollar volume of Qualified School Construction Bonds for 2010 to \$11 billion, of which the State of California (the “State”) was allocated \$720,058,000; and

WHEREAS, the District has applied to the California Department of Education for an allotment of such Qualified School Construction Bond volume cap; and

WHEREAS, the Board of Education of the District has deemed it necessary and desirable to issue and sell all or a portion of the Series 2011 Bonds as Build America Bonds (if and to the extent such program is extended by Congress) and/or Qualified School Construction Bonds (up to the amount of Qualified School Construction Bond allocation, if any, awarded to the District) if it is determined by an authorized officer of the District, in consultation with the Treasurer-Tax Collector of the County or any authorized designee thereof (collectively, the “Treasurer”), to be in the best interest of the District; and

WHEREAS, in the District Resolution, the Board of Education of the District found and informed this Board of Supervisors that 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 by the District Resolution do exist, have happened and have been performed in regular and due time, form and manner as required by law, and that 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 provided in the District Resolution; and

WHEREAS, this Board of Supervisors accepts the representations of the Board of Education in the District Resolution that it is desirable for the Board of Supervisors to issue the Series 2011 Bonds, in one or more series or subseries, on behalf of the District and to sell the Series 2011 Bonds by a negotiated sale for the purposes for which the Series 2011 Bonds have been authorized on the terms and conditions set forth in the District Resolution and the applicable Bond Purchase Agreement; and

WHEREAS, applicable law mandates that the Series 2011 Bonds shall be offered for sale by the board of supervisors of the county, the county superintendent of which has jurisdiction over the District, as soon as possible following receipt of a resolution duly adopted by the Board of Education of the District; and

WHEREAS, the Series 2011 Bonds will be issued by this Board of Supervisors in the name of and on behalf of the District, payable from *ad valorem* taxes to be levied on all taxable property in the District, as herein provided;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE, AS FOLLOWS:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Definitions. Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this County Resolution, have the meanings specified herein, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

“Auditor-Controller” means the Auditor-Controller of the County or any authorized deputy thereof.

“Board of Education” means the Board of Education of the District.

“Board of Supervisors” means the Board of Supervisors of the County.

“Bond Purchase Agreement” means the applicable Bond Purchase Agreement relating to the sale of all or a portion of the Series 2011 Bonds by and among the County, the District and the Underwriter in accordance with the provisions hereof.

“Build America Bonds” means those Series 2011 Bonds designated as such pursuant to Section 54AA of the Code or any successor provision.

“Capital Appreciation Bonds” means those Series 2011 Bonds accreting interest semiannually to the maturity date thereof payable in accordance with Section 6(e) hereof.

“Cede & Co.” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2011 Bonds.

“Code” means the Internal Revenue Code of 1986.

“Continuing Disclosure Certificate” means the applicable Continuing Disclosure Certificate executed and delivered by the District relating to all or a portion of the Series 2011 Bonds.

“Conversion Date” means the date a Convertible Capital Appreciation Bond converts to a current interest bond.

“Convertible Capital Appreciation Bonds” means those Series 2011 Bonds accruing interest semiannually to the Conversion Date thereof and from and after the Conversion Date thereof bearing interest payable semiannually on a current basis, all in accordance with Section 6(f) hereof.

“County” means the County of Orange.

“County Resolution” means this Resolution of the Board of Supervisors.

“Current Interest Bonds” means those Series 2011 Bonds bearing interest payable semiannually on a current basis in accordance with Section 6(d) hereof.

“District” means the Anaheim City School District.

“District Resolution” means the Resolution of the Board of Education of the District adopted on March 14, 2011.

“DTC” means 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 the Series 2011 Bonds, including any such successor thereto appointed pursuant to Section 10 hereof.

“Interest Date” means February 1 and August 1 of each year, (a) commencing on February 1, 2012, with respect to the Current Interest Bonds and, for purposes of compounding interest on the Capital Appreciation Bonds and, to their Conversion Dates, Convertible Capital Appreciation Bonds, commencing on August 1, 2011, and (b) with respect to Convertible Capital Appreciation Bonds, from and after their Conversion Date, commencing on the February 1 or August 1 immediately following such Conversion Date, or such other dates as may be set forth in the applicable Bond Purchase Agreement.

“Official Statement” means the Official Statement of the District relating to the Series 2011 Bonds.

“Owner” means with respect to any Series 2011 Bond, the person whose name appears on the Registration Books as the registered Owner thereof.

“Paying Agent” means U.S. Bank National Association, or any bank, trust company, national banking association or other financial institution appointed as Paying Agent to act as authenticating agent, bond registrar, transfer agent and paying agent for the Series 2011 Bonds in accordance with Section 9 hereof.

“Qualified School Construction Bonds” means those Series 2011 Bonds designated as qualified school construction bonds within the meaning of and as defined in Section 54F of the Code.

“Record Date” means, with respect to any Interest Date for the Series 2011 Bonds, the 15th day of the calendar month immediately preceding such Interest Date, whether or not such

day is a business day, or such other date or dates as may be set forth in the applicable Bond Purchase Agreement.

“Registration Books” means the books for the registration and transfer of the Series 2011 Bonds maintained by the Paying Agent in accordance with Section 9(d) hereof.

“Series 2011 Bonds” means the bonds authorized and issued pursuant to this County Resolution, at the request of the District pursuant to the District Resolution, in one or more series or subseries, designated the “Anaheim City School District General Obligation Bonds, Election of 2010, Series 2011,” with such additional or other series or subseries designations as may be approved as herein provided.

“State” means the State of California.

“Tax Certificate” means the Tax Certificate with respect to the Series 2011 Bonds not issued as Build America Bonds, Qualified School Construction Bonds or other Taxable Bonds, executed by the District, dated the date of issuance of such Series 2011 Bonds.

“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 Code.

