BEFORE THE BOARD OF EDUCATION OF THE
JEFFERSON SCHOOL DISTRICT
SAN JOAQUIN COUNTY, CALIFORNIA

RESOLUTION NO. 2022-01-01

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, 2010 ELECTION, 2022 SERIES D, OF THE JEFFERSON SCHOOL DISTRICT IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $2,189,267.90, INCLUDING CAPITAL APPRECIATION BONDS

WHEREAS, an election was duly called and regularly held in the Jefferson School District (the "District"), San Joaquin County, State of California, on November 2, 2010 (the "2010 Election"), and thereafter canvassed pursuant to law; and

WHEREAS, at the 2010 Election there was submitted to and approved by the vote of at least 55% of the voters of the District casting a vote on the question in the form of Measure J as to the issuance and sale of General Obligation Bonds of the District for various purposes in the maximum principal amount of $35,400,000, payable from the levy of an *ad valorem* property tax upon the taxable property in the District (the "2010 Authorization"), to wit:

> "To maintain excellent schools, protect student safety, offset state budget cuts and renovate aging/deteriorating schools by upgrading classrooms, science labs, libraries and instructional technology; removing asbestos and hazardous materials; replacing leaky roofs and deteriorating plumbing; upgrading outdated electrical systems to accommodate classroom technology, upgrading fire alarms and school security shall Jefferson School District issue $35.4 million in bonds at legal rates, with independent citizens' oversight and audits, no money for administrator salaries and all funds staying local?"

WHEREAS, the Board of Education of the District (the "Board") is authorized to provide for the issuance and sale of any series of bonds on behalf of the District pursuant to the provisions of Article 4.5 (commencing with Section 53506) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable provisions of law, including applicable provisions of the California Education Code (the "Bond Law"); and

WHEREAS, on May 11, 2011, the District issued its first series of bonds under the 2010 Authorization, in the aggregate initial principal amount of $6,397,193.50, captioned and designated as the District's General Obligation Bonds, 2010 Election, Series A; and

WHEREAS, on June 6, 2013, the District issued a second series of bonds under the 2010 Authorization, in the aggregate initial principal amount of $22,999,469.90, captioned and designated as the District's General Obligation Bonds, 2010 Election, 2013 Series B; and

WHEREAS, on September 25, 2014, the District issued a third series of bonds under the 2010 Authorization, in the aggregate initial principal amount of $3,814,068.70, captioned and designated as the District's General Obligation Bonds, 2010 Election, 2014 Series C; and

WHEREAS, the Board has determined that it is now in the best interest of the District to issue and sell a fourth and final series of bonds under the 2010 Authorization (the "Series D Bonds") in the aggregate initial principal amount of not to exceed Two Million One Hundred Eighty-Nine Thousand Two Hundred Sixty-Seven Dollars and Ninety Cents ($2,189,267.90); and

WHEREAS, the Board desires to make certain determinations and to authorize the issuance and sale of the Series D Bonds at a negotiated sale pursuant to the terms of this Resolution; and

WHEREAS, the Bond Law provides that bonds of a non-unified school district authorized pursuant to Section 18(b) of Article XVI of the California Constitution and Education Code section 15264, *et seq*., such as the 2010 Authorization, may only be issued if the tax rate levied to pay the bonds would not exceed thirty dollars ($30) per year per one hundred thousand dollars ($100,000) of taxable property when assessed valuation is projected by the non-unified school district to increase in accordance with Article XIII A of the California Constitution (the "Tax Rate Limitation"); and

WHEREAS, the Board hereby authorizes the Series D Bonds to be issued as provided herein, provided that the taxes to be levied to repay the Series D Bonds will not, based on projected assessed valuation of taxable property in the District, cause the taxes levied to repay all outstanding bonds issued under the 2010 Authorization, together with the Series D Bonds, to exceed the Tax Rate Limitation in any individual tax year; and

WHEREAS, the Board has retained RBC Capital Markets, LLC, as its Underwriter (the "Underwriter"), Eastshore Consulting LLC as its Municipal Advisor, and Lozano Smith, LLP, as its Bond Counsel, Disclosure Counsel and District Counsel, in connection with the issuance of the Series D Bonds; and

WHEREAS, the Board has determined that it may be in the best interest of the District to obtain an insurance policy to secure the timely payment of the principal of and interest on all or a portion of the Series D Bonds; and

WHEREAS, a form of Bond Purchase Agreement, proposed to be entered into between the Underwriter and the District for the negotiated sale of the Series D Bonds to the Underwriter and providing for the Underwriter's public reoffering of the Series D Bonds, has been prepared and is on file with the Secretary of the Board; 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 Series D Bonds, the Underwriter must have reasonably determined that the issuer or other obligated person has undertaken in a written agreement or contract for the benefit of the holders of the Series D 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 a Continuing Disclosure Certificate; and

WHEREAS, a form of the Official Statement, in the form of the Preliminary Official Statement, to be distributed in connection with the public offering of the Series D Bonds has been prepared and is on file with the Secretary of the Board; and

WHEREAS, pursuant to Government Code section 5852.1, the Board has obtained from its Municipal Advisor good faith estimates of (a) the true interest cost of the Series D Bonds, (b) the finance charge of the Series D Bonds, which means the sum of all fees and charges paid to third parties, (c) the amount of proceeds expected to be received from the sale of the Series D Bonds less the finance charge of the Series D Bonds and any reserves or capitalized interest paid or funded with proceeds of the Series D Bonds, and (d) the total payment amount, which means the aggregate sum total of all debt service payments made on the Series D Bonds, calculated to the final maturity of the Series D Bonds, plus the finance charge of the Series D Bonds not paid with the proceeds of the Series D Bonds, and such estimates are disclosed and set forth in ***Exhibit A*** attached hereto; and

WHEREAS, Government Code section 8855 places certain responsibilities on any issuer of public debt, including a requirement that such issuers have, prior to the sale of any debt issue, adopted local debt management policies that meet certain criteria; and

WHEREAS, the District is in compliance with Government Code section 8855 pre-issuance requirements, the Series D Bonds are in compliance with the District's adopted Debt Management Policy, and the District will comply with all post-issuance requirements of Government Code section 8855; and

WHEREAS, the Bond Law requires that, when authorizing the issuance of Capital Appreciation Bonds, the Resolution be publicly noticed on at least two consecutive Board meeting agendas, first as an information item and second as an action item, that the Resolution include disclosure of certain financing terms, and that the Board be presented with certain analysis including the overall cost of the Capital Appreciation Bonds, a comparison to the overall cost of current interest bonds, and the reason(s) for issuing Capital Appreciation Bonds, among others; and

WHEREAS, the Board hereby confirms that it has been presented with the analysis referred to above, that the reason for the issuance of Capital Appreciation Bonds is to avoid exceeding the Tax Rate Limitation in any tax year pursuant to Education Code section 15268,

and to create more level debt service, and that this Resolution was publicly noticed and thereafter agendized as an information item at a public meeting held on December 14, 2021; and

WHEREAS, a copy of the standard disclosure made by the Underwriter in compliance with Rule G-17 adopted by the Municipal Securities Rulemaking Board has been previously presented to this Board, on December 14, 2021; and

WHEREAS, the Board has been presented with the form of each document referred to herein relating to the financing contemplated hereby, and the Board has examined each document and desires to approve, authorize and direct the execution and delivery of such documents and the consummation of such financing; and

WHEREAS, the District desires that the County of San Joaquin (the "County") levy and collect a tax on all taxable property within the District sufficient to provide for payment of the Series D Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County, the Auditor-Controller of the County, the Treasurer-Tax Collector of the County 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 for the payment of the Series D Bonds, all pursuant to Sections 15250 and 15251 of the California Education Code; and

WHEREAS, the Board has determined that all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened, and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form, and manner as required by law, and therefore, 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 the Board of Education of the Jefferson School District, as follows:

SECTION 1. RECITALS. All of the above recitals are true and correct and the Board so finds.

