

RESOLUTION NO. 18-16

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE PASO ROBLES JOINT UNIFIED SCHOOL DISTRICT PRESCRIBING THE TERMS AND AUTHORIZING THE ISSUANCE OF THE ELECTION OF 2016, SERIES A BONDS OF SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1 OF THE DISTRICT; APPROVING FORMS OF AND AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT, A PURCHASE AGREEMENT, A CONTINUING DISCLOSURE CERTIFICATE, AND AN OFFICIAL STATEMENT; AUTHORIZING DISTRIBUTION OF THE OFFICIAL STATEMENT; AND AUTHORIZING EXECUTION OF NECESSARY CERTIFICATES

WHEREAS, the Paso Robles Joint Unified School District (the “District”) is a school district duly organized under the laws of the State of California;

WHEREAS, the District previously established School Facilities Improvement District No. 1 of the Paso Robles Joint Unified School District (“SFID No. 1”);

WHEREAS, the Board of Trustees of the District (the “Board”) determined that it is in the best interest of the District to repair, renovate and equip schools, facilities and classrooms throughout SFID No. 1;

WHEREAS, a duly called election was held in SFID No. 1, located in San Luis Obispo County (the “County”), State of California, on November 8, 2016 (the “Election”), and the returns were thereafter canvassed pursuant to law;

WHEREAS, at the Election there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of SFID No. 1 voting on the following measure for incurring bonded indebtedness (the “Bond Measure”):

“To repair, acquire, upgrade, equip and construct school classrooms and facilities including science, technology, engineering, arts, and math classrooms; expand career technical education; replace aging portables, fix leaky roofs, repair deteriorating plumbing/ electrical wiring; and improve building earthquake safety, shall the School Facilities Improvement District No.1 of Paso Robles Joint Unified School District be authorized to issue \$95,000,000 of bonds with legal interest rates, independent citizens’ oversight, annual audits, all funds spent on local schools and not for administrator salaries or taken by the State?”

WHEREAS, California Government Code Sections 53506 *et seq.* authorize a school district to issue bonds with a term not to exceed 40 years that are secured by the levy of *ad valorem* taxes;

WHEREAS, the Board has further determined that it is necessary and desirable to issue and sell the first series of bonds authorized by the electors, such series of bonds to be designated the “General Obligation Bonds of School Facilities Improvement District No. 1 of the Paso Robles Joint Unified School District School, San Luis Obispo County, California, Election of 2016, Series A,” in an aggregate principal amount not to exceed \$40,000,000 (the “Series A Bonds”), pursuant to the terms of Article 4.5 of Chapter 3 of Part I of Division 2 of Title 5 sections 53506 *et seq.* of the Government Code (the “Bond Law”), according to the terms and in the manner hereinafter set forth;

WHEREAS, the following documents and proposed agreements relating to the execution, sale, and delivery of the Series A Bonds, which are incorporated herein by reference, have been presented to the Board for its review and approval:

- a. the paying agent agreement by and between the District and U.S. Bank National Association, as paying agent (the “Paying Agent”), relating to the Series A Bonds (the “Paying Agent Agreement”);
- b. the official notice of sale (the “Official Notice of Sale”) by which the District will sell the Series A Bonds to an underwriter or underwriters through competitive bidding at a public sale;
- c. the notice of intention to sell the Series A Bonds (the “Notice of Intention to Sell Bonds”);
- d. the bond purchase agreement (the “Purchase Agreement”) between the District and an underwriter or underwriters to be selected by the District (the “Underwriter”) whereby the Underwriter will agree to purchase the Series A Bonds when and as issued and delivered by the District;
- e. the preliminary official statement relating to the Series A Bonds (the “Official Statement”); and
- f. the continuing disclosure certificate relating to the Series A Bonds (the “Continuing Disclosure Certificate”), whereby the District undertakes to provide annual reports and material events notices as required under federal securities laws.

WHEREAS, it appears to the Board that the authorization, approval, execution, and delivery, as appropriate, of the agreements and documents described above or contemplated thereby or incidental thereto, and the issuance, sale, and delivery of the Series A Bonds in accordance with the Paying Agent Agreement are desirable and in the best interests of the District; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District.

NOW, THEREFORE, be it resolved by the Board of Trustees of the Paso Robles Joint Unified School District, San Luis Obispo County, California, as follows:

Section 1. Recitals. The Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. Approval of Paying Agent Agreement. The proposed form of the Paying Agent Agreement relating to and prescribing the terms of the Series A Bonds, between the District and U.S. Bank National Association, as presented to this meeting, is hereby approved. The date, respective principal amounts of each maturity, the interest rates, interest payment dates, denominations, form, registration privileges, place or places of payment, terms of redemption, and other terms of the Series A Bonds shall be as provided in the Paying Agent Agreement, as finally executed. The President of this Board and the Superintendent of the District (the "Superintendent")(collectively, the "Authorized Representatives") are, individually, hereby authorized, for and in the name of and on behalf of the District, to execute and deliver to the other parties thereto the Paying Agent Agreement in substantially said form, with such changes therein as such officer, with the advice of Dannis Woliver Kelley ("Bond Counsel"), may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Terms and Conditions of Competitive Sale. Pursuant to Government Code Section 53508.7, the Series A Bonds shall be sold at a competitive sale in accordance with the terms of and as described in the Official Notice of Sale.

A. **Official Notice of Sale.** This Board hereby approves the Official Notice of Sale inviting bids for the Series A Bonds, in substantially the form set forth in Exhibit A attached hereto. The Superintendent or his designee is hereby authorized and directed to execute and deliver to Dale Scott & Company, Inc. (the "Financial Advisor") the Official Notice of Sale, with such changes therein as the Superintendent or his designee, in consultation with the Financial Advisor, may require or approve, such approval and consent to be conclusively evidenced by the execution and delivery thereof. The Financial Advisor is hereby authorized and directed to cause copies of the Official Notice of Sale to be provided to prospective bidders for the Series A Bonds.

B. **Notice of Intention to Sell Series A Bonds.** The Board hereby approves the Notice of Intention to Sell Bonds, in substantially the form set forth in Exhibit B attached hereto. The Superintendent, or his designee, is hereby authorized and directed to execute and deliver to the Financial Advisor the Notice of Intention to Sell with such changes therein as the Superintendent or his designee, in consultation with the Financial Advisor, may require or approve, such approval and consent to be conclusively evidenced by the execution and delivery thereof. The Board further directs the Superintendent or his designee to cause the Notice of Intention to Sell Bonds to be published once at least five days before the date of sale in The Wall Street Journal (Pacific Coast Edition) or The Bond Buyer.

C. **Authorization to Open Bids.** The Superintendent (or his designee), the Financial Advisor and/or Bond Counsel are hereby authorized and directed to open the bids at the time and place specified in the Official Notice of Sale and to compute, in accordance with the Official Notice of Sale, the successful bidder.