“Taxable Bonds” means those Series 2011 Bonds the interest on which is not Tax-Exempt.

“Treasurer” means the Treasurer-Tax Collector of the County or any authorized designee thereof.

“Underwriter” means Piper Jaffray & Co., as representative of itself and E. J. De La Rosa & Co., as underwriters.

Section 3. District Resolution Incorporated. The District Resolution, including the exhibits thereto, is incorporated herein by reference and all of the provisions thereof are made a part hereof and shall be applicable to the Series 2011 Bonds herein provided for, except as herein otherwise expressly provided. Notwithstanding the foregoing, the County (a) assumes no liability or responsibility for any of the District’s findings, determinations, representations or warranties as set forth in the District Resolution, (b) assumes all such findings, determinations, representations and warranties to be true and correct, and (c) shall be entitled to rely on such findings, determinations, representations and warranties.

Section 4. Authorization and Designation of Bonds. Pursuant to California Government Code Section 53506 *et seq.*, including Section 53508.7 thereof, and California Education Code Section 15140, this Board of Supervisors hereby authorizes, in the name of and on behalf of the District, the issuance and sale of not to exceed \$35,000,000 aggregate principal amount of Series 2011 Bonds, in one or more series or subseries, and designates said bonds as the “Anaheim City School District General Obligation Bonds, Election of 2010, Series 2011,”

with appropriate additional or other series or subseries designations, on the terms and conditions set forth in, and subject to the limitations specified in, this County Resolution. The Series 2011 Bonds may be issued such that the interest on such Series 2011 Bonds is Tax-Exempt or such that the interest on such Series 2011 Bonds is not Tax-Exempt, and may be issued as Current Interest Bonds (all or a portion of which may be designated as Build America Bonds (if and to the extent such program is extended by Congress) or Qualified School Construction Bonds (up to the amount of Qualified School Construction Bond allocation, if any, awarded to the District)), Capital Appreciation Bonds and/or Convertible Capital Appreciation Bonds, or any combination thereof, all as provided in Section 6 hereof.

Section 5. Form of Bonds; Execution. (a) *Form of Series 2011 Bonds.* The Series 2011 Bonds shall be issued in fully registered form without coupons. The Current Interest Bonds, the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds, and the certificate of authentication and registration and the forms of assignment to appear on each of them, shall be in substantially the forms attached hereto as Exhibit A, Exhibit B and Exhibit C, respectively, with necessary or appropriate variations, omissions and insertions as permitted or required by this County Resolution.

(b) *Execution of Bonds.* The Series 2011 Bonds shall be signed by the manual or facsimile signatures of the Chair of the Board of Supervisors and of the Treasurer or the Treasurer's designee, and countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors. The Series 2011 Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.

(c) *Valid Authentication.* Only such of the Series 2011 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 County Resolution, and such certificate of authentication and registration shall be conclusive evidence that the Series 2011 Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this County Resolution.

(d) *Identifying Number.* The Paying Agent shall assign each Series 2011 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 6. Terms of Bonds. (a) *Date of Series 2011 Bonds.* The Series 2011 Bonds shall be dated the date of their delivery, or such other date or dates as shall be set forth in the applicable Bond Purchase Agreement.

(b) *Denominations.* The Current Interest Bonds shall be issued in denominations of \$5,000 principal amount or any integral multiple thereof. The Capital Appreciation Bonds shall be issued in denominations of \$5,000 accreted value at maturity ("maturity value") or any integral multiple thereof, except that one numbered Capital Appreciation Bond may be issued in a denomination such that the maturity value of such Capital Appreciation Bond shall not be an integral multiple of \$5,000. The Convertible Capital Appreciation Bonds shall be issued in

denominations of \$5,000 accreted value at their Conversion Date or any integral multiple thereof.

(c) *Maturity.* The Current Interest 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 Current Interest Bond shall mature later than the date which is 40 years from the date of the Current Interest Bonds. No Current Interest Bond shall have principal maturing on more than one principal maturity date. Each Bond Purchase Agreement executed with respect to the Series 2011 Bonds may provide that no Current Interest Bonds shall be issued.

The Capital Appreciation Bonds shall mature on the date or dates, in each of the years, and in such maturity values as shall be set forth in the applicable Bond Purchase Agreement. No Capital Appreciation Bond shall mature later than the date which is 40 years from the date of the Capital Appreciation Bonds. No Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. Each Bond Purchase Agreement executed with respect to the Series 2011 Bonds may provide that no Capital Appreciation Bonds shall be issued.

The Convertible Capital Appreciation Bonds shall have Conversion Dates of and mature on the date or dates, in each of the years, in the accreted amounts and in the stated values at their Conversion Date as shall be set forth in the applicable Bond Purchase Agreement. No Convertible Capital Appreciation Bond shall mature later than the date which is 40 years from the date of the Convertible Capital Appreciation Bonds. No Convertible Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. Each Bond Purchase Agreement executed with respect to the Series 2011 Bonds may provide that no Convertible Capital Appreciation Bonds shall be issued.

The Current Interest Bonds, the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds may mature in the same year or years as any other Current Interest Bonds, Capital Appreciation Bonds or Convertible Capital Appreciation Bonds, without limitation. The aggregate principal amount of the Series 2011 Bonds issued as Current Interest Bonds, Capital Appreciation Bonds or Convertible Capital Appreciation Bonds shall not exceed \$35,000,000.

(d) *Interest on Current Interest Bonds.* The Current Interest Bonds shall bear interest at an interest rate or rates not to exceed 12.00% per annum, payable on the Interest Dates in each year computed on the basis of a 360-day year of 12 30-day months. Each Current Interest Bond shall bear interest from the Interest Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Date, in which event it shall bear interest from such Interest Date, or unless it is authenticated on or before the Record Date preceding the first Interest Date, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Current Interest Bond, interest is in default on any outstanding Current Interest Bonds, such Current Interest Bond shall bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Current Interest Bonds. If provided in the applicable Bond Purchase Agreement, Current Interest Bonds may have different interest rates for separately defined periods of the term thereof as set forth in such Bond Purchase Agreement.