SECTION 2. Interpretation; Definitions. Unless the context otherwise indicates, words expressed in this Resolution in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and includes the neuter, masculine or feminine gender, as appropriate. Headings of sections herein are solely for convenience of reference, do not constitute a part hereof and do not affect the meaning, construction or effect hereof. All references herein to "Sections" and other subdivisions are to the corresponding Sections or subdivisions of this Resolution, unless otherwise noted; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Resolution as a whole and not to any particular section or subdivision hereof.

Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms used in this Resolution have the meanings given them as follows:

"Accreted Value" means an amount equal to the initial principal (denominational) amount of a Capital Appreciation Bond plus interest accreted thereon from the dated date, compounding on the first Interest Payment Date after issuance and semiannually thereafter on each subsequent Interest Payment Date. Accreted value on any date other than an Interest Payment Date is equal to the ratable portion of the difference between the Accreted Value computed as of the immediately preceding Interest Payment Date and the Accreted Value computed as of the immediately succeeding Interest Payment Date, calculated based on the assumption that the Accreted Value increases during any period in equal daily amounts along a straight-line interpolation between Interest Payment Dates.

"Auditor-Controller" means the auditor-controller of the County.

"Authorized Officers" means, collectively, (i) the President of the Board, (ii) the District's Superintendent, or such other officer or employee of the District as the Superintendent may designate, and (iii) the District's Chief Business Officer. Each of the Authorized Officers is an "Authorized Officer."

"Board" means the Board of Education of the District.

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

"Bond Counsel" means Lozano Smith, LLP, or such other firm of nationally recognized standing in the field of law relating to municipal bonds.

"Bond Insurer" means any insurance company which issues a municipal bond insurance policy insuring the payment of principal and interest on the Series D Bonds.

"Bond Law" means Article 4.5 (commencing with Section 53506) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable provisions of law, including applicable provisions of the California Education Code.

"Bond Purchase Agreement" means the Bond Purchase Agreement relating to the sale of the Series D Bonds by and between the District and the Underwriter in accordance with the provisions hereof.

"Bond Register" means the records maintained by the Paying Agent for the registration of the ownership and transfer of ownership of the Series D Bonds.

"Bond Registrar" means the registration agent and authentication agent for the Series D Bonds.

"Building Fund" shall have the meaning set forth in Section 6(e) hereof.

"Business Day" means a day other than a Saturday, Sunday, or legal holiday on which banking institutions are not closed in the State of California, or in any state in which any office of the Paying Agent is located.

"Capital Appreciation Bonds" means the Series D Bonds designated as such in the Bond Purchase Agreement, the interest on which is compounded semiannually and is payable in full at maturity as shown in the table of Accreted Values for such Capital Appreciation Bonds.

"Cede & Co." means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series D Bonds.

"Closing Date" means the date when the Series D Bonds are issued, duly authenticated by the Paying Agent and delivered to the Underwriter.

"Code" or "Tax Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Series D Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Series D Bonds, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Compounding Dates" means February 1 and August 1 of each year, commencing on August 1, 2022, being, with respect to the Capital Appreciation Bonds, the dates on which interest is compounded, or such other dates as may be set forth in the Bond Purchase Agreement.

"Continuing Disclosure Certificate" means the Continuing Disclosure Certificate executed and delivered by the District relating to the Series D Bonds.

"County" means the County of San Joaquin, a political subdivision of the State of California.

"Current Interest Bonds" means the Series D Bonds the interest on which is payable semiannually on each Interest Payment Date specified for such Series D Bonds as designated and maturing in the years and in the amounts set forth in the Bond Purchase Agreement, if any.

"Debt Service Fund" shall have the meaning set forth in Section 6(f) hereof, and which fund shall be that fund referred to as "interest and sinking fund" pursuant to Section 15146 of the California Education Code.

"Denominational Amount" means, with respect to the Capital Appreciation Bonds, the initial principal amount of such Series D Bonds.

"District" means the Jefferson School District, a public school district located within the County.

"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 D Bonds, including any such successor thereto appointed pursuant to Section 8 hereof.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security-State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

"Federal Securities" means United States Treasury notes, bonds, bills, or certificates of indebtedness, or obligations issued by any agency or department of the United States which are secured, directly or indirectly, by the full faith and credit of the United States (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), and which are not callable by the issuer thereof prior to maturity.

"Informational Services" means the Electronic Municipal Market Access System (referred to as "EMMA"), a website of the MSRB (located at http://emma.msrb.org) or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other national Information Services or repositories providing information with respect to municipal securities, as the District designates in written notice filed with the Paying Agent.

"Interest Payment Dates" means February 1 and August 1 of each year, commencing on August 1, 2022, being, with respect to any Current Interest Bonds the dates on which interest becomes due and payable, or such other dates as may be set forth in the Bond Purchase Agreement.

"Maturity Value" means, with respect to any Capital Appreciation Bond, the Accreted Value of such Capital Appreciation Bond to be paid at maturity.

"MSRB" means the Municipal Securities Rulemaking Board, authorized by the Securities and Exchange Commission to receive the reports described in the Continuing Disclosure Certificate. Unless and until otherwise designated by the MSRB, filings with the MSRB are to be made through EMMA.

"Municipal Advisor" means Eastshore Consulting LLC, as municipal advisor to the District.

"Official Statement" means the Official Statement of the District relating to the Series D Bonds.

"Opinion of Bond Counsel" means an opinion of Bond Counsel passing upon such matters as specified in this Resolution.

"Owner" means the current registered owner of a Series D Bond or Bonds, as shown on the Bond Register, to whom payments of principal and interest are made.

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

"Paying Agent" means Zions Bancorporation, National Association, or any bank, trust company, national banking association or other financial institution appointed as paying agent for the Series D Bonds pursuant to Section 9 hereof.

"Preliminary Official Statement" means the Preliminary Official Statement of the District relating to the Series D Bonds.

"Project" shall have the meaning set forth in Section 3 hereof.

"Record Date" means the fifteenth (15th) day of the calendar month immediately preceding each 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.

"Series D Bonds" means the Jefferson School District General Obligation Bonds, 2010 Election, 2022 Series D, to be issued as Capital Appreciation Bonds and/or Current Interest Bonds, as provided herein and as otherwise provided in the Bond Purchase Agreement.

"State" means the State of California.

"Tax Certificate" means the Tax Certificate of the District, executed and delivered by the District to Bond Counsel on the Closing Date in connection with the Series D Bonds.

"Taxable Bonds" means any Series D Bonds not issued as Tax-Exempt Bonds.

"Tax-Exempt Bonds" means any Series D Bonds the interest on which is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax, as confirmed and further described in an opinion of Bond Counsel.

"Treasurer" means the Treasurer-Tax Collector of the County or any authorized deputy thereof.

"Underwriter" means RBC Capital Markets, LLC, the original purchaser of the Series D Bonds.

SECTION 3. Purpose, Authorization and Designation of the Bonds.

Pursuant to the Bond Law, the Series D Bonds shall be issued by and in the name of the District in the aggregate principal amount of not to exceed Two Million One Hundred Eighty-Nine Thousand Two Hundred Sixty-Seven Dollars and ninety cents ($2,189,267.90) designated the "Jefferson School District General Obligation Bonds, 2010 Election, 2022 Series D," for the purposes of constructing, repairing, upgrading, improving, and equipping school facilities as specified in the ballot proposition Measure J authorizing the Series D Bonds (the "Project"); to reimburse the District for eligible costs of the Project paid prior to the issuance and sale of the Series D Bonds; to pay for accrued interest on the Series D Bonds (if provided for in the Bond Purchase Agreement); and to pay the costs of issuing the Series D Bonds.