D. Authorization to Award Series A Bonds. Following the determination of the successful bidder, as specified above, the Superintendent or his designee, on behalf of this Board, is hereby authorized to accept the best bid for the purchase of the Series A Bonds by giving notice to the successful bidder. The Superintendent or his designee is further authorized to reject any and all bids received, or to waive any irregularity or informality in any bid. If two or more bids present an equivalent true interest cost, the Superintendent or his designee, on behalf of this Board, may exercise his own discretion and judgment in making the award and may award the Series A Bonds on a pro rata basis in such denominations as he shall determine. The Superintendent or his designee, on behalf of this Board, shall award the sale of the Series A Bonds or reject all bids not later than 12:00 p.m. on the date of the sale, unless such time of award is waived by the successful bidder.

Section 4. Approval of Purchase Agreement. The Bond Purchase Agreement, in substantially the form set forth in Exhibit C attached hereto, is hereby approved should the District elect to proceed with a negotiated sale for the Series A Bonds. Should a negotiated sale be elected by the Board, it is because it offers greater flexibility than a public sale process in setting and changing the time and terms of the sale of the Series A Bonds, in structuring the Series A Bonds to meet the particular needs of potential investors, in enhancing the sale of the Series A Bonds to local investors, in evaluating the benefits of bond insurance, and in providing greater assurance that the tax outcome will conform to the expectations of voters. The Authorized Representatives, and each of them individually, are hereby authorized, for and on behalf of the District, to execute and deliver to the other party thereto the Bond Purchase Agreement in substantially said form, with such changes therein as such officers, with advice of the Bond Counsel, may require or approve. The Authorized Representatives, and each of them individually, are further authorized to determine the principal amount of the Series A Bonds to be specified in the Purchase Agreement for sale by the District in an aggregate principal amount not to exceed \$40,000,000 and to enter into and execute the Purchase Agreement with the Underwriter, if the conditions set forth in this Resolution are satisfied.

Section 5. Bond Parameters and Estimated Costs of Issuance. For purposes of Education Code section 15146(b) and Government Code section 5852.1, good faith estimates of estimates of (a) the true interest cost of the Series A Bonds; (b) the costs associated with the issuance of the Series A Bonds, including any such costs which the Underwriter agrees to pay pursuant to the Purchase Agreement; (c) the amount of proceeds to be received by the District (less the Costs of Issuance or reserves or capitalized interest, if any); and (d) the total payments of principal of and interest on the Series A Bonds through the final maturity of the Series A Bonds, are set forth on Exhibit D attached hereto and incorporated herein.

The estimated costs associated with the issuance of the Series A Bonds, including the expenses of Bond Counsel, Disclosure Counsel, the Financial Advisor, the rating agency and other services are \$188,000; and, if the premium for municipal bond insurance is included, the estimated costs of issuance are \$328,000. The estimated underwriter's discount is \$400,000.

Section 6. Execution of Series A Bonds. The Series A Bonds shall be executed by the President of the Board by her manual or facsimile signature and countersigned by the manual or facsimile signature of the Secretary of the Board, all in their official capacities; provided that

one such signature or countersignature or the signature of an officer of the Paying Agent shall be manually affixed.

Section 7. Approval of Continuing Disclosure Certificate. The Board hereby approves the form of the Continuing Disclosure Certificate relating to the Series A Bonds. A copy of the Continuing Disclosure Certificate has been presented to this meeting and is on file with the Secretary of the Board. The Authorized Representatives, and each of them individually, or their respective designee, are hereby authorized, for and on behalf of the District, to execute and deliver the Continuing Disclosure Certificate in substantially said form, with such changes therein as such officer, with the advice of Bond Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. Approval of Official Statement; Distribution of Official Statement. The Board hereby approves the form of Official Statement presented to this meeting and on file with the Secretary of the Board. The Authorized Representatives, or their designee, are hereby authorized and directed to execute the Official Statement in substantially that form, with such changes as the Authorized Representatives or their respective designee, upon the advice of the Financial Advisor and Bond Counsel, may require or approve, which approval shall be conclusively evidenced by the execution and delivery thereof.

The Board hereby authorizes and directs the Financial Advisor and/or Underwriter to distribute copies of the Official Statement in preliminary form to persons who may be interested in the purchase of the Series A Bonds, and to deliver copies of the final Official Statement to the purchasers of the Series A Bonds. The Board hereby authorizes and directs the Authorized Representatives, or their designee, to deliver to the Financial Advisor or Underwriter a certificate to the effect that the District deems the preliminary Official Statement, in the form approved by the Authorized Representatives or their respective designee, to be final and complete as of its date.

Section 9. Security for the Bonds. There shall be levied on all the taxable property in SFID No.1, in addition to all other taxes, a continuing direct *ad valorem* property tax annually during the period the Series A Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Series A Bonds when due, which moneys when collected will be deposited in the Interest and Sinking Fund of the District, and which fund is hereby designated for the payment of the principal of and interest on the Series A Bonds when and as the same shall fall due, and for no other purpose. The District covenants to cause the County to take all actions necessary to levy such *ad valorem* tax in accordance with this Section 9. Pursuant to Section 53515 of the Government Code, the Series A Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* taxes for the payment thereof.

Pursuant to Government Code sections 5450 and 5451, the District hereby pledges all revenues received from the levy and collection of *ad valorem* taxes in SFID No.1 for the payment of each series of bonds issued by the District pursuant to the Bond Measure (the "Bonds"), and all amounts on deposit in the corresponding Interest and Sinking Fund created pursuant to Section 14 hereof and the Paying Agent Agreement, to the payment of such series of Bonds. Such pledge shall constitute a lien on and security interest in such taxes and amounts in such Interest and Sinking Fund. This pledge shall constitute an agreement between the District and owners of such

series of Bonds to provide security for the payment of such Bonds in addition to any statutory lien that may exist.

Section 10. Request to County to Levy Tax. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of *ad valorem* property taxes in SFID No.1 in each year sufficient to pay all principal of and interest coming due on the Series A Bonds in such year, and to pay from such taxes all amounts due on the Series A Bonds. The District hereby requests such Board of Supervisors to annually levy a tax upon all taxable property in SFID No. 1 sufficient to pay all such principal and interest coming due on the Series A Bonds in such year, and to pay from such taxes all amounts due on the Series A Bonds. The Board hereby finds and determines that such *ad valorem* taxes shall be levied specifically to pay the Series A Bonds being issued to finance specific projects authorized by the voters of the District at the Election.

Section 11. Resolution to County Treasurer. The Secretary to this Board is hereby directed to provide a certified copy of this Resolution to the Auditor-Controller, Treasurer, Tax Collector of the County of San Luis Obispo (the "County Treasurer"), with a copy of the Auditor-Controller division, immediately following its adoption.