(e) *Interest on Capital Appreciation Bonds.* The Capital Appreciation Bonds shall not bear current interest; each Capital Appreciation Bond shall accrete in value daily over the term to its maturity (on the basis of a 360-day year of 12 30-day months), from its initial principal (denominational) amount on the date of issuance thereof to its stated maturity value at maturity thereof, on the basis of a constant interest rate (which shall not exceed 12.00% per annum) compounded semiannually on each Interest Date (with straight-line interpolations between Interest Dates). The accreted value per \$5,000 maturity value of the Capital Appreciation Bonds on each Interest Date shall be given for reference in a table of accreted values to appear in the Capital Appreciation Bonds; provided, however, that the accreted value determined in accordance with this Section shall prevail over any different accreted value given in such table. Interest on the Capital Appreciation Bonds shall be payable only upon maturity or prior redemption thereof.

(f) *Interest on Convertible Capital Appreciation Bonds.* The Convertible Capital Appreciation Bonds prior to their respective Conversion Dates shall not bear current interest; each Convertible Capital Appreciation Bond shall accrete in value daily from its initial principal (denominational) amount on the date of issuance thereof to its stated accreted value at the Conversion Date thereof (on the basis of a 360-day year of 12 30-day months), on the basis of a constant interest rate (which shall not exceed 12.00% per annum) compounded semiannually on each Interest Date (with straight-line interpolations between Interest Dates). From and after the respective Conversion Date of a Convertible Capital Appreciation Bond, such Convertible Capital Appreciation Bonds shall bear current interest on the accreted value thereof at an interest rate not to exceed 12.00% per annum, computed on the basis of a 360-day year of 12 30-day months, payable on the Interest Dates in each year following its Conversion Date. Following the Conversion Date with respect thereto, each Convertible Capital Appreciation Bond shall bear interest from the Interest Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Date, in which event it shall bear interest from such Interest Date, or unless it is authenticated on or before the Record Date preceding the first Interest Date following its Conversion Date, in which event it shall bear interest from its Conversion Date; provided, however, that if, at the time of authentication of any Convertible Capital Appreciation Bond, interest is in default on any outstanding Convertible Capital Appreciation Bonds, such Convertible Capital Appreciation Bond shall bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Convertible Capital Appreciation Bonds.

(g) *Designation of Series 2011 Bonds as Build America Bonds or Qualified School Construction Bonds or Otherwise as Taxable Bonds.* The Treasurer is hereby authorized and directed to designate, and cause to be issued and sold, all or a portion of the Series 2011 Bonds as Build America Bonds or Qualified School Construction Bonds, insofar as permitted by law, or otherwise as other Taxable Bonds, if it is determined by the District to be in the best interest of the District, such designation to be conclusively evidenced by the execution and delivery of the applicable Bond Purchase Agreement by the District and the County incorporating such designation. Build America Bonds and Qualified School Construction Bonds, if any, shall be issued as Current Interest Bonds as herein provided. Each Bond Purchase Agreement executed with respect to the Series 2011 Bonds may provide that no Build America Bonds, Qualified School Construction Bonds or other Taxable Bonds shall be issued. To the extent any portion of

the Series 2011 Bonds are designated as Build America Bonds or Qualified School Construction Bonds, any direct subsidy of interest paid to or on behalf of the District by the federal government in connection with such Build America Bonds or Qualified School Construction Bonds shall, promptly upon receipt by the District or the County, be deposited into the Interest and Sinking Fund (as defined herein) of the District or account therein established for payment of such Build America Bonds or Qualified School Construction Bonds, as applicable.

Section 7. Payment of Bonds. (a) *Sources of Payment for the Bonds.* The money for the payment of principal or accreted value, redemption premium, if any, and interest with respect to the Series 2011 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, and the Board of Supervisors hereby covenants to annually levy *ad valorem* taxes for the payment of the Series 2011 Bonds on all property in the District subject to taxation by the District without limitation as to rate or amount (except certain personal property which is taxable at limited rates).

To the extent that the Qualified School Construction Bonds, if any, are issued with a schedule of mandatory sinking fund set-aside payments, the Board of Supervisors hereby covenants to annually levy *ad valorem* taxes on all property in the District subject to taxation by the District without limitation as to rate or amount (except certain personal property which is taxable at limited rates) in an amount sufficient to meet such mandatory sinking fund set-aside obligations for such Qualified School Construction Bonds. The Auditor-Controller is hereby authorized to create such sinking funds or accounts for the Qualified School Construction Bonds as shall be necessary in order to provide for the accumulation of funds sufficient to pay the Qualified School Construction Bonds when due.

(b) *Principal.* The principal or accreted value, as applicable, of the Series 2011 Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the principal corporate trust office of the Paying Agent.

(c) *Interest; Record Date.* The interest on the Current Interest Bonds and the Convertible Capital Appreciation Bonds after the Conversion Date shall be payable on each Interest Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Date, such interest to be paid by check or draft mailed on such Interest Date (if a business day, or on the next business day if the Interest 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 Current Interest Bonds or Convertible Capital Appreciation Bonds after the Conversion Date 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 Date.

(d) *Interest and Sinking Fund.* Principal or accreted value of, redemption premium, if any, and interest due on the Series 2011 Bonds shall be paid from the interest and sinking fund of the District within the County treasury (the "Interest and Sinking Fund") 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 Series 2011 Bonds. The obligation for repayment of the Series 2011 Bonds is the sole obligation of the District.