SECTION 4. Form of Bonds; Execution.

(a) *Form of Bonds*. The Series D Bonds shall be issued in fully registered form without coupons. The Current Interest Bonds (if any) and the 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 B***, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.

(b) *Execution of Bonds*. The Series D Bonds shall be signed by the manual or facsimile signature of the President of the Board and countersigned by the manual or facsimile signature of the Clerk of the Board, who are in office on the date of adoption of this Resolution or at any time thereafter. The facsimile signatures of the President and the Clerk of the Board may be printed, lithographed, engraved, or otherwise mechanically reproduced. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Series D Bonds to the owner, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Series D Bonds to the owner. Any Bond may be signed and attested on behalf of the District by such persons as at the actual date of the execution of such Bond shall be the proper officers of the District although at the nominal date of such Bond any such person shall not have been such officer of the District.

(c) *Authentication*. The Series D Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent. Only such Series D Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in ***Exhibit B*** executed manually and dated 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 of the Paying Agent shall be conclusive evidence that the Series D Bonds registered hereunder have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Resolution.

SECTION 5. Description and Terms of Bonds. The Series D Bonds shall be issued in one or more series (or, if more than one series is issued, with such additional series designation). The Series D Bonds shall be issued as Current Interest Bonds, Current Interest Term Bonds, Capital Appreciation Bonds, and/or Capital Appreciation Term Bonds, as and unless otherwise

provided in the Bond Purchase Agreement. The Series D Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement.

(a) *Terms of Current Interest Bonds*. The Current Interest Bonds, if any, shall be issued in denominations of $5,000 principal amount or any integral multiple thereof.

Subject to Section 11 hereof, the Current Interest Bonds shall bear interest at an interest rate not to exceed the maximum rate per annum permitted by law, payable on the Interest Payment Dates in each year computed on the basis of a 360-day year of twelve 30-day months. Each Current Interest Bond shall bear interest from the Interest Payment 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 Payment Date, 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, 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 Payment Date to which interest has previously been paid or made available for payment on the outstanding Current Interest Bonds.

Any Current Interest Bonds will mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as in the Bond Purchase Agreement. No Current Interest Bond shall mature later than the date which is forty (40) years from the delivery date of the Current Interest Bonds, to be determined as provided in this Section. No Current Interest Bond shall have principal maturing on more than one principal maturity date. In order to support issuance of Current Interest Bonds the maturity of which are greater than thirty (30) years, pursuant to Government Code Section 53508.6(b), the District hereby finds that the useful life of the facility financed with the Current Interest Bonds with a maturity greater than thirty (30) years but not greater than forty (40) years, equals or exceeds the maturity date of such Current Interest Bonds.

(b) *Terms of Capital Appreciation Bonds.* 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 the first 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 Capital Appreciation Bonds shall not bear current interest, rather, each Capital Appreciation Bond shall accrete in value daily over the term to its maturity (on the basis of a 360-day year consisting of twelve 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, subject to Section 11 hereof, shall not exceed the maximum rate per annum permitted by law) compounded semiannually on each Interest Payment Date (with straight-line interpolations between Interest Payment Dates). The Accreted Value per $5,000 Maturity Value of the Capital Appreciation Bonds on each Interest Payment 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.

No Capital Appreciation Bond shall mature later than the date which is twenty-five (25) years from the delivery date of the Capital Appreciation Bonds, to be determined as provided in this Section. No Capital Appreciation Bond shall have principal maturing on more than one principal maturity date.

Whenever in this Resolution reference is made to principal of and/or interest on the Series D Bonds, such reference may be deemed to include or mean the initial principal/denominational amount, Accreted Value, and/or Maturity Value of the Capital Appreciation Bonds, as applicable, unless otherwise required by the context or by the express provisions of such reference.

(d) *Miscellaneous*. The Current Interest Bonds, if any, and the Capital Appreciation Bonds may mature in the same year or years as any other Current Interest Bonds or Capital Appreciation Bonds, without limitation.

(e) *Tax Rate Limitation*. The Series D Bonds are to be issued as provided herein, provided that the issuance of the Series D Bonds does not cause a projection of the tax rate levied to repay debt service on all outstanding bonds issued under the 2010 Authorization, together with the Series D Bonds, to exceed the Tax Rate Limitation in any individual tax year. Prior to issuing the Series D Bonds, the District will certify tax rate projections accounting for the issuance of the Series D Bonds in accordance with Article XIIIA of the California Constitution.

SECTION 6. Delivery of Bonds; Disposition of Proceeds of the Bonds; Security for the Bonds.

(a) The proper officials of the District shall cause the Series D Bonds to be prepared and, following their sale, shall have the Series D Bonds signed and delivered to the Underwriter upon payment of the purchase price in immediately available funds.

(b) *Request for Tax Levy*. There shall be levied by the County on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually, in an amount sufficient to pay the principal of, Accreted Value of, and interest on the Series D Bonds when due, which monies when collected will be transferred to the Treasurer for deposit, and so deposited by the Treasurer in the Debt Service Fund, which fund is irrevocably pledged by the District for the payment of the principal of and redemption price of and interest on the Series D Bonds when and as the same fall due. The monies in the Debt Service Fund, to the extent necessary to pay the principal or Accreted Value of and interest on the Series D Bonds as the same becomes due and payable, shall be transferred by the Treasurer to the Paying Agent for subsequent disbursement to the beneficial owners of the Series D Bonds. Any monies remaining in the Debt Service Fund one (1) year after the Series D Bonds and the interest thereon have been paid at maturity, or provision for such payment has been made, shall be transferred to the general fund of the District. Pursuant to Education Code Section 15232 the Auditor-Controller and other appropriate officers of the County are requested to include within the tax levy an amount

sufficient to pay the Paying Agent annually or semiannually for paying the Series D Bonds elsewhere than at the office of the Treasurer.

(c) *Principal*. The principal of the Current Interest Bonds, if any, and the Accreted Value of the Capital Appreciation 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.

(d) *Interest; Record Date*. The interest on the Current Interest Bonds, if any, 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 Current Interest Bonds 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.

(e) The proceeds from the sale of the Series D Bonds, to the extent of the principal amount thereof, shall be paid and credited to the fund established and designated as the "Jefferson School District General Obligation Bonds, 2010 Election, 2022 Series D, Building Fund" (the "Building Fund") of the District to be held by the Treasurer, and shall be kept separate and distinct from all other District and County funds, and those proceeds shall be used solely for the purpose for which the Series D Bonds are being issued (including reimbursement to the District for certain costs of the identified projects and for payment of permissible costs of issuance). The interest earned on the monies deposited to the Building Fund shall be deposited to said Building Fund and such monies shall be used for any lawful purpose of the Building Fund at the direction of the District.

(f) A portion of the proceeds from the sale of the Series D Bonds, representing the principal and interest due with respect to any Current Interest Bonds and as shown in the Bond Purchase Agreement and final Official Statement, the accrued interest, if any, and any premium received by the District from the sale of the Series D Bonds (if any, after all or a portion of Underwriter's discount or costs of issuance are paid from such premium as set forth in the Bond Purchase Agreement) shall be kept separate and apart in the fund established and designated as the "Jefferson School District General Obligation Bonds, 2010 Election, 2022 Series D, Debt Service Fund" (the "Debt Service Fund") for the Series D Bonds, to be held by the Treasurer and used only for payments of principal of and interest on, or accrued interest or Accreted Value on the Series D Bonds. Interest earned on investments of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used to pay principal and interest when due. The Treasurer is hereby directed to deposit or cause to be deposited in the Debt Service Fund the proceeds from the levy of *ad valorem* property taxes which the County receives in accordance with Section 6(h).