Section 12. Valid Obligations. The Board hereby determines that all acts and conditions necessary to be performed by the District or to have been met precedent to and in the issuing of the Series A Bonds in order to make them legal, valid, and binding general obligations of the District have been performed and have been met, or at the time of delivery of the Series A Bonds will have been performed and will have been met, in regular and due form as required by law; that an *ad valorem* property tax shall be levied in SFID No. 1 by the County on behalf of the District and is hereby pledged for the timely payment of the principal of and interest on the Series A Bonds; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Series A Bonds.

Section 13. Authorization of Officers to Execute Documents. The Board hereby authorizes and directs the Authorized Representatives and their respective designees to do any and all things, and to execute and deliver any and all documents, that they may deem necessary or advisable in order to complete the issuance, sale, and delivery of the Series A Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution. All actions heretofore taken by the District's officers, officials, and staff that are in conformity with the purposes and intent of this Resolution are hereby ratified, confirmed, and approved in all respects.

Section 14. Building Fund; Interest and Sinking Fund.

A. The District hereby requests that the County Treasurer establish, create, and/or maintain the "School Facilities Improvement District No. 1 of the Paso Robles Joint Unified School District Building Fund" (the "Building Fund"), and within the Building Fund, the SFID No. 1 Series ____ Building Account, which shall be kept separate and distinct from all other District and County funds and accounts, and into which the County Treasurer shall deposit all or part of the proceeds of the sale of the Series A Bonds (except any premium or accrued interest received from the sale).

B. The District hereby requests that the County Treasurer establish, create, and/or maintain as necessary, the “School Facilities Improvement District No. 1 of the Paso Robles Joint Unified School District Interest and Sinking Fund” (the “Interest and Sinking Fund”), which shall be kept separate and distinct from all other District and County funds, and into which the County Treasurer shall deposit any premium or accrued interest received and the *ad valorem* property taxes collected to pay debt service on the Series A Bonds.

Section 15. Identification of Professionals Involved. The Board hereby approves the firm of Dale Scott & Company, Inc., to act as Financial Advisor, and the firm of Dannis Woliver Kelley, to act as Bond Counsel and Disclosure Counsel, to the District for the sale and delivery of the Series A Bonds.

Section 16. Official Intent to Reimburse Expenditures.

A. The District intends to undertake the acquisition and construction of the school facilities described in the Bond Measure (the “Projects”). The District intends to use the proceeds of the Series A Bonds, authorized in the aggregate principal amount not to exceed \$40,000,000, to finance a portion of the Projects. The District expects to pay certain capital expenditures (the “Reimbursement Expenditures”) in connection with the Projects prior to the issuance by it of indebtedness for the purpose of financing the costs of the Projects on a long-term basis. The District reasonably expects that debt obligations in an amount not expected to exceed [\$40,000,000]* will be issued by it for the purpose of financing some of the costs of the Projects on a long-term basis, and that certain of the proceeds of such debt obligations will be used to reimburse the District for the Reimbursement Expenditures.

B. The Board declares the District’s official intent to use part of the proceeds of the Series A Bonds to reimburse the District for the Reimbursement Expenditures. The foregoing statement is a declaration of official intent that is made under and only for the purpose of establishing compliance with the requirements of Treasury Regulations section 1.150-2.

Section 17. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the following vote of the members of the Board of Trustees of the Paso Robles Joint Unified School District, San Luis Obispo County, State of California, this 24th day of April, 2018:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Joan Summers
President of the Board of Trustees
Paso Robles Joint Unified School District

ATTEST:

By: _____
Chris Williams
Secretary of the Board of Trustees
Paso Robles Joint Unified School District

SECRETARY CERTIFICATE

I, Chris Williams, Secretary of the Board of Trustees of the Paso Robles Joint Unified School District, San Luis Obispo County, State of California, do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 18-16, duly approved and adopted by the Board of Trustees of the District at a regular meeting held on April 24, 2018, of which meeting all the members of the Board of Trustees had due notice and at which a majority thereof were present, and that at the meeting the Resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

An agenda for the meeting was posted at least seventy-two (72) hours before the meeting at the offices of the District at 800 Niblick Road, Paso Robles, California, a location freely accessible to members of the public, and a brief description of the Resolution appeared on the agenda. I have carefully compared the foregoing Resolution with the original minutes of the meeting on file and of record in my office, and the foregoing is a full, true, and correct copy of the original Resolution adopted at the meeting and entered in the minutes. The Resolution has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

Dated: April 24, 2018

By: _____
Secretary of the Board of Trustees
Paso Robles Joint Unified School District

EXHIBIT A

OFFICIAL NOTICE OF SALE

[\$40,000,000]*

**GENERAL OBLIGATION BONDS OF
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1 OF THE
PASO ROBLES JOINT UNIFIED SCHOOL DISTRICT
SAN LUIS OBISPO COUNTY, CALIFORNIA
ELECTION OF 2016, SERIES A**

NOTICE IS HEREBY GIVEN by the Board of Trustees of the Paso Robles Joint Unified School District (the "District"), that bids will be received by a representative of the District for the purchase of [\$40,000,000]* principal amount of bonds of the District designated the "General Obligation Bonds of School Facilities Improvement District No. 1 of the Paso Robles Joint Unified School District School, San Luis Obispo County, California, Election of 2016, Series A" (the "Bonds"). Bids will be received in electronic form via Bidcomp/Parity on:

TUESDAY, MAY 15, 2018

or, at the option of the District, on successive days thereafter until acceptance of a bid, in either case at 9:00 a.m. Pacific Time. The District reserves the right to postpone or change the sale date upon 24 hours' notice as described below. The Bonds will be issued under the provisions of a Resolution adopted by the Board of Trustees of the District on April 24, 2018 (the "Resolution"), and under the laws of the State of California. The Bonds are more particularly described in the Resolution and Paying Agent Agreement between the District and U.S. Bank National Association, as Paying Agent, on file with the District (which is incorporated herein by reference) and copies thereof will be furnished to the bidder upon request.

Important Note: The winning bidder will be required to pay, from underwriter's gross compensation, certain costs of issuance of the Bonds. See "TERMS OF SALE - Payment of Issuance Costs" herein. The District has designated a minimum purchase price at which the Bonds are to be sold. See "TERMS OF SALE – Form of Bid; Minimum Purchase Price" herein.

DESCRIPTION OF THE BONDS

PURPOSE: The proceeds of the Bonds will be applied by the District for the purpose of repairing, renovating and equipping schools, facilities and classrooms throughout SFID No. 1, in accordance with the ballot proposition under which the issuance of the Bonds has been authorized, and to pay costs of issuance.

ISSUE; BOOK-ENTRY FORM: The Bonds will be issued in the aggregate principal amount of [\$40,000,000]* in the form of fully registered Bonds without coupons. The Bonds will be dated as of their original delivery, and will be issued in minimum denominations of \$5,000.