(f) *Insurance.* The payment of principal or accreted value of and interest on all or a portion of the Series 2011 Bonds may be secured by a municipal bond insurance policy if the present value cost of such insurance is less than the present value of the estimated interest savings with respect to such Series 2011 Bonds as shall be described in the applicable Bond Purchase Agreement. Each Bond Purchase Agreement executed with respect to the Series 2011 Bonds may provide that no municipal bond insurance policy shall be obtained.

Section 8. Redemption Provisions. (a) *Optional Redemption.* The Series 2011 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 Series 2011 Bonds shall not be subject to optional redemption, and may provide separate and distinct optional redemption provisions for the Current Interest Bonds, the Current Interest Bonds designated as Build America Bonds or Qualified School Construction Bonds, the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds.

(b) *Extraordinary Redemption.* The Series 2011 Bonds may be subject to extraordinary redemption on the dates and terms as shall be designated in the applicable Bond Purchase Agreement. The applicable Bond Purchase Agreement may provide that the Series 2011 Bonds shall not be subject to extraordinary redemption, and may provide separate and distinct extraordinary redemption provisions for the Current Interest Bonds, the Current Interest Bonds designated as Build America Bonds or Qualified School Construction Bonds, the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds.

(c) *Selection.* If less than all of the Series 2011 Bonds (Current Interest Bonds, Capital Appreciation Bonds, Convertible Capital Appreciation Bonds or any Series 2011 Bonds designated as Build America Bonds or Qualified School Construction Bonds or otherwise as other Taxable Bonds, as applicable), if any, are subject to such redemption and are called for redemption, such Series 2011 Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the applicable Bond Purchase Agreement), and if less than all of the Series 2011 Bonds of any given maturity are called for redemption, the portions of such bonds of a given maturity to be redeemed shall be determined by lot (or as otherwise set forth in the applicable Bond Purchase Agreement).

(d) *Mandatory Sinking Fund Redemption.* The Series 2011 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 by the amount of any Series 2011 Bonds of that maturity redeemed in accordance with the subsection (a) or (b) of this Section prior to the mandatory sinking fund payment date. The applicable Bond

Purchase Agreement may provide that the Series 2011 Bonds shall not be subject to mandatory sinking fund redemption.

The Auditor-Controller is hereby authorized to create such sinking funds or accounts for the term Series 2011 Bonds as shall be necessary to accomplish the purposes of this Section.

(e) *Notice of Redemption.* Notice of any redemption of the Series 2011 Bonds 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 contain all of the following information:

- (i) the date of such notice;
- (ii) the name of the Series 2011 Bonds and the date of issue of the Series 2011 Bonds;
- (iii) the redemption date;
- (iv) the redemption price;
- (v) the series of Series 2011 Bonds and the dates of maturity or maturities of Series 2011 Bonds to be redeemed;
- (vi) if less than all of the Series 2011 Bonds of a series of any maturity are to be redeemed, the distinctive numbers of the Series 2011 Bonds of each maturity of such series to be redeemed;
- (vii) in the case of Series 2011 Bonds of a series redeemed in part only, the respective portions of the principal amount of the Series 2011 Bonds of each maturity of such series to be redeemed;
- (viii) the CUSIP number, if any, of each maturity of Series 2011 Bonds of a series to be redeemed;
- (ix) a statement that such Series 2011 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 Series 2011 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.

(f) *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 Series 2011 Bonds 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 Series 2011 Bonds called for redemption is set aside for the purpose as described in subsection (h) of this Section, the Series 2011 Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Series 2011 Bonds at the place specified in the notice of redemption, such Series 2011 Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series 2011 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 Series 2011 Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(g) *Right to Rescind Notice.* The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Series 2011 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 or accreted value of, redemption premium, if any, and interest due on the Series 2011 Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Series 2011 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.

(h) *Funds for Redemption.* Prior to or on the redemption date of any Series 2011 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 County Resolution provided, the Series 2011 Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal or accreted value of, redemption premium, if any, and interest on the Series 2011 Bonds to be redeemed upon presentation and surrender of such Series 2011 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 Series 2011 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 Series 2011 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 or accreted value 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.

(i) *Defeasance of 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 outstanding Series 2011 Bonds all or part of the principal or accreted value of, redemption premium, if any, and interest on the Series 2011 Bonds at the times and in the manner provided herein and in the Series 2011 Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners shall cease to be entitled to the obligation of the District as provided in Section 7 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under the Series 2011 Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal or accreted value of, redemption premium, if any, and interest on the Series 2011 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 (j) of this Section shall apply in all events.

For purposes of this section, the District may pay and discharge any or all of the Series 2011 Bonds by depositing in trust with the Paying Agent or an escrow agent, selected by the District, at or before maturity, money 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, in the opinion of a certified public accountant, to pay and discharge the indebtedness on such Series 2011 Bonds (including all principal or accreted value, interest and redemption premiums) at or before their respective maturity dates.

(j) *Unclaimed Monies.* Any money held in any fund created pursuant to this County Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal or accreted value of, redemption premium, if any, or interest on the Series 2011 Bonds and remaining unclaimed for two years after the principal or accreted value of all of the Series 2011 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 9. Paying Agent. (a) *Appointment; Payment of Fees and Expenses.* At the direction of the District, U.S. Bank National Association shall act as the initial Paying Agent for the Series 2011 Bonds. 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 Series 2011 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 District as provided in the Paying Agent's service agreement. Without further action by the District, if at any time the Paying Agent shall resign or be removed, the District 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 Los Angeles or San Francisco, California, with at least \$100,000,000 in net assets.

(c) *Principal Corporate Trust Office.* The initial Paying Agent, and any successor Paying Agent, shall designate each place or places where it will conduct the functions of transfer, registration, exchange, payment, and surrender of the Bonds, and any reference herein to the "principal corporate trust office" of the Paying Agent shall mean the office so designated for a particular purpose. If no office is so designated for a particular purpose, such functions shall be conducted at the office of U.S. Bank National Association, in Los Angeles, California, or the principal corporate trust office of any successor Paying Agent.