(g) Proceeds of the Series D Bonds held by the Treasurer shall be invested at the Treasurer's discretion pursuant to law and the investment policy of the County, as such policies exist at the time of investment.

The District covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Resolution, or otherwise containing gross proceeds of the Series D Bonds (within the meaning of Section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by the Code) at Fair Market Value.

(h) *Debt Service Fund*; *Pledge of Collateral to Secure Repayment of Bonds*. Principal, Accreted Value, and interest, if any, due on the Series D Bonds shall be paid from the Debt Service Fund as provided for in Section 15146 of the Education Code. The Treasurer of the County is hereby authorized to create such accounts within the Debt Service Fund as shall be necessary to accomplish the purposes of this Section. Pursuant to Government Code section 53515, general obligation bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the ad valorem tax, and such lien automatically arises without the need for any action or authorization by the District or this Board. In addition to any statutory lien, such amounts collected by the County and held by the Treasurer on deposit in the Debt Service Fund are hereby irrevocably pledged to secure the payment of the principal and redemption price of, Accreted Value, and interest on, the Series D Bonds, in accordance with Government Code section 5451.

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

(j) *Insurance*. The payment of principal and/or Accreted Value of and interest on all or a portion of the Series D Bonds may be secured by a municipal bond insurance policy as may be described in the Bond Purchase Agreement. The 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 municipal bond insurance for the Series D Bonds and to obtain such insurance if the present value cost of such insurance is less than the present value of the estimated interest savings with respect to the Series D Bonds, or any series (or maturity or maturities) thereof. 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 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.

SECTION 7. Redemption Provisions.

(a) *Optional Redemption*. The Series D Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement; provided, however, that in accordance with the Bond Law and Section 15144.2 of the California Education Code, any Series D Bonds issued as Capital Appreciation Bonds that mature more than ten (10) years from their delivery date shall be subject to redemption, at the option of the District, with or without premium, at any time or from time to time, beginning no

later than the tenth (10th) anniversary of the its delivery date, as further set forth in the Bond Purchase Agreement. Subject to the foregoing, the Bond Purchase Agreement may provide that the Series D Bonds shall not be subject to optional redemption, and/or may provide separate and distinct redemption provisions for any Current Interest Bonds and the Capital Appreciation Bonds. If less than all of the Series D Bonds (Current Interest Bonds and Capital Appreciation Bonds, as applicable) subject to such redemption are called for redemption, such Series D 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 Series D 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 Bond Purchase Agreement).

(b) Mandatory Sinking Fund Redemption. The Current Interest Bonds, if any, which are designated in the Bond Purchase Agreement as Current Interest Term Bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot, from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Bond Purchase Agreement. The principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount of any Current Interest Bonds of that maturity optionally redeemed in accordance with the provisions hereof prior to the mandatory sinking fund payment date. The Bond Purchase Agreement may provide that the Current Interest Bonds shall not be subject to mandatory sinking fund redemption.

The Capital Appreciation Bonds which are designated in the Bond Purchase Agreement as Capital Appreciation Term Bonds, if any, shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot, from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Bond Purchase Agreement. The amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount of any Capital Appreciation Bonds of that maturity optionally redeemed in accordance with the provisions hereof prior to the mandatory sinking fund payment date. The Bond Purchase Agreement may provide that the Capital Appreciation Bonds shall not be subject to mandatory sinking fund redemption.

The Treasurer of the County is hereby authorized to create such sinking funds or accounts for the Series D Bonds that are Term Bonds as shall be necessary to accomplish the purposes of this Section.

(c) Notice of Redemption. Notice of any redemption of the Series D Bonds shall be mailed by the Paying Agent, postage prepaid, not less than thirty (30) nor more than sixty (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 Continuing Disclosure Certificate.

Each notice of redemption shall state: (i) the date of such notice, (ii) the name of the Series D Bonds and the date of issue of such Series D Bonds, (iii) the redemption date, (iv) the redemption price, (v) the dates of maturity or maturities of the Series D Bonds to be redeemed, (vi) if less than all of the Series D Bonds of any maturity are to be redeemed, the distinctive

numbers of the Series D Bonds of each maturity to be redeemed, (vii) in the case of Series D Bonds redeemed in part only, the respective portions of the principal amount or Accreted Value/initial principal amount of the Series D Bonds of each maturity to be redeemed, (viii) the CUSIP number, if any, of each maturity of Series D Bonds to be redeemed, (ix) a statement that such Series D 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 D Bonds will not accrue or accrete 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. Neither the failure of the Owners of any Series D Bonds or by any securities depository or information service to receive notice of redemption, nor any defect in such notice will affect the sufficiency of the proceedings for the redemption of such Series D Bonds or the cessation of interest on the date fixed for redemption.

In addition to the notice of redemption given pursuant to this subsection, further notice shall be given by the Paying Agent as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

(d) *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 D 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 D Bonds called for redemption is set aside for the purpose as described in subsection (f) of this Section, the Series D Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue or accrete thereon as of the redemption date, and upon presentation and surrender of such Series D Bonds at the place specified in the notice of redemption, such Series D Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series D Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the Debt Service Fund or the trust fund established for such purpose. All Series D Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(e) *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 D 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 Debt Service Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal, Accreted Value, interest, and any premium due on the Series D Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given, except as to timing requirements. The actual receipt by the

Owner of any 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.

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

Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Series D Bond or Bonds of like tenor and maturity and of Authorized Denominations equal in principal amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(f) *Funds for Redemption*. Prior to or on the redemption date of any Series D Bonds there shall be available in the Debt Service Fund, 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 Series D 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, and interest and premium, if any, on the Series D Bonds to be redeemed upon presentation and surrender of such Series D Bonds, provided that all monies in the Debt Service Fund 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 Debt Service Fund, unless otherwise provided to be paid from such monies held in trust. If, after all of the Series D Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the Debt Service Fund or otherwise held in trust for the payment of redemption price of the Series D Bonds, the monies shall be held in or returned or transferred to the Debt Service Fund 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 and 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.

(g) *Satisfaction and Discharge*. The obligations of the District hereunder and under the Series D Bonds herein or therein made or provided for, are to be fully discharged and satisfied as to any Bond and such Bond will no longer be deemed to be outstanding and shall be deemed to have been paid for all purposes:

(i) when such Bond is canceled or surrendered for cancellation and is subject to cancellation, or has been purchased by the Paying Agent from monies in the Debt Service Fund; or

(ii) as to any Bond not canceled, surrendered for cancellation or subject to cancellation or so purchased, when payment of the principal or Accreted Value of and the

applicable premium, if any, on any Bond, plus interest on such principal to the due date thereof (whether such due date be by reason of maturity or otherwise), either (1) has been made or caused to be made in accordance with the terms hereof, or (2) has been provided for by irrevocably depositing with the Paying Agent, in trust, and irrevocably appropriated and set aside exclusively for such payment, either (A) monies sufficient to make such payment or (B) Federal Securities maturing as to principal and interest in such amounts and at such times as will in the opinion of a certified public accountant delivered to the County, Paying Agent, and the District, provide money sufficient to pay the principal, Accreted Value, or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Series D Bonds to be paid or redeemed, as such principal, Accreted Value, or redemption price and interest become due, provided that, in the case of Series D Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption is given as provided in this Resolution or provision satisfactory to the Paying Agent is made for the giving of such notice, or (C) a combination of both such monies and such Federal Securities; and all necessary and proper fees, compensation and expenses of the Paying Agent with respect to such deposit have been paid or the payment thereof has been provided for to the satisfaction of the Paying Agent.