*Preliminary, subject to change

The Bonds will be issued in a book entry only system with no physical distribution of the Bonds made to the public. The Depository Trust Company, New York, New York (“DTC”), will act as depository for the Bonds which will be immobilized in its custody. The Bonds will be registered in the name of Cede & Co., as nominee for DTC, on behalf of the participants in the DTC system and the subsequent beneficial owners of the Bonds.

MATURITIES: The Bonds will mature, or be subject to mandatory sinking fund redemption, on August 1 in each of the years, and in the amounts, as set forth in the following table. The final principal amount of the Bonds, and the final amount of each maturity of the Bonds, is subject to increase or decrease as described below under the heading “Adjustment of Principal Maturities.” Each bidder must specify in its bid whether, for any particular year, the Bonds will mature, or alternately, be subject to mandatory sinking fund redemption in such year.

Maturity Date	Principal
<u>August 1</u>	<u>Amount</u>
2019	
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
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2031	
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2046	
2047	
2048	

PAYMENT PROVISIONS: Interest on the Bonds will be payable on August 1, 2018 and on February 1 and August 1 in each year thereafter (the “Interest Payment Dates”), to the registered owners by check or draft of U. S. Bank National Association as Paying Agent for the Bonds (the “Paying Agent”) or, in the case of the owner of Bonds in an aggregate principal amount of at least \$1,000,000, at the written request of such owner by wire transfer. Principal of and premium (if any) on any Bond will be paid upon presentation and surrender thereof at the office of the Paying

Agent in Los Angeles, California. The principal of and interest and premium (if any) on the Bonds are payable in lawful money of the United States of America.

OPTIONAL REDEMPTION: The Series A Bonds maturing on and before August 1, 20____ are not subject to optional redemption prior to maturity. The Series A Bonds maturing on or after August 1, 20____, are subject to redemption at the option of the District, as a whole or in part among maturities on such basis as shall be designated by the District and by lot within each maturity, from any source of available funds, on any date on or after August 1, 20____, at the following price, expressed as a percentage of the principal amount to be redeemed, plus accrued interest thereon to the redemption date, without premium.

SINKING FUND REDEMPTION: Any bidder may, at its option, specify that one or more maturities of the Bonds will consist of term Bonds which are subject to mandatory sinking fund redemption in consecutive years immediately preceding the maturity thereof, as designated in the bid of such bidder. If the bid of the successful bidder specifies that any maturity of Bonds will be term bonds, such term bonds will be subject to mandatory sinking fund redemption on August 1 in each year so designated in the bid, in the respective amounts for such years as set forth above under the heading "MATURITIES," at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest to the redemption date, without premium, but which amounts will be proportionally reduced by the principal amount of all Series A Term Bonds optionally redeemed..

SECURITY: The Bonds are deemed general obligations of the District, and the District will direct the appropriate officials of the County to levy ad valorem taxes for the payment of the Bonds and the interest thereon without limitation as to rate or amount.

TAX-EXEMPT STATUS: In the opinion of Dannis Woliver Kelley, bond counsel to the District ("Bond Counsel"), interest on the Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. Bidders are referred to the Preliminary Official Statement for a description of the proposed opinion of Bond Counsel. If prior to the delivery of the Bonds either (a) the interest on other obligations of the same type and character shall be declared to be taxable (either at the time of such declaration or at any future date) under any federal income tax laws, either by the terms of such laws or by ruling of a federal income tax authority or official which is followed by the Internal Revenue Service, or by decision of any federal court or (b) any federal income tax law is adopted which will have a substantial adverse effect upon owners of the Bonds as such, the successful bidder for the Bonds may, at its option, prior to the tender of the Bonds, be relieved of its obligation under the contract to purchase the Bonds.

LEGAL OPINION: The legal opinion of Dannis Woliver Kelley, Sacramento, California, approving the validity of the Bonds, will be furnished to the purchaser of the Bonds without cost. A copy of the legal opinion will be appended to each Bond.

FURTHER INFORMATION: A copy of the Preliminary Official Statement describing the Bonds, and any other information concerning the proposed financing, will be furnished upon request to the financial advisor to the District (the “Financial Advisor”), as follows: Dale Scott & Company, Inc., 650 California Street, Suite 2050, San Francisco, California 94108, tel: (415) 956-1030. Such information is also available on the website of the Financial Advisor at <http://www.dalescott.com/financings/>.

MUNICIPAL BOND INSURANCE; BIDDER’S OPTION: The District has applied to certain bond insurance companies for a commitment to issue a policy insuring the payment when due of principal of and interest on the Bonds. Information concerning the availability of municipal bond insurance may be also obtained by contacting the Financial Advisor as described above. In the event the District obtains a commitment for municipal bond insurance, each bidder has the option to elect whether such insurance will be issued. If the winning bidder elects to obtain any policy of municipal bond insurance, the premium for such insurance and the costs of any related ratings will be paid by the bidder, and the District will have no responsibility for payment of such premium and costs.

TERMS OF SALE

RIGHT TO CANCEL, POSTPONE OR RESCHEDULE SALE: The District reserves the right to cancel, postpone or reschedule the sale of the Bonds upon notice published on the website of the Financial Advisor and through the TM3 system, not less than 24 hours before the time for receipt of bids. If the sale is postponed, bids will be received at the above place at such date and hour as set forth in the notice. Failure of any bidder to receive such notice or any other form of notice of canceled, postponed or rescheduled sale will not affect the legality or validity of any sale.

SUBMISSION OF BIDS: Bids will be received electronically as described below, provided that such electronic bid must be received no later than the date and time set for receipt of bids.

ELECTRONIC BIDS: The District will accept bids in electronic form through the Parity electronic bidding system. Each bidder submitting an electronic bid agrees by doing so that it is solely responsible for all arrangements with Parity and that Parity is not acting as an agent of the District. Instructions and forms for submitting electronic bids must be obtained from Parity, and the District assumes no responsibility for ensuring or verifying bidder compliance with Parity’s procedures. The District will be entitled to assume that any bid received via Parity has been made by a duly authorized agent of the bidder.

Neither the District, the County of San Luis Obispo (the “County”), the Financial Advisor nor Bond Counsel has any responsibility for proper functioning of the Parity system, for any error contained in any bid submitted electronically, or for failure of any bid to be transmitted, received or opened at the official time for receipt of bids. The official time for receipt of bids will be determined by the District at the place of bid opening, and the District will not be required to accept the time kept by Parity as the official time. The District assumes no responsibility for informing any bidder prior to the deadline for receiving bids that its bid is incomplete, or not received.

FORM OF BID; MINIMUM PURCHASE PRICE: Each proposal must be for not less than all of the Bonds hereby offered for sale.

The bid price, net of underwriter's discount, costs of issuance, and bond insurance premium (if obtained), to be paid for the Bonds by the winning bidder shall not be less than 103% of the par amount of the Bonds, which is designed to ensure that the amount of original issue premium does not exceed the first 36 months of interest coming due and payable on the Bonds.