(d) *Registration Books.* The Paying Agent will keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Series 2011 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, Series 2011 Bonds as provided in Section 10 and 11 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Series 2011 Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the County or the District in a format mutually agreeable to the Paying Agent, the County and the District.

Section 10. Transfer Under Book-Entry System; Discontinuation of Book-Entry System. (a) Unless otherwise specified in the applicable Bond Purchase Agreement, DTC is hereby appointed depository for each series of the Series 2011 Bonds and the Series 2011 Bonds shall be issued in book-entry form only, and shall be initially registered in the name of "Cede & Co.," as nominee of DTC. One bond certificate shall be issued for each maturity of each series or subseries of the Current Interest Bonds, the Current Interest Bonds designated as Build America Bonds or Qualified School Construction Bonds, the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds; provided, however, that if different CUSIP numbers are assigned to Series 2011 Bonds of a series or subseries maturing in a single year or, if Series 2011 Bonds of the same series or subseries 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 Series 2011 Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 11 hereof:

(i) To any successor of Cede & Co., as nominee 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 Cede & Co., 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 (upon consultation with the County) 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 (upon consultation with the County) 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 Series 2011 Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Series 2011 Bond for each maturity of each series shall be executed and delivered (in the case of Current Interest Bonds, in the aggregate principal amount of the Current Interest Bonds then outstanding, and in the case of Capital Appreciation Bonds and Convertible Capital Appreciation Bonds, in the aggregate maturity value of the Capital Appreciation Bonds or the stated value at the applicable Conversion Date of the Convertible Capital Appreciation Bonds, as applicable, 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 Series 2011 Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Series 2011 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 6 hereof and the receipt of such a written request of the District, and thereafter, the Series 2011 Bonds shall be transferred pursuant to the provisions set forth in Section 11 hereof; provided, however, that the Paying Agent shall not be required to deliver such new Series 2011 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 the Series 2011 Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Series 2011 Bonds indicating the date and amounts of such reduction in principal.

(d) The County, the District and the Paying Agent shall be entitled to treat the person in whose name any Series 2011 Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the County, the District or the Paying Agent; and the County, 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 Series

2011 Bonds, and neither the County, the District or 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 Series 2011 Bonds.

(e) So long as the outstanding Series 2011 Bonds are registered in the name of Cede & Co. or its registered assigns, the District, the County and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal or accreted value of, redemption premium, if any, and interest on the Series 2011 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 11. Transfer and Exchange. (a) *Transfer.* Following the termination or removal of DTC or successor depository pursuant to Section 10 hereof, any Series 2011 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 Series 2011 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 Series 2011 Bond or Series 2011 Bonds shall be surrendered for transfer, the designated County officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 5 hereof, a new Series 2011 Bond or Series 2011 Bonds, of the same the same maturity, Interest Dates, interest payment mode and interest rate (in the case of Current Interest Bonds, for a like aggregate principal amount, and in the case of Capital Appreciation Bonds or Convertible Capital Appreciation Bonds, for a like aggregate maturity value or a like stated value at the applicable Conversion Date, as applicable). The Paying Agent may require the payment by any Owner of Series 2011 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 Series 2011 Bond shall be required to be made by the Paying Agent (1) during the period established by the Paying Agent for selection of the Series 2011 Bonds for redemption, and (2) after any Series 2011 Bond has been selected for redemption.

(b) *Exchange.* The Series 2011 Bonds may be exchanged for Series 2011 Bonds of other authorized denominations of the same maturity and Interest Date, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series 2011 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 Series 2011 Bond or Series 2011 Bonds shall be surrendered for exchange, the designated County officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 5 hereof, a new Series 2011 Bond or Series 2011 Bonds of the same maturity, Interest Dates, interest payment mode and interest rate (in the case of Current Interest Bonds, for a like aggregate principal amount, and in the case of Capital Appreciation Bonds or Convertible Capital Appreciation Bonds, for a like aggregate maturity value or a like stated value at the applicable Conversion Date, as applicable). 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 Series 2011 Bonds shall be required to be made by the Paying Agent (1) during the period established by the Paying Agent for selection of the Series 2011 Bonds for redemption, and (2) after any Series 2011 Bond has been selected for redemption.

Section 12. Sale of Bonds; Bond Purchase Agreement. The form of Bond Purchase Agreement submitted to and on file with the Clerk of this Board of Supervisors providing for the sale by this Board of Supervisors and the purchase by the Underwriter of the Series 2011 Bonds at a purchase price to be set forth therein is hereby approved. The Treasurer is hereby authorized and directed, for and in the name and on behalf of the County, to execute and deliver one or more Bond Purchase Agreements in substantially said form, as is determined by the District and the Treasurer to be in the best interest of the District, with such changes, insertions and omissions as the Treasurer may require or approve, such determination, requirement or approval to be conclusively evidenced by the execution of the applicable Bond Purchase Agreement by the Treasurer; provided, however, that (a) the true interest cost for Series 2011 Bonds shall not be in excess of 7.00% (net of any federal subsidies expected to be received with respect to any Series 2011 Bonds designated as Build America Bonds and/or Qualified School Construction Bonds), (b) the interest rate on the Current Interest Bonds and, from and after their Conversion Dates, the Convertible Capital Appreciation Bonds, shall not exceed 12.00% per annum, (c) the Capital Appreciation Bonds and, to their Conversion Dates, the Convertible Capital Appreciation Bond, shall accrete in value at a compounded interest rate not to exceed 12.00% per annum, (d) the minimum price for the Series 2011 Bonds shall be not less than the aggregate principal amount thereof, (e) the Underwriter's discount for the sale of Series 2011 Bonds shall not exceed 1.00% of the principal amount of such Series 2011 Bonds exclusive of any costs of issuance the Underwriter contracts to pay, and (f) the Series 2011 Bonds shall otherwise conform to the limitations specified herein.