At such time as a Bond is deemed to be no longer outstanding hereunder, such Bond shall cease to accrue interest or accrete value from the due date thereof (whether such due date be by reason of maturity or otherwise), and except for any payment from such monies or Federal Securities set aside as aforesaid, shall no longer be secured by or entitled to the benefits of this Resolution.

(h) *Unclaimed Monies*. Any money held in any fund created pursuant to this Resolution, or by the Paying Agent, for the payment of the principal or Accreted Value of, redemption premium, if any, or interest on the Series D Bonds and remaining unclaimed for one (1) year after the principal or Accreted Value of all of the Series D Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the Debt Service Fund 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 8. Transfer Under Book-Entry System; Discontinuation of Book-Entry System.

(a) Unless otherwise specified in the Bond Purchase Agreement, DTC is hereby appointed depository for the Series D Bonds. The Series D Bonds shall be issued in book-entry only form, 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 the Current Interest Bonds and one bond certificate shall be issued for each maturity of the Capital Appreciation Bonds; provided, however, that if different CUSIP numbers are assigned to Series D Bonds of the same tenor maturing in a single year or, if Series D Bonds of the same tenor 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 D Bonds, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 10 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 Series D Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Bond for each maturity shall be executed and delivered (in the case of Current Interest Bonds, in the aggregate principal amount of such Current Interest Bonds then outstanding, in the case of Capital Appreciation Bonds, in the aggregate Maturity Value of such Capital Appreciation 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 Series D Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Series D 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 5 hereof and the receipt of such a written request of the District, and thereafter, the Series D Bonds of such Series shall be transferred pursuant to the provisions set forth in Section 10 hereof; provided, however, that the Paying Agent shall not be required to deliver such new Series D Bonds within a period of less than sixty (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 D Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Series D Bonds 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 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 Series D 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 Series D Bonds.

(e) So long as the outstanding Series D 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 Series D 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 9. Paying Agent.

(a) *Appointment of Paying Agent*. Zions Bancorporation, National Association, is hereby designated as Paying Agent for the Series D Bonds and in such capacity the Paying Agent shall also act as the Bond Registrar. The Paying Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Series D Bonds, no implied covenants or obligations shall be read into this Resolution against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the District a certificate to that effect.

The District may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company doing business and having an office in the State of California, having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars ($50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank or trust company shall be deemed

to be its combined capital and surplus as set forth in its most recent report of condition so published.

Any company into which the Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided that such company shall meet all of the requirements of a successor Paying Agent as provided in the immediately preceding paragraph, shall be the successor to the Paying Agent and vested with all of the powers, discretions, immunities, privileges and other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding. The Paying Agent may assign its rights, duties and obligations under this Resolution, in whole or in part, to an affiliate or subsidiary thereof, provided such company shall meet all of the requirements of a successor Paying Agent as provided in the immediately preceding paragraph.

The Paying Agent may at any time resign by giving written notice to the District and the Bond Owners of such resignation. Upon receiving notice of such resignation, the District shall promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent.

(b) *Paying Agent May Hold Bonds*. The Paying Agent may become the owner of any of the Series D Bonds in its own or any other capacity with the same rights it would have if it were not Paying Agent.

(c) *Liability of Paying Agent*. The recitals of facts, covenants and agreements herein and in the Series D Bonds contained shall be taken as statements, covenants and agreements of the District, and the Paying Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Resolution or of the Series D Bonds, nor shall incur any responsibility in respect thereof, other than as set forth in this Resolution. The Paying Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

In the absence of bad faith, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Paying Agent and conforming to the requirements of this Resolution.

The Paying Agent shall not be liable for any error of judgment made in good faith by a responsible officer in the absence of the negligence of the Paying Agent.

No provision of this Resolution shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Paying Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Paying Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(d) *Notice to Paying Agent*. The Paying Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Paying Agent may consult with counsel, who may be counsel to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Resolution the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate of the District, and such certificate shall be full warrant to the Paying Agent for any action taken or suffered under the provisions of this Resolution upon the faith thereof, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

(e) *Compensation; Indemnification*. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution. The District further agrees to indemnify and hold the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence, willful misconduct or bad faith.

SECTION 10. Transfer and Exchange.

(a) *Transfer*. Following the termination or removal of DTC or successor depository pursuant to Section 8 hereof, any Bond may, in accordance with its terms, be transferred, upon the registration books of the Paying Agent, as bond registrar, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such 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 D Bond or Bonds shall be surrendered for transfer, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series D Bond or Bonds, of the same series, maturity, Interest Payment Date and interest rate (in the case of Current Interest Bonds, for a like aggregate principal amount and in the case of Capital Appreciation Bonds, for a like aggregate Maturity Value, as

applicable). The Paying Agent may require the payment by any Owner of Series D 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 Bond shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Series D Bonds for redemption, and (ii) after any Bond has been selected for redemption.

(b) *Exchange*. The Series D Bonds may be exchanged for Series D Bonds of other authorized denominations of the same series, maturity and Interest Payment Date, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such 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 D Bond or Bonds shall be surrendered for exchange, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series D Bond or Bonds of the same series, maturity and 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, for a like aggregate Maturity Value, as applicable). The Paying Agent may require the payment by any Owner of Series D Bonds requesting any such exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

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

SECTION 11. Approval of Bond Purchase Agreement; Sale of Bonds. The Series D Bonds will be sold by the District at a negotiated sale to the Underwriter pursuant to the terms and conditions set forth in the Bond Purchase Agreement in substantially the form on file with the Secretary of the Board. The form of Bond Purchase Agreement is hereby approved and an Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that (i) the aggregate initial principal amount of the Series D Bonds shall not exceed $2,189,267.90; (ii) the interest rate on the Series D Bonds shall not exceed the maximum allowed by law; (iii) the true interest cost for the Series D Bonds shall not exceed 3.5%; (iv) the Underwriter's discount shall not exceed 0.38% of the aggregate initial principal amount of the Series D Bonds, exclusive of any costs of issuance the Underwriter contracts to pay; (v) the Series D Bonds issued as Capital Appreciation Bonds shall have a ratio of total debt service to initial principal not exceeding four to one; and (vi) the Series D Bonds shall otherwise conform to the limitations specified herein.

The Bond Purchase Agreement shall recite (i) the aggregate (initial) principal amount of the Series D Bonds, (ii) which Series D Bonds, if any, are Current Interest Bonds and, with respect thereto, the date thereof, the maturity dates, principal amounts and annual rates of interest

of each maturity thereof, the initial and semiannual Interest Payment Dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any, (iii) which Series D Bonds, if any, are Capital Appreciation Bonds and, with respect thereto, the date thereof, the initial principal amounts, maturity dates, and Maturity Values of each maturity thereof, the initial Interest Payment Dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any.

Eastshore Consulting LLC has been selected to act as Municipal advisor (the "Municipal Advisor") to the District with respect to the Series D Bonds, and the law firm of Lozano Smith, LLP has been selected as the District's bond and disclosure counsel. RBC Capital Markets, LLC, has been retained as the underwriter for the Series D Bonds (the "Underwriter"). Final complete costs of issuance will be determined and presented to the Board following the issuance of the Series D Bonds. An estimate of the costs of issuance associated with the negotiated sale of the Series D Bonds is included in ***Exhibit A*** hereto.

The Board hereby finds and determines that the sale of Series D Bonds at negotiated sale as contemplated herein and by the Bond Purchase Agreement will provide more flexibility in the timing of the sale, the ability to implement the sale in a shorter time period, a reduction in the overall amount of payment, and an increased ability to restructure the Series D Bonds, all of which will contribute to the District's goal of achieving the lowest overall cost of borrowing in connection with the issuance of the Series D Bonds.

SECTION 12. Preliminary Official Statement; Official Statement; Continuing Disclosure.