PAYMENT OF ISSUANCE COSTS: The successful bidder will be required to pay \$_____ in costs of issuance of the Bonds from underwriter's gross compensation at the time of delivery of the Bonds. This amount should not be added to the price paid for the Bonds. Payment of this amount is not optional and is in addition to any premium for a policy of municipal bond insurance. Such amount will be deposited with U.S. Bank National Association and will be disbursed by said custodian upon requisitions of the District.

DESIGNATION OF INTEREST RATES: Each bidder must specify the rate or rates of interest which the Bonds will bear. The maximum rate bid on any Bonds may not exceed 8% per annum. A bidder will be permitted to bid different rates of interest for each maturity of Bonds, but:

- each interest rate specified must be in a multiple of 1/20% or 1/8%;
- no Bond may bear more than one rate of interest;
- interest on each Bond will be computed from the date of original delivery to its stated maturity at the interest rate specified in the proposal, payable on the Interest Payment Dates as set forth above; and
- all Bonds maturing at any one time will bear the same rate of interest.

DETERMINATION OF BEST BID: The Bonds will be awarded to the responsible bidder whose bid produces the lowest true interest rate on the Bonds. The true interest rate specified in any bid will be that rate which, when used in computing the present worth of all payments of principal and interest to be paid on all Bonds from the date of original delivery (which is assumed to be May 31, 2018) to their respective maturity dates or mandatory sinking fund redemption dates, produces an amount equal to the purchase price specified in such bid. For purposes of computing the true interest rate represented by any proposal, the purchase price specified in such proposal shall be equal to the par amount of the Bonds plus any premium and less any discount specified in such proposal, and the true interest rate shall be calculated by the use of a semiannual interval of compounding interest based on the Interest Payment Dates for the Bonds.

ADJUSTMENT OF PRINCIPAL MATURITIES: The District reserves the right to increase or decrease the principal amount of any maturity of the Bonds (or, in the case of the term Bonds, the principal amount thereof which is subject to mandatory sinking fund redemption on August 1 in any year) by not more than 10% of the principal amount of Bond maturing in a

particular year. The aggregate principal amount of the Bonds will be equal to [\$40,000,000]* under any circumstances. The District will give notice of any such adjustment to the successful bidder as soon as practicable following the notification of award. No such adjustment will alter the basis upon which the best bid is determined.

RIGHT OF REJECTION: The District reserves the right, in its discretion, to reject any and all bids and to the extent not prohibited by law to waive any irregularity or informality in any bid.

PROMPT AWARD: A representative of the District has been authorized to accept the best responsible bid for the purchase of the Bonds and to accept such bid, for and in the name of the District, by notice to the successful bidder. If two or more bids setting forth identical interest rates and premium/discount, if any, are received, such officer may exercise discretion and judgment in making the award and may award the Bonds on a pro rata basis in such denominations as he or she determines. Such authorized representative of the District may also reject any and all bids and waive any irregularity or informality in any bid. Sale of the Bonds will be awarded or all bids will be rejected not later than 24 hours after the expiration of the time prescribed for the receipt of proposals unless such time of award is waived by the successful bidder; provided, that the award may be made after the expiration of the specified time if the bidder does not notify the District in writing of the withdrawal of its proposal.

PLACE OF DELIVERY; CANCELLATION FOR LATE DELIVERY: It is expected that the Bonds will be delivered to DTC for the account of the successful bidder within 21 days from the date of sale thereof. The successful bidder has the right, at the successful bidder's option, to cancel the contract of purchase if the Bonds are not tendered for delivery within 60 days from the date of the sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying its bid.

PAYMENT OF PURCHASE PRICE: The successful bidder will be required to pay the purchase price of the Bonds, being the par amount of the Bonds, less purchaser's discount, plus premium (if any), in funds which are immediately available to the Paying Agent and/or the County Treasurer, as instructed by the District. Such payment shall be made on the date of original delivery of the Bonds by the District to DTC.

STATEMENT OF TRUE INTEREST RATE: Each bidder is requested, but not required, to state in its proposal the percentage true interest rate represented by its proposal, determined as described above, which will be considered as informative only and not binding on either the bidder or the District.

ESTABLISHMENT OF ISSUE PRICE: The winning bidder shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at closing an "issue price" certificate setting forth the reasonable expected initial offering price to the public or the sale price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Appendix A**, with such modifications as may be appropriate or necessary, in the reasonable judgment of the District and

* Preliminary, subject to change

Bond Counsel. All actions to be taken by the District under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the District by the District's Financial Advisor identified herein and any notice or report to be provided to the District may be provided to the District's Financial Advisor.

The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) the District shall disseminate this Official Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the District shall so advise the winning bidder. The District shall treat the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the District if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The District will not require bidders to comply with the "hold-the-offering-price rule" and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. **Bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds.**

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the District the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Bonds

of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date that the Bonds are awarded by the District to the winning bidder.

NO LITIGATION: There is no litigation pending concerning the validity of the Bonds, the corporate existence of the District, or the entitlement of the District officers to their respective offices, and the purchaser will be furnished a no-litigation certificate certifying to the foregoing as of and at the time of delivery of the Bonds.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto will constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Bonds in accordance with the terms hereof. All expenses in relation to the printing of CUSIP numbers

on the Bonds will be paid for by the District, except that the CUSIP Service Bureau charge for the assignment of said numbers will be the responsibility of and shall be paid for by the purchaser.

CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION FEES: All fees payable to the California Debt and Investment Advisory Commission in connection with the issuance of the Bonds are the sole responsibility of the purchaser of the Bonds.

OFFICIAL STATEMENT: The District has approved a Preliminary Official Statement relating to the Bonds. Copies of such Preliminary Official Statement will be distributed to any bidder, upon request, prior to the sale in a form “deemed final” by the District for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”). Within seven business days from the sale date, the District will deliver to the purchaser copies of the final Official Statement, executed by an authorized representative of the District and dated the date of delivery thereof to the purchaser, in sufficient number to allow the purchaser to comply with paragraph (b)(4) of the Rule and to satisfy the Municipal Securities Rulemaking Board (the “MSRB”) Rule G-32 or any other rules adopted by the MSRB, which shall include information permitted to be omitted by paragraph (b)(1) of the Rule and such other amendments or supplements as are approved by the District (the “Final Official Statement”). The purchaser agrees that it will not confirm the sale of any Bonds unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Final Official Statement. The District will furnish to the successful bidder, at no charge, not more than 125 copies of the Official Statement for use in connection with any resale of the Bonds.