The Bond Purchase Agreement shall recite the aggregate principal amount of the Series 2011 Bonds and which, if any, are designated as Build America Bonds, Qualified School Construction Bonds and/or other Taxable Bonds, and with respect to the Current Interest Bonds, shall recite the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual Interest Dates thereof, and the terms of optional, extraordinary and mandatory sinking fund redemption thereof, if any, with respect to the Capital Appreciation Bonds, shall recite the date thereof, the initial principal amounts, maturity dates, and maturity values of each maturity thereof, the initial and semiannual Interest Dates thereof, and the terms of optional, extraordinary and mandatory sinking fund redemption thereof, if any, and with respect to the Convertible Capital Appreciation Bonds, shall recite the date thereof, the initial principal amounts, Conversion Dates, maturity dates, and stated value at the Conversion Date of each maturity thereof, the initial and semiannual Interest Dates thereof, and the terms of optional, extraordinary and mandatory sinking fund redemption thereof, if any.

Section 13. Deposit and Investment of Proceeds. The proceeds of sale of the Series 2011 Bonds, exclusive of any premium and accrued interest received, shall be deposited in the County treasury to the credit of the building fund of the District within the County treasury (the "Building Fund"). Any net premium and accrued interest received by the District shall be

deposited upon receipt in the Interest and Sinking Fund of the District. The County makes no assurances regarding the use of the Series 2011 Bond proceeds. All funds held by the Treasurer in the Building Fund and the Interest and Sinking Fund shall be invested at the Treasurer's discretion pursuant to law and the investment policy of the County. In addition, to the extent permitted by law, (i) at the written request of the District, all or any portion of the Building Fund or the Interest and Sinking Fund of the District may be invested on behalf of the District in the Local Agency Investment Fund in the treasury of the State, (ii) at the written request of the District, all or any portion of the Building Fund or the Interest and Sinking Fund of the District may be invested on behalf of the District, in investment agreements, including guaranteed investment contracts, float contracts or other investment products (collectively, "Investment Agreements"), which comply with the requirements of each rating agency then rating the Series 2011 Bonds necessary in order to maintain the then-current rating on the Series 2011 Bonds, and (iii) at the written request of the District, the Treasurer shall deposit any investment of all or any portion of the Building Fund or the Interest and Sinking Fund of the District made pursuant to California Education Code Section 41015 in accordance with the instructions of the District and California Education Code Section 41016.

Section 14. Tax Covenant. The County acknowledges and relies upon the fact that the District has represented and covenanted that it shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on Series 2011 Bonds not issued as Build America Bonds, Qualified School Construction Bonds or other Taxable Bonds under Section 103 of the Code, and that it will comply with the requirements of the Tax Certificate of the District with respect to the Series 2011 Bonds not issued as Build America Bonds, Qualified School Construction Bonds or other Taxable Bonds, to be entered into by the District as of the date of issuance of such Series 2011 Bonds, and further that such representation and covenant shall survive payment in full or defeasance of such Series 2011 Bonds.

Section 15. Continuing Disclosure Certificate. The County acknowledges and relies upon the fact that the District has represented that it shall execute one or more continuing disclosure certificates containing such covenants of the District as shall be necessary to comply with the requirements of Securities and Exchange Commission Rule 15c2-12. The County acknowledges and relies upon the fact that the District will covenant to comply with and carry out all of the provisions of such continuing disclosure certificates. The County shall have no responsibilities either for compliance with such continuing disclosure certificates or for the duties of any dissemination agent named therein.

Section 16. Limited Responsibility for Official Statement. Neither the Board of Supervisors nor any officer of the County has prepared or reviewed the official statement of the District describing the Series 2011 Bonds, and the Board of Supervisors and the various officers of the County take no responsibility for the contents or distribution thereof; provided, however, that solely with respect to a section contained or to be contained therein describing the County's treasury pool portfolio holdings, as they may relate to funds of the District, the Treasurer is hereby authorized and directed to prepare and review such information for inclusion in such official statement and in the related preliminary official statement, and to certify to the District prior to or upon the issuance of the Series 2011 Bonds that the information contained in such section does not contain any untrue statement of a material fact or omit to state any material fact

necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading.

Section 17. Approval of Actions. The Chair of the Board and County officials and staff, including, but not limited to, the Treasurer, County Auditor-Controller and the Clerk of the Board of Supervisors, or their designee(s), are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance, sale and delivery of the Series 2011 Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

Section 18. Effective Date. This County Resolution shall take effect from and after its adoption.

EXHIBIT A

[Form of Current Interest Bond]

Number UNITED STATES OF AMERICA Amount
R-__ STATE OF CALIFORNIA \$_____
COUNTY OF ORANGE

ANAHEIM CITY SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES 2011-__
[(_____) BONDS]

CURRENT INTEREST BOND

Maturity Date Interest Rate Dated as of CUSIP NO.
_____ 1, _____ % _____, 2011 _____

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

On behalf of the Anaheim City School District, County of Orange, State of California (herein called the "District"), the County of Orange (the "County") hereby acknowledges itself obligated to and promises to pay, but only from taxes collected by the County for such purpose pursuant to Section 15250 of the California Education Code, 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 after the close of business on the Record Date (as defined herein) next preceding any interest payment date and on or prior such interest payment date, 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 February 1 and August 1 in each year, until payment of the Principal Amount.