(a) *Preliminary Official Statement and Official Statement*. The form of Preliminary Official Statement, on file with the Secretary of the Board and presented at this meeting, 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 the Series D Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating, and related information as permitted by Rule 15c2-12).

The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions, and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute the final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

(b) *Continuing Disclosure Certificate*. The form of Continuing Disclosure Certificate, on file with the Secretary of the Board and presented at this meeting, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Continuing Disclosure Certificate in substantially said

form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The District hereby covenants and agrees to comply with and carry out all of the provisions of the Continuing Disclosure Certificate.

SECTION 13. Investment of Proceeds. All funds held in the Debt Service Fund and the Building Fund shall be invested at the discretion of the Treasurer pursuant to law and under the investment policies of the County, as such policies exist at the time of investment. The interest earned on the monies deposited to the Building Fund shall be deposited to said Building Fund and such monies shall be used for any lawful purpose of the Building Fund at the direction of the District.

SECTION 14. Tax Covenants. The District makes the following covenants with respect to Series D Bonds sold as Tax-Exempt Bonds.

(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 the 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. The provisions of this Section shall survive payment in full or defeasance of the Series D 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 Treasurer on behalf of the District, in accordance with this Resolution or pursuant to law, the District shall so request of the Treasurer in writing, and the District shall make its best efforts to ensure that the 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 Treasurer an Opinion of Bond 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 Bonds under Section 103 of the Code, the 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.

(d) *Establishment of Rebate Fund*. If at any time it is deemed necessary or desirable by the District, the Treasurer, the Paying Agent, or Bond Counsel, to establish a rebate fund for the Series D Bonds, there will be established a special fund designated "Jefferson School District General Obligation Bonds, 2010 Election, 2022 Series D Rebate Fund" (the "Rebate Fund"), held by the Treasurer for account of the District and kept separate and apart from all other funds and accounts held hereunder. The District shall transfer, or cause to be transferred, moneys to the Rebate Fund in accordance with the provisions of the Tax Certificate.

SECTION 15. Conditions Precedent. This Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the

issuing of the Series D Bonds, in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Series D Bonds have been performed and have been met, in regular and due form as required by law, and that no statutory or Constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Series D Bonds.

SECTION 16. Approval of Actions; Delegation of Authority; Miscellaneous.

(a) The Authorized Officers are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, without limitation, negotiating the terms of an insurance policy, if any, and execution and delivery of the Bond Purchase Agreement, the Tax Certificate, a paying agent agreement, a costs administrator agreement, and certificates of the District as to certain factual matters. District officials and staff, including the Authorized Officers, the Municipal Advisor, Underwriter, Bond Counsel and Disclosure Counsel 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 and sale of the Series D Bonds, and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. All actions heretofore taken by such officers, officials, staff and representatives are hereby ratified, confirmed and approved.

(b) In accordance with the Bond Law and subdivision (b)(1)(E) of Section 15146 of the California Education Code, the District hereby estimates, based upon information provided by the Municipal Advisor, that (i) the final maturity for the Series D Bonds will be August 1, 2036, (ii) the repayment ration for the Series D Bonds will be approximately 1.42:1, and (iii) the projected change in assessed value of the taxable property within the District during the term of the Series D Bonds, is 7.73% annually, on average.

(c) The District hereby incorporates by reference into this Resolution the Municipal Advisor's presentation of financing terms; maturities; repayment ratio analysis; total overall costs of Capital Appreciation Bonds, and comparison of such bonds to costs of Current Interest Bonds; the reasons, if any, that Capital Appreciation Bonds are being recommended to the District; and such other disclosure required to be presented to the Board at this meeting, all in accordance with Sections 15146, subdivisions (b) and (c), of the California Education Code.

SECTION 17. Filing with County. Any Authorized Officer, acting alone, is hereby authorized and directed to report to the Auditor-Controller of the County the final terms of sale of the Series D Bonds, and to file with the Auditor-Controller of the County and with the Treasurer a copy of the executed Bond Purchase Agreement and this Resolution, and the schedule of amortization of the principal of and payment on the Series D Bonds, and to file with the Treasurer a proposed schedule of draws on the Building Fund of the District, if any, and this Resolution shall serve as the notice required to be given by Section 15140, subdivision (c), of the California Education Code and as the District's request to the Auditor-Controller of the County and the Board of Supervisors to propose and adopt in each year a tax rate applicable to all taxable property of the District for payment of the Series D Bonds, pursuant to law; and to the other officers of the County to levy and collect said taxes for the payment of the Series D Bonds,

to pay in a timely manner to the Paying Agent on behalf of the Owners of the Series D Bonds of each series the principal, Accreted Value, interest, and premium, if any, due on the Series D Bonds of such series in each year, and to create in the County treasury to the credit of the District the Building Fund and the Debt Service Fund pursuant to Section 15146 of the California Education Code and this Resolution.

SECTION 18. Nonliability of County. Notwithstanding anything stated to the contrary in this Resolution, in the Series D Bonds, or in any other document mentioned herein, (a) the Series D Bonds are not a debt of (or a pledge of the full faith and credit of) the County, including its Board of Supervisors, officers, officials, agents, and employees, and the County, including its Board of Supervisors, officers, officials, agents, and employees, have no obligation to repay the Series D Bonds; (b) the sole responsibilities of the Board of Supervisors of the County hereunder is to levy a tax for the repayment of the Series D Bonds, as provided in Education Code Section 15250; (c) neither the County, its Board of Supervisors, nor any officer, official, agent, or employee of the County, shall have any obligation or liability hereunder, by reason hereof or in connection with the transactions contemplated hereby other than as specified in the Bond Law; (d) the Series D Bonds, including interest thereon, shall be payable solely from taxes levied by the Board of Supervisors of the County pursuant to Education Code Section 15250; and (e) the County, including its Board of Supervisors, officers, officials, agents, and employees, shall retain all of their respective constitutional and statutory privileges, immunities, rights, and defenses in carrying out their duties in connection with levying the tax to repay the Series D Bonds.

SECTION 19. Limited Duties of County; Indemnification of County. The County, including the Board of Supervisors and officers, officials, agents and employees of the County, shall undertake only those duties of the County under this resolution which are specifically set forth in this Resolution, and even during the continuance of an event of the District's default with respect to the repayment of the Series D Bonds, no implied covenants or obligations shall be read into this Resolution against the County, including the Board of Supervisors and officers, officials, agents and employees of the County. The District shall defend, indemnify and hold harmless the County, its Board of Supervisors, and officers, officials, agents and employees of the County ("Indemnified Parties") against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject based in whole or in part upon any acts or omissions related to the Series D Bonds, except with regard to the responsibilities of the County under Section 19 hereof. The District shall also reimburse the Indemnified Parties for any legal or other costs and expenses incurred in connection with investigating or defending any such claims or liabilities.

SECTION 20. Furnishing of Clerk Certification. The Clerk of the Board is hereby authorized to furnish certified copies of this Resolution to Bond Counsel at or prior to the Closing Date.

SECTION 21. Resolution to Treasurer. The Clerk of the Board is hereby directed to provide a certified copy of this Resolution to the Treasurer immediately following its adoption.

SECTION 22. Effective Date. This Resolution shall take effect immediately upon its passage.

* *

The foregoing Resolution was **PASSED AND ADOPTED** by the Board of Education of the Jefferson School District at a meeting held by the Board on January 11, 2022, by the following votes:

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

_____
President of the Board of Education of the Jefferson School District

ATTEST:

_____
Clerk of the Board of Education of the Jefferson School District

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Series D Bonds (the "Bonds") authorized by this Resolution. Such good faith estimates have been provided to the District, based on market interest rates prevailing at the time of preparation of the Estimated Principal Amount, by Eastshore Consulting LLC, the District's municipal advisor (the "Municipal Advisor").