CERTIFICATE REGARDING OFFICIAL STATEMENT: A responsible officer of the District will certify to the original purchaser of the Certificates, as a condition of closing, that based on such officer’s participation in the preparation of the Official Statement, nothing has come to his or her attention to lead him or her to believe that the Official Statement (except for certain financial statements, statistical data and other information) contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

CONTINUING DISCLOSURE. In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the District has committed to undertake, under the Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the preliminary Official Statement and will also be set forth in the final Official Statement. Such Continuing Disclosure Certificate will be a document required to be delivered at closing by the District, and the failure by the District to deliver such document in form and substance acceptable to Bond Counsel and the successful bidder will relieve the successful bidder of its obligation to purchase the Bonds.

GIVEN by order of the Board of Trustees of the Paso Robles Joint Unified School District by Resolution adopted April 24, 2018.

APPENDIX A

[\$40,000,000]*

**GENERAL OBLIGATION BONDS OF
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1 OF THE
PASO ROBLES JOINT UNIFIED SCHOOL DISTRICT
SAN LUIS OBISPO COUNTY, CALIFORNIA
ELECTION OF 2016, SERIES A**

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] (the “Underwriter”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. *Reasonably Expected Initial Offering Price.*

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by Underwriter are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by Underwriter in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by Underwriter to purchase the Bonds.

(b) Underwriter was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by Underwriter constituted a firm offer to purchase the Bonds.

2. *Defined Terms.*

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

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

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

*Preliminary, subject to change

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

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

[UNDERWRITER]

By: _____

Name: _____

Dated: _____, 2018

SCHEDULE A-1
EXPECTED OFFERING PRICES

(Attached)

SCHEDULE A-2
COPY OF UNDERWRITER'S BID

(Attached)

EXHIBIT B

NOTICE OF INTENTION TO SELL

[\$40,000,000]*

**GENERAL OBLIGATION BONDS OF
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1 OF THE
PASO ROBLES JOINT UNIFIED SCHOOL DISTRICT
SAN LUIS OBISPO COUNTY, CALIFORNIA
ELECTION OF 2016, SERIES A**

NOTICE IS HEREBY GIVEN by the Board of Trustees of the Paso Robles Joint Unified School District (the "District"), that bids will be received by a representative of the District for the purchase of [\$40,000,000]* principal amount of bonds of the District designated the "General Obligation Bonds of School Facilities Improvement District No. 1 of the Paso Robles Joint Unified School District, San Luis Obispo County, California, Election of 2016, Series A" (the "Bonds"). Bids will be received in electronic form via Bidcomp/Parity on:

TUESDAY, MAY 15, 2018

or, at the option of the District, on successive days thereafter until acceptance of a bid, in either case at 9:00 a.m. Pacific Time. Further information, including copies of the preliminary Official Statement and Official Notice of Sale, may be obtained from the financial advisor to the District, Dale Scott & Company, Inc., 650 California Street, Suite 2050, San Francisco, California 94108, telephone at (415) 956-1030, and is also available on the website of the financial advisor at <http://www.dalescott.com/financings/>. Bidders are referred to the Official Notice of Sale of the Bonds for further particulars concerning the terms and conditions of the sale.

GIVEN by order of the Board of Trustees of the Paso Robles Joint Unified School District by resolution adopted April 24, 2018.

*Preliminary, subject to change

EXHIBIT C

[\$40,000,000]*

**GENERAL OBLIGATION BONDS OF
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1 OF THE
PASO ROBLES JOINT UNIFIED SCHOOL DISTRICT
SAN LUIS OBISPO COUNTY, CALIFORNIA
ELECTION OF 2016, SERIES A**

BOND PURCHASE AGREEMENT

_____, 2018

Paso Robles Joint Unified School District
800 Niblick Road
Paso Robles, CA 93446

Ladies and Gentlemen:

The undersigned, _____ (the “Underwriter”), hereby offers to enter into this Bond Purchase Agreement with the Paso Robles Joint Unified School District (the “District”), which, upon acceptance of this offer by the District, will be binding upon the District and the Underwriter. This offer is made subject to the written acceptance of this Bond Purchase Agreement by execution by the Superintendent or other authorized officers of the District and the delivery of such acceptance to the Underwriter at or prior to 12:00 p.m., California time, on May 15, 2018, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the District at any time prior to the acceptance hereof by the District.

1. Definitions. All capitalized terms not defined herein shall have the meaning ascribed to them in the Preliminary Official Statement, dated _____, 2018, of the District with respect to the public offering of the Bonds, unless a different meaning clearly appears from the context, and the following words and terms shall have the following meanings, respectively:

Bond Counsel means Dannis Woliver Kelley.

Bond Purchase Agreement means this Bond Purchase Agreement.

Bonds means the General Obligation Bonds of School Facilities Improvement District No. 1 of the Paso Robles Joint Unified School District, San Luis Obispo County, California, Election of 2016, Series A, issued pursuant to the Paying Agent Agreement.

Business Day means a day on which banks located in California are not required or authorized by law to be closed and the New York Stock Exchange is not closed.

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

*Preliminary, subject to change

Closing Date means the date of payment for and delivery of the Bonds as established pursuant to Section 6 (Closing) hereof.

Closing Time means the time at which payment for and delivery of the Bonds shall occur, as established pursuant to Section 6 (Closing) hereof.

Continuing Disclosure Certificate means that certain Continuing Disclosure Certificate dated as of the Closing Date executed by the District.

District Documents means the Paying Agent Agreement, this Bond Purchase Agreement, and the Continuing Disclosure Certificate.

[Insurance Policy means the municipal bond insurance policy to be issued by the Insurer and delivered simultaneously with the issuance and delivery of the Bonds, which will insure payment of the principal of and interest on the Bonds.]

[Insurer means _____.]

Official Statement means the final Official Statement of the District, dated the date hereof, relating to the Bonds, together with the cover page thereof and all appendices, exhibits, amendments and supplements thereto, provided by the District.

Paying Agent means U.S. Bank National Association.

Paying Agent Agreement means that certain Paying Agent Agreement, entered into between the District and the Paying Agent, dated as of April 26, 2018, as amended and supplemented from time to time.

Preliminary Official Statement means the Preliminary Official Statement of the District, dated _____, 2018, relating to the Bonds, together with the cover page thereof and all appendices, exhibits, amendments and supplements thereto provided by the District.

State means the State of California.

2. Purchase, Sale, and Delivery of the Bonds. (a) Purchase and Sale of the Bonds. Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District for offering to the public, and the District hereby agrees to execute and deliver to or upon the order of the Underwriter all (but not less than all) of the Bonds, duly authenticated by the Paying Agent. The aggregate purchase price to be paid by the Underwriter for the Bonds shall be \$_____, which equals the principal amount of the Bonds (\$_____), plus original issue premium of \$_____, less Underwriter's discount of \$_____. Payment for the Bonds shall be made in federal funds or through wire transfer of federal funds. The Bonds shall be released for delivery by the District no later than the Closing Time. The Underwriter will accept delivery of the Bonds through the facilities of The Depository Trust Company ("DTC").