The principal hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office (as defined in the County Resolution) of the paying agent/registrar and transfer agent of the District (herein called the "Paying Agent"), initially U.S. Bank National Association. 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 calendar 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 mailed to such Registered Owner at the Registered 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 Registered Owner of current interest Bonds (hereinafter defined) aggregating at least \$1,000,000 in principal amount, interest will be paid by wire transfer of 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 by wire transfer of immediately available funds as provided in the County 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, interest payment modes, maturities and redemption provisions), amounting in the aggregate to \$_____, and designated as “Anaheim City School District General Obligation Bonds, Election of 2010, Series 2011-__ [(_____ Bonds)]” (the “Bonds”). The Bonds were authorized by a vote of at least 55% of the voters voting at an election duly and legally called, held and conducted in the District on November 2, 2010. The Bonds are issued and sold by the Board of Supervisors of the County pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of a resolution (herein called the “County Resolution”) adopted by the Board of Supervisors of the County on _____, 2011, and subject to the more particular terms specified in the Bond Purchase Agreement, dated as of _____, 2011, by and among the District, the County and Piper Jaffray & Co. as representative of itself and E. J. De La Rosa & Co., as underwriters.

The current interest 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 current interest 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 County Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same series, tenor, interest payment mode, 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 County 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 series, tenor, interest payment mode, and same aggregate principal amount will be issued to the transferee in exchange therefor.

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

The Bonds are subject to optional, extraordinary and mandatory sinking fund redemption on the terms and subject to the conditions specified in the County Resolution, and as shown in the attached Redemption Schedule. 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.

In reliance upon the representations, certifications and declarations of the District, the Board of Supervisors 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 Supervisors 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 on this bond, shall be raised by taxation upon the taxable property of the District. The Bonds do not constitute a debt, liability or obligation of the County and no part of any fund or account of the County is pledged or obligated to the payment of the Bonds.

This bond shall not be entitled to any benefit under the County 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 County of Orange has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chair of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

COUNTY OF ORANGE

By: _____
Chair of the Board of Supervisors

[SEAL]

By: _____
Treasurer-Tax Collector

Countersigned:

Clerk of the Board of Supervisors

**PAYING AGENT'S CERTIFICATE OF AUTHENTICATION
AND REGISTRATION**

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

U.S. Bank National Association, as Paying
Agent/Registrar and Transfer Agent

By: _____
Authorized Officer

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate 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.

[STATEMENT OF INSURANCE]

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent/Registrar and Transfer 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 registered Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

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

REDEMPTION SCHEDULE

ANAHEIM CITY SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
ELECTION OF 2010, SERIES 2011-__
[(_____ BONDS)]

EXHIBIT B

[Form of Capital Appreciation Bond]

Number CAB-__	UNITED STATES OF AMERICA STATE OF CALIFORNIA COUNTY OF ORANGE	Maturity Value \$_____
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ANAHEIM CITY SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES 2011-__
CAPITAL APPRECIATION BOND

Maturity Date	Dated as of	CUSIP NO.
_____ 1, ____	_____, 2011	_____

Registered Owner: CEDE & CO.

Initial Principal Amount: _____ DOLLARS

Accreted Value at Maturity: _____ DOLLARS

On behalf of the Anaheim City School District, County of Orange, State of California (herein called the "District"), the County of Orange (the "County") hereby acknowledges itself obligated to and promises to pay, but only from taxes collected by the County for such purpose pursuant to Section 15250 of the California Education Code, on the Maturity Date specified above or upon prior redemption hereof, in lawful money of the United States of America, to the Registered Owner identified above or registered assigns (the "Registered Owner"), the accreted value hereof on such date, consisting of the Initial Principal Amount hereof plus interest accreted thereon to such date (in accordance with the County Resolution hereinafter defined and as reflected in the Table of Accreted Values hereinafter set forth; provided, that any accreted value determined in accordance with the County Resolution shall prevail over any accreted values given in the Table of Accreted Values), commencing on the date hereof, compounded on February 1 and August 1 of each year, commencing on _____ 1, 20__, assuming in any such semiannual period that such interest accretes in equal daily amounts on the basis of a 360-day year of twelve 30-day months, until the obligation represented hereby shall have been discharged, as provided in the County Resolution hereinafter defined, upon the surrender hereof at the principal corporate trust office (as defined in the County Resolution) of the paying agent/registrars and transfer agent of the District (herein called the "Paying Agent"), initially U.S. Bank National Association.

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 or yields, interest payment modes, maturities and redemption provisions), amounting in the aggregate to \$_____ principal amount, and designated as "Anaheim City School District General Obligation Bonds, Election of 2010, Series 2011-__" (the "Bonds"). The Bonds were authorized by a vote of at least 55% of the voters voting at an election duly and

legally called, held and conducted in the District on November 2, 2010. The Bonds are issued and sold by the Board of Supervisors of the County pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of a resolution (herein called the "County Resolution") adopted by the Board of Supervisors of the County on _____, 2011, and subject to the more particular terms specified in the Bond Purchase Agreement, dated as of _____, 2011, by and among the District, the County and Piper Jaffray & Co. as representative of itself and E. J. De La Rosa & Co., as underwriters.

The capital appreciation Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 accreted value at maturity (the "maturity value") or any integral multiple thereof, except that one numbered capital appreciation Bond may be issued in a denomination such that the maturity value of such capital appreciation Bond shall not be in an integral multiple of \$5,000, and provided that no capital appreciation 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 County Resolution, Bonds may be exchanged for a like aggregate maturity value of Bonds of the same series, tenor, interest payment mode, 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 office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the County Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations for the same Bond interest payment mode and same aggregate maturity value will be issued to the transferee in exchange therefor.

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

The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the County Resolution, and as shown in the attached Redemption Schedule. 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.

In reliance upon the representations, certifications and declarations of the District, the Board of Supervisors 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 Supervisors 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 on this bond, shall be raised by taxation upon the taxable property of the District. The Bonds do not constitute a debt, liability or obligation of the County and no part of any fund or account of the County is pledged or obligated to the payment of the Bonds.