Estimated Principal Amount. The Municipal Advisor has informed the District that, based on the District's financing plan and current market conditions, the good faith estimate of the aggregate (initial) principal amount of the Bonds is $2,189,267.90 (the "Estimated Principal Amount").

True Interest Cost. The Municipal Advisor has informed the District that the good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the new issue of bonds, is 2.5773%.

Finance Charge. The Municipal Advisor has informed the District that the good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties for costs associated with the Bonds (not including underwriter's discount) (the "Finance Charge"), is $13,274.16. In addition, the estimated Underwriter's discount is $ 8,216.76 and the estimated cost of municipal bond insurance premium is $9,968.00. A municipal bond insurance policy with respect to the Bonds will be obtained only if economically advantageous to the District as determined by an Authorized Officer of the District upon advice of the Municipal Advisor or the Underwriter.

Amount of Proceeds to be Received. The Municipal Advisor has informed the District that the good faith estimate of the amount of proceeds of the Bonds expected to be received by the District, less the Finance Charge as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is $2,167,476.09.

Total Payment Amount. The Municipal Advisor has informed the District that the good faith estimate of the total payment amount, which means the sum total of all principal and interest payments made for the Bonds, plus the Finance Charge as described above, not paid with the proceeds of the financing, calculated to the final maturity of the Bonds, is $3,115,000.

The foregoing estimates constitute good faith estimates only. The actual aggregate principal amount of the Bonds, the true interest cost thereof, the Finance Charge, the amount of proceeds of the Bonds received by the District, and the total debt service with respect thereto, may differ from such good faith estimates due to (a) the actual dated date of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual aggregate principal

amount of the Bonds being different from the Estimated Principal Amount, (c) the actual amortization of the debt service on the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time the Bonds are issued being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual dated date of the Bonds and the actual aggregate principal amount of the Bonds will be determined by the District based on market conditions and other factors. The actual interest rates will depend on market interest rates at the time of the sale of the Bonds. The actual amortization and debt service schedule for the Bonds will be based, in part, on market interest rates at the time the Bonds are sold. Market interest rates are affected by economic and other factors beyond the control of the District.

EXHIBIT B

FORM OF CURRENT INTEREST BOND

Number	**UNITED STATES OF AMERICA**	**Amount**
R-	**STATE OF CALIFORNIA**	**$**

JEFFERSON SCHOOL DISTRICT
(San Joaquin County, California)
GENERAL OBLIGATION BONDS, 2010 ELECTION, 2022 SERIES D

INTEREST RATE	**MATURITY DATE**	**DATED DATE**	**CUSIP No.**
%	August 1, 20__	_____, 2022	472430

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Jefferson School District (the "District") in San Joaquin County, California, acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 (the "Interest Payment Dates"), commencing [August 1, 2022]. This Bond is issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 thereof, including relevant provisions of the California Education Code (the "Bond Law"), and the resolution of the Board of Education of the District adopted on [January 11, 2022] (the "Resolution"). Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

This Bond will bear interest from the Interest Payment Date next preceding the date of authentication hereof (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 the first Record Date, in which event it shall bear interest from the date hereof)

Principal and interest are payable in lawful money of the United States of America without deduction for the paying agent services, to the person in whose name this Bond is registered (the "Registered Owner") on the Register maintained by the Paying Agent, initially Zions Bancorporation, National Association. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. Principal is payable upon presentation and surrender of this Bond at the designated office of the Paying Agent. Interest is payable by check or draft mailed by the Paying Agent on each Interest Payment Date to the Owner of this Bond (or

one or more predecessor Bonds) as shown and at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Interest Payment Date (the "Record Date"). The Owner of an aggregate Principal Amount of $1,000,000 or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This Bond is one of an aggregate principal amount of $[_____] of Bonds issued to be used to renovate, construct and improve school facilities to serve the District under authority of and pursuant to the laws of the State of California, and the requisite fifty-five percent vote of the electors of the District obtained at an election held on November 2, 2010, upon the question of issuing bonds in the amount of $35,400,000, and the Resolution. This Bond and the issue of which this Bond is one are payable as to both principal and interest from the proceeds of the levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The Bonds of this issue are general obligations of the District and do not constitute an obligation of the County of San Joaquin (the "County"). No part of any fund of the County is pledged or obligated to the payment of the Bonds of this issue.

The Bonds of this issue are issuable only as fully registered bonds in the denominations of $5,000 or any integral multiple thereof. This Bond is exchangeable and transferable for Bonds of other authorized denominations at the principal corporate trust office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Resolution. Any tax or governmental charges shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds maturing on or before August 1, 20__, are not subject to optional redemption prior to maturity. The Bonds maturing on or after August 1, 20__, are subject to optional redemption, at the option of the District, as a whole or in part by order as determined by District, and by lot within each maturity, from any source of available funds, on August 1, 20__, or on any date thereafter at a price equal to 100% of the principal amount thereof, without premium.

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. If less than all of the Bonds shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in any manner which the District in its discretion shall determine. If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot by the District in such manner as the District in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of $5,000 or some multiple thereof and that, in

selecting Bonds for redemption, the Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by $5,000.

Neither the District nor the Paying Agent will be required to issue or transfer any Bond (i) during a period beginning with the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) to transfer any Bond which has been selected or called for redemption in whole or in part.

Reference is made to the Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The Owner of this Bond assents, by acceptance hereof, to all of the provisions of the Resolution.

IT IS CERTIFIED AND RECITED that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This Bond shall not be 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 Jefferson School District, County of San Joaquin, State of California, has caused this Bond to be signed by its President and countersigned by its Clerk as of the date set forth above.

JEFFERSON SCHOOL DISTRICT

By: [NOT TO BE SIGNED – FORM ONLY]
President of the Board of Education of the
Jefferson School District

Countersigned:

By: [NOT TO BE SIGNED – FORM ONLY]
Clerk of the Board of Education of the
Jefferson School District

CERTIFICATE OF AUTHENTICATION

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

Date of Registration and Authentication: [NOT TO BE DATED– FORM ONLY]

ZIONS BANCORPORATION, NATIONAL ASSOCIATION

By: [NOT TO BE SIGNED – FORM ONLY]
Authorized Signatory

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, IF ANY]

(FORM OF ASSIGNMENT)

For value received, the undersigned sells, assigns and transfers unto
[LEAVE BLANK – FORM ONLY] _____

_____

_____

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

Dated: [NOT TO BE DATED– FORM ONLY]

Signature Guaranteed:

[NOT TO BE SIGNED – FORM ONLY]
Notice: Signature must be guaranteed by an eligible guarantor institution.

[NOT TO BE SIGNED – FORM ONLY]
Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration of any change whatever.

FORM OF LEGAL OPINION

The following is a true copy of the opinion rendered by Lozano Smith, LLP in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file with the District.

FORM OF CAPITAL APPRECIATION BOND

Number	**UNITED STATES OF AMERICA**	**Maturity Value**
CAB-__	**STATE OF CALIFORNIA**	**$_____**

JEFFERSON SCHOOL DISTRICT
(San Joaquin County, California)
GENERAL OBLIGATION BONDS, 2010 ELECTION, 2022 SERIES D

ACCRETION RATE	**MATURITY DATE**	**DATED DATE**	**CUSIP NO.**
%	August 1, 20__	_____, 2022	472430

REGISTERED OWNER: CEDE & CO.

INITIAL PRINCIPAL AMOUNT:
ACCRETED VALUE AT MATURITY:

The Jefferson School District (the "District") in San Joaquin County, California, acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns, on the Maturity Date specified above or upon prior redemption hereof, the Accreted Value hereof on such date, consisting of the Initial Principal Amount hereof plus Accreted Value thereon compounded commencing on [August 1, 2022], and thereafter on February 1 and August 1 of each year, at the Accretion Rate specified above, assuming in any such semiannual period that such value 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 Resolution adopted by the Board of Education of the District on [January 11, 2022] (the "Resolution"). Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

This Bond is issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 thereof, including relevant provisions of the California Education Code (the "Bond Law"), and the Resolution.