(b) Delivery of the Bonds. The Bonds will be made available for checking at the offices of DTC, 55 Water Street, New York, New York 10041, or at such other place as shall be mutually

agreed upon by the District and the Underwriter, not later than 10:00 a.m. New York time, not later than one business day prior to the Closing.

(c) **No Financial Advisory Relationship.** The District acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the District, (ii) in connection with such transaction, the Underwriter has not assumed any advisory or fiduciary responsibilities in favor of the District with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the District on other matters) or any other obligation to the District except the obligations expressly set forth in this Bond Purchase Agreement, (iii) the District has consulted with its own legal, tax, accounting, financial and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds, and (iv) the Underwriter is acting solely in its capacity as underwriter for its own account. The District further acknowledges that it has previously received from the Underwriter the required disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the "MSRB").

3. Terms of the Bonds. The Bonds shall be substantially in the form described in, shall be issued and secured pursuant to, shall be dated and be payable as provided in, and shall be subject to redemption as provided in the Paying Agent Agreement. [Payment of the principal of and interest on the Bonds shall be insured by the Insurance Policy.] The Bonds are to be initially registered in the name of Cede & Co., as nominee for DTC. The Bonds will be in such authorized denominations as described in the Official Statement. CUSIP identification numbers will be printed on the Bonds.

4. Official Statement. (a) **Preliminary Official Statement.** The District confirms that the Preliminary Official Statement was deemed final for purposes of Rule 15c2-12 adopted under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), as of its date, except for final information as to the offering prices, interest rates, selling compensation, amount of proceeds, delivery dates, other terms of the Bonds depending on such factors, and other information permitted to be omitted under Rule 15c2-12.

(b) **Final Official Statement.** The District agrees to deliver to the Underwriter as many copies of the final Official Statement, which includes the information omitted from the Preliminary Official Statement in accordance with Rule 15c2-12, and any supplements or amendments thereto as have been approved by the Underwriter, as the Underwriter shall reasonably request to enable it to meet its obligations under Rule 15c2-12 and under Rule G-32 and all other applicable rules of the MSRB. The District agrees to deliver such Official Statements within seven business days after the execution hereof (or earlier if necessary to accompany any confirmation that requires payment from any customer).

(c) **End of the Underwriting Period.** The "End of the Underwriting Period" is used as such term is defined in Rule 15c2-12 and shall occur on the later of (i) the Closing Date, or (ii) when the Underwriter no longer retains an unsold balance of the Bonds. Unless otherwise advised in writing by the Underwriter on or prior to the Closing Date, or otherwise agreed to by the District

and the Underwriter, the District may assume that the End of the Underwriting Period is the Closing Date.

(d) Amendments or Supplements to Official Statement. If, at any time prior to the End of the Underwriting Period, any event occurs as a result of which it may be necessary to supplement the Official Statement in order to make the statements therein relating to the District, in light of the circumstances existing at such time, not misleading, the District shall forthwith notify the Underwriter in writing of any such event of which it has knowledge and, if in the opinion of the Underwriter such event requires an amendment or supplement to the Official Statement, the District will at its expense amend or supplement the Official Statement in a form and manner approved by the Underwriter. Any information supplied by the District for inclusion in any amendments or supplements to the Official Statement will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

5. Public Offering of the Bonds. The Underwriter agrees to offer the Bonds for sale to the public at the initial public offering price or prices (or yield or yields) set forth on **Exhibit C-1** attached hereto and made a part hereof; provided, however, that the Underwriter reserves the right to change such initial public offering prices or yields as the Underwriter deems necessary or desirable, in its sole discretion in connection with the marketing of the Bonds, and to sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering prices or higher than the yields set forth in the Official Statement. The Underwriter also reserves the right (a) to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market, and (b) to discontinue such stabilizing, if commenced, at any time. A public offering shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold.

6. Closing; Establishment of Issue Price. The Closing Time shall be no later than 10:00 a.m., California time, _____, 2018, or at such earlier or later time or on such earlier date as shall have been mutually agreed upon by the District and the Underwriter. The documents described in Section 8(e) (Receipt of Documents) hereof shall be delivered to the Underwriter at the Closing Time; and the Underwriter will accept delivery of such documents and pay the purchase price for the Bonds as described above. Delivery of such documents shall be made at the offices of Bond Counsel, 555 Capitol Mall, Suite 645, Sacramento, California, or at such other place as shall have been mutually agreed upon by the District and the Underwriter.

The Underwriter agrees to assist the District in establishing the issue price of the Certificates and shall execute and deliver to the District at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit C-2**, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Special Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Certificates. All actions to be taken by the District under this section to establish the issue price of the Certificates may be taken on behalf of the District by the District’s financial

advisor identified herein and any notice or report to be provided to the District may be provided to the District's financial advisor.

The District will treat the first price at which 10% of each maturity of the Certificates (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Certificates. If at that time the 10% test has not been satisfied as to any maturity of the Certificates, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Certificates of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Certificates of that maturity or until all Certificates of that maturity have been sold to the public.

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

- (1) "public" means any person other than an underwriter or a related party,
- (2) "underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Certificates to the public),
- (3) a purchaser of any of the Certificates is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (4) "sale date" means the date of execution of this Purchase Agreement by all parties.

7. Representations, Warranties and Agreements of the District. The District hereby represents, warrants and agrees to the Underwriter that:

- (a) Valid Existence. The District is a unified school district duly organized and validly existing under the laws of the State.
- (b) Authority. The District has full legal right, power and authority under the laws of the State to (i) enter into the District Documents; (ii) approve and execute the Official Statement; (iii) issue, execute, sell, and deliver the Bonds to the Underwriter as provided herein; (iv) perform

its obligations under the District Documents; and (v) consummate the transactions as described in the District Documents and the Official Statement.

(c) Official Action. By all necessary action, the District has duly approved the Preliminary Official Statement and authorized: (i) the execution and delivery of the District Documents and the issuance, sale, execution, and delivery of the Bonds; (ii) approval of the final Official Statement and the signing of the Official Statement by the District's Superintendent or his designee; (iii) distribution of the Preliminary Official Statement and the Official Statement by the Underwriter; and (iv) the performance of the District's obligations under the District Documents and the consummation of the transactions to be consummated on its part as described therein and in the Official Statement.

(d) Validity of Documents. Assuming due authorization, execution, and delivery by the other parties thereto, this Bond Purchase Agreement is in full force and effect as of the date hereof and the other District Documents and the Bonds, upon execution thereof, will each constitute valid and binding agreements or obligations of the District, enforceable in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles.

(e) Government Approvals. All consents, approvals, authorizations, orders, licenses, or permits of any governmental authority, legislative body, board, agency, or commission having jurisdiction of the matter (i) that are required for the due authorization by, or (ii) that would constitute a condition precedent to, or the absence of which would materially adversely affect, the issuance, sale, or delivery of the Bonds or the due performance by the District of its obligations under the District Documents, have been duly obtained (except for such approvals, consents, and orders as may be required under the Blue Sky or other securities laws of any state in connection with the offering and sale of the Bonds, as to which no representation is made).