This bond shall not be entitled to any benefit under the County 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 County of Orange has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chair of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

COUNTY OF ORANGE

By: _____
Chair of the Board of Supervisors

[SEAL]

By: _____
Treasurer-Tax Collector

Countersigned:

Clerk of the Board of Supervisors

**PAYING AGENT'S CERTIFICATE OF AUTHENTICATION
AND REGISTRATION**

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

U.S. Bank National Association, as Paying
Agent/Registrar and Transfer Agent

By: _____
Authorized Officer

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate 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.

[STATEMENT OF INSURANCE]

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent/Registrar and Transfer 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 registered Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

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

REDEMPTION SCHEDULE

ANAHEIM CITY SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
ELECTION OF 2010, SERIES 2011-__

[TABLE OF ACCRETED VALUES]

EXHIBIT C

[Form of Convertible Capital Appreciation Bond]

Number **UNITED STATES OF AMERICA** Maturity Value
CCAB-__ **STATE OF CALIFORNIA** \$_____
COUNTY OF ORANGE

**ANAHEIM CITY SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES 2011-__
CONVERTIBLE CAPITAL APPRECIATION BOND**

Maturity Date	Conversion Date	Interest Rate After Conversion Date	Dated as of	CUSIP NO.
August 1, 20__	_____, 20__	___%	_____, 2011	_____

Registered Owner: **CEDE & CO.**

Initial Principal Amount: _____ DOLLARS

Accreted Value at the Conversion Date: _____ DOLLARS

On behalf of the Anaheim City School District, County of Orange, State of California (herein called the "District"), the County of Orange (the "County") hereby acknowledges itself obligated to and promises to pay, but only from taxes collected by the County for such purpose pursuant to Section 15250 of the California Education Code, on the Maturity Date specified above or upon prior redemption hereof, in lawful money of the United States of America, to the Registered Owner identified above or registered assigns (the "Registered Owner"), the accreted value hereof on such date, consisting of the Initial Principal Amount hereof plus interest accreted thereon to the Conversion Date set forth above (in accordance with the County Resolution hereinafter defined and as reflected in the Table of Accreted Values hereinafter set forth; provided, that any accreted value determined in accordance with the County Resolution shall prevail over any accreted values given in the Table of Accreted Values), commencing on the date hereof, compounded on February 1 and August 1 of each year, commencing on _____ 1, 20__, assuming in any such semiannual period that such interest accretes in equal daily amounts on the basis of a 360-day year of twelve 30-day months, until the Conversion Date set forth above in lawful money of the United States of America, and from and after the Conversion Date to pay current interest on said accreted value as of the Conversion Date in like lawful money from the interest payment date next preceding the date of authentication of this bond (unless this bond is authenticated after the close of business on the Record Date (as defined herein) next preceding any interest payment date and on or prior such interest payment date, in which event it shall bear interest from such interest payment date, or unless this bond is authenticated on or before the Record Date preceding the first interest payment date following its Conversion Date, in which event it shall bear interest from the Conversion Date) at the interest rate per annum stated above,

payable commencing on the February 1 or August 1 following the Conversion Date, and thereafter on February 1 and August 1 in each year, until payment of said accreted value.

The accreted value hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office (as defined in the County Resolution) of the paying agent/registrar and transfer agent of the District (herein called the "Paying Agent"), initially U.S. Bank National Association. 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 calendar 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 mailed to such Registered Owner at the Registered 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 Registered Owner of convertible capital appreciation Bonds (hereinafter defined) aggregating at least \$1,000,000 in accreted value as of the Conversion Date, interest will be paid by wire transfer of 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 by wire transfer of immediately available funds as provided in the County 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 or yields, interest payment modes, maturities and redemption provisions), amounting in the aggregate to \$_____ principal amount, and designated as "Anaheim City School District General Obligation Bonds, Election of 2010, Series 2011-__" (the "Bonds"). The Bonds were authorized by a vote of at least 55% of the voters voting at an election duly and legally called, held and conducted in the District on November 2, 2010. The Bonds are issued and sold by the Board of Supervisors of the County pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of a resolution (herein called the "County Resolution") adopted by the Board of Supervisors of the County on _____, 2011, and subject to the more particular terms specified in the Bond Purchase Agreement, dated as of _____, 2011, by and among the District, the County and Piper Jaffray & Co. as representative of itself and E. J. De La Rosa & Co., as underwriters.

The convertible capital appreciation Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 accreted value at the Conversion Date or any integral multiple thereof, provided that no convertible capital appreciation 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 County Resolution, Bonds may be exchanged for a like aggregate maturity value of Bonds of the same series, tenor, interest payment mode, 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 office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the County Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized

denomination or denominations for the same Bond interest payment mode and same aggregate maturity value will be issued to the transferee in exchange therefor.

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

The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the County Resolution, and as shown in the attached Redemption Schedule. 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.

In reliance upon the representations, certifications and declarations of the District, the Board of Supervisors 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 Supervisors 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 on this bond, shall be raised by taxation upon the taxable property of the District. The Bonds do not constitute a debt, liability or obligation of the County and no part of any fund or account of the County is pledged or obligated to the payment of the Bonds.

This bond shall not be entitled to any benefit under the County 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 County of Orange has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the Chair of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

COUNTY OF ORANGE

By: _____
Chair of the Board of Supervisors

[SEAL]

By: _____
Treasurer-Tax Collector

Countersigned:

Clerk of the Board of Supervisors

**PAYING AGENT'S CERTIFICATE OF AUTHENTICATION
AND REGISTRATION**

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

U.S. Bank National Association, as Paying
Agent/Registrar and Transfer Agent

By: _____
Authorized Officer

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate 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.

[STATEMENT OF INSURANCE]

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent/Registrar and Transfer 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 registered Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

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

REDEMPTION SCHEDULE

ANAHEIM CITY SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
ELECTION OF 2010, SERIES 2011-__

[TABLE OF ACCRETED VALUES]