The Accreted Value hereof shall be determined in accordance with the Resolution and as reflected in the Table of Accreted Values hereinafter set forth; provided, however, that any Accreted Value determined in accordance with the Resolution shall prevail over any Accreted Values given in the Table of Accreted Values.

The Accreted Value hereof is payable in lawful money of the Unites States of America without deduction for the paying agent services, to the to the person in whose name this Bond is registered (the "Registered Owner") on the Register maintained by the Paying Agent, initially Zions Bancorporation, National Association.

This Bond is one of an aggregate principal amount of $[_____] of Bonds issued to be used to renovate, construct and improve school facilities to serve the District under authority of

and pursuant to the laws of the State of California, and the requisite fifty-five percent vote of the electors of the District obtained at an election held on November 2, 2010, upon the question of issuing bonds in the amount of $35,400,000, and the Resolution. This Bond and the issue of which this Bond is one are payable from the proceeds of the levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The Bonds of this issue are general obligations of the District and do not constitute an obligation of the County of San Joaquin (the "County"). No part of any fund of the County is pledged or obligated to the payment of the Bonds of this issue.

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 the first numbered Bond may be issued in a denomination such that the Maturity Value of such 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 Resolution, Bonds may be exchanged for a like aggregate Maturity Value of Bonds of the same 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 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 tenor and interest payment mode and same aggregate Maturity Value will be issued to the transferee in exchange herefor. Any tax or governmental charges shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District, nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds maturing on or before August 1, 20__, are not subject to optional redemption prior to maturity. The Bonds maturing on or after August 1, 20__, are subject to optional redemption, at the option of the District, as a whole or in part by order as determined by District, and by lot within each maturity, from any source of available funds, on August 1, 20__, or on any date thereafter at a price equal to 100% of the principal amount thereof, without premium.

If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrete hereon from and after the date fixed for redemption. If less than all of the Bonds shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in any manner which the District in its discretion shall determine. If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot by the District in such manner as the District in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of $5,000 or some multiple thereof and that, in

selecting Bonds for redemption, the Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by $5,000.

Neither the District nor the Paying Agent will be required to issue or transfer any Bond (i) during a period beginning with the close of business on any Record Date through the close of business on the immediately following Compounding Date, or (ii) to transfer any Bond which has been selected or called for redemption in whole or in part.

Reference is made to the Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The Owner of this Bond assents, by acceptance hereof, to all of the provisions of the Resolution.

IT IS CERTIFIED AND RECITED that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay the Maturity Value hereof, when due.

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 Jefferson School District, County of San Joaquin, State of California, has caused this Bond to be signed by its President and countersigned by its Clerk as of the date set forth above.

By: [NOT TO BE SIGNED – FORM ONLY]
President of the Board of Education of the
Jefferson School District

Countersigned:

By: [NOT TO BE SIGNED – FORM ONLY]
Clerk of the Board of Education of the
Jefferson School District

CERTIFICATE OF AUTHENTICATION

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

Date of Registration and Authentication: [NOT TO BE DATED– FORM ONLY]

ZIONS BANCORPORATION, NATIONAL ASSOCIATION

By: [NOT TO BE SIGNED – FORM ONLY]
Authorized Signatory

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, IF ANY]

(FORM OF ASSIGNMENT)

For value received, the undersigned sells, assigns and transfers unto
[LEAVE BLANK – FORM ONLY] _____

_____

_____

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

Dated: [NOT TO BE DATED– FORM ONLY]

Signature Guaranteed:

[NOT TO BE SIGNED – FORM ONLY]
Notice: Signature must be guaranteed by an eligible guarantor institution.

[NOT TO BE SIGNED – FORM ONLY]
Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration of any change whatever.

CAPITAL APPRECIATION BOND

TABLE OF ACCRETED VALUES

FORM OF LEGAL OPINION

The following is a true copy of the opinion rendered by Lozano Smith, LLP in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file with the District.

EXHIBIT C

PROPOSED PLAN OF FINANCE

[ATTACHED]

Jefferson School District
2022 GO Refunding Bond
AB182 Disclosures

January 2022

EASTSHORE CONSULTING

FINANCIAL ADVISORY & FACILITIES PLANNING •FISCAL CONSULTING •ELECTION STRATEGIES & PUBLIC RELATIONS

AB 182 Information

- In addition to placing limitation on the allowable uses of CABs by school districts, AB 182 also adds required disclosures to be presented at an informational meeting immediately preceding action on a resolution to authorize issuance of CABs
- Such disclosures apply only to the issuance of bonds for new funding and do not apply to the refinancing of existing bonds, even if such refinancing is conducted utilizing CABs
- To ensure that the Board fully understands the potential impacts of utilizing CABs, AB 182 requires disclosure of:
  - The CABs term (or duration until maturity): **up to 25 years**
  - The CAB repayment ratio: **1.5 to 1 (or less)**
  - Assessed Value growth assumption: **13.33% to 6.41% per year (to be revised with new development analysis)**
  - Total projected CABs cost: **$3,115,000 assuming full $2.189 million issuance**
  - Comparison of the cost of CABs to CIBs: **See following slide**
  - Reason for the use of CABs: **With development occurring in the future, current tax rate capacities are limited and cannot accommodate current interest payments at this time**
  - A copy of the UW G-17 engagement letter: **included in the agenda item supporting documents**

AB 182 —COMPARISON OF COSTS
CURRENT INTEREST BOND TO CAPITAL APPRECIATION BOND

	SAMPLE 10-YEAR CURRENT INTEREST BOND			
August 1,	Principal	Coupon*	Interest	Debt Service
2022	$ 200,000	3.00%	$ 44,671	$ 244,671
2023	165,000	3.00%	77,750	242,750
2024	170,000	4.00%	72,800	242,800
2025	180,000	4.00%	66,000	246,000
2026	185,000	4.00%	58,800	243,800
2027	195,000	4.00%	51,400	246,400
2028	200,000	4.00%	43,600	243,600
2029	210,000	4.00%	35,600	245,600
2030	220,000	4.00%	27,200	247,200
2031	225,000	4.00%	18,400	243,400
2032	235,000	4.00%	9,400	244,400
	$ 2,185,000		$ 505,621	$ 2,690,621
Total Principal Amount				$ 2,185,000
Repayment Ratio				1.23 to 1

	PROJECTED CAPITAL APPRECIATION BOND - SERIES D			
August 1,	Principal	Coupon*	Interest	Debt Service
2022	$ -		$ -	$ -
2023	-		-	-
2024	-		-	-
2025	-		-	-
2026	-		-	-
2027	-		-	-
2028	-		-	-
2029	-		-	-
2030	-		-	-
2031	-		-	-
2032	-		-	-
2033	-		-	-
2034	166,032	0.00%	58,968	225,000
2035	991,737	0.00%	398,263	1,390,000
2036	1,031,499	0.00%	468,501	1,500,000
	$ 2,189,268		$ 925,732	$ 3,115,000
Total Principal Amount				$ 2,189,268
Repayment Ratio				1.42 to 1

- As compared to a projected 10-Year current interest bond issuance of similar principal amount assuming current market interest rates, the balance of Measure “J” could be accessed at a total cost of $2.69 million if adequate tax rate capacity were available
- Based on projected 2022 Series D capital appreciation bond debt service raising the remaining balance of Measure J, it would cost $3.115 million, approximately $425,000 more than if it were viable to issue current interest bonds