(f) No Violation of Law. The issuance, sale, and delivery of the Bonds, the execution and delivery of the District Documents, and compliance with the District's obligations therein will not violate any such constitutional provision, law, administrative regulation, judgment, or decree.

(g) No Breach of Contracts. The issuance, sale, and delivery of the Bonds, the execution and delivery of the District Documents, and compliance with the District's obligations therein will not result in a breach of or constitute a default under any loan agreement, indenture, bond, note, resolution, agreement, mortgage, lease, or other instrument to which the District is a party or by which it is bound.

(h) No Litigation. As of the date hereof and except as may be described in the Official Statement, no action, proceeding, investigation, suit, or hearing before any court, governmental agency or arbitrator is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the Board of Trustees of the District or any officer of the District who is required to act with respect to the issuance, execution, sale, and delivery of the Bonds or the execution and delivery of the District Documents; (ii) affecting or seeking to prohibit, restrain, or enjoin the issuance, sale, execution, or delivery of the Bonds, the application of the proceeds of

the sale of the Bonds, or the levy of any taxes contemplated by the Paying Agent Agreement; (iii) in any way contesting or affecting the validity or enforceability of the Bonds or the District Documents, the powers of the District, or its authority with respect to the issuance, sale, or delivery of the Bonds or the execution and delivery of the District Documents; (iv) in any way contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement; (v) in any way contesting or challenging the consummation of the transactions contemplated by the Official Statement or the District Documents; or (vi) in which a final adverse decision could materially adversely affect the operations of the District or the consummation of the transactions contemplated by the District Documents or adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes and the exemption of such interest from California personal income taxes or declare this Bond Purchase Agreement to be invalid or unenforceable in whole or in part.

(i) No Debt Issues. Between the date hereof and the Closing Time, without the consent of the Underwriter, which consent will not be unreasonably withheld, the District will not (i) offer or issue (or request the County of San Luis Obispo to issue on its behalf) any bonds, notes, or other obligations for borrowed money, or (ii) incur any material liabilities, direct or contingent, except in the course of normal business operations of the District.

(j) “Blue Sky” Qualification. The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate, and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for distribution of the Bonds; provided, however, that the District shall not be required to register as a broker-dealer in any state or other jurisdiction of the United States.

(k) Accuracy of Preliminary Official Statement. As of the date thereof, and at the time of the District’s acceptance hereof, the Preliminary Official Statement (except for any information about [the Insurer or] DTC) did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in the Preliminary Official Statement, in light of the circumstances under which they were made, not misleading.

(l) Accuracy of Official Statement. As of the date hereof, and (unless an event occurs of the nature described in Section 4(d) (Amendments or Supplements to Official Statement)) at all times subsequent hereto, up to and including the end of the underwriting period as described in Section 4(c) (End of the Underwriting Period), the Official Statement (except for any information about [the Insurer or] DTC) does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in the Official Statement, in light of the circumstances under which they are made, not misleading.

(m) Accuracy of Supplemented Official Statement. If the Official Statement is supplemented or amended pursuant to Section 4(d) (Amendments or Supplements to Official Statement), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such Section) at all times subsequent thereto up to and

including the end of the underwriting period as described in Section 4(c) (End of the Underwriting Period), the Official Statement as so supplemented or amended (except for any information about [the Insurer or] DTC) will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(n) Officials' Certificates. Any certificate signed by any officer or representative of the District with respect to the Bonds or the District Documents and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter as to the statements made therein.

(o) No Arbitrage. The District shall not take any action or fail to take any action, or permit any action or omission with regard to which the District may exercise control, with respect to the proceeds of the Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bonds would have caused the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, including the Treasury Regulations with respect thereto. In addition, the District has complies with all the requirements of the Code with respect to the Bonds.

(p) Levy of Tax. The District hereby agrees to take any and all actions as may be required by the County or otherwise necessary in order to arrange for the levy and collection of taxes, payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the Auditor-Controller-Treasurer-Tax Collector of the County a copy of the Resolution and the Paying Agent Agreement, a copy of **Exhibit C-1** hereto, and the full debt service schedule for the Bonds, in accordance with Education Code Section 15140(c) and policies and procedures of the County.

(q) No Material Adverse Change. The financial statements of, and other financial information regarding the District, in the Official Statement fairly present the financial position and results of the District as of the dates and for the periods therein set forth. Prior to the Closing Date, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the District.

(r) Continuing Disclosure. The Continuing Disclosure Certificate shall comply with the provisions of Rule 15c2-12 and be substantially in the form attached to the Preliminary Official Statement and Official Statement in Appendix C. Except as otherwise described in the Official Statement, the District has not failed during the previous five years to comply in all material respects with any previous undertakings in any written continuing disclosure certificate or agreement under Rule 15c2-12.

8. Conditions to the Underwriter's Obligations. The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations, warranties, and obligations of the District contained herein, in the other District Documents, and in the other documents and instruments to be delivered on the Closing Date. Accordingly, the Underwriter's obligations under this Bond Purchase Agreement shall be subject to the following conditions:

(a) Representations and Warranties. The representations and warranties of the District contained herein shall be true, complete, and correct in all material respects at the date hereof and at and as of the Closing Time, as if made at and as of the Closing Time and will be confirmed by a certificate or certificates of the appropriate District officer or officers dated the Closing Date; the statements made in all Bonds and other documents delivered to the Underwriter at the Closing Time pursuant hereto shall be true, complete, and correct in all material respects at the Closing Time; and the District shall be in compliance with each of the warranties, agreements, and covenants made by it in the District Documents.

(b) Actions and Obligations. (i) At the Closing Time all actions that, in the opinion of Bond Counsel are necessary in connection with the transactions contemplated hereby shall have been duly taken and shall be in full force and effect, and (ii) the District shall perform or have performed all of its obligations required under or specified in the District Documents to be performed at or prior to the Closing Time.

(c) Actions Relating to Documents. As of the date hereof and at the Closing Time, all necessary actions of the District relating to the District Documents and the Official Statement, and all other matters with respect to authorization, issuance, execution, sale, and delivery of the Bonds, shall have been taken and shall be in full force and effect and shall not have been amended, modified, or supplemented in any material respect, except as agreed to in writing by the Underwriter.

(d) No Material Change. Subsequent to the date hereof and up to and including the Closing Time, there shall not have occurred any change in the financial position, results of operations, or condition, financial or otherwise, of the District; or in any of the District Documents, as the foregoing matters are described in the Official Statement, that in the reasonable judgment of the Underwriter would materially impair the investment quality of the Bonds.

(e) Receipt of Documents. At or prior to Closing Date, the Underwriter shall receive a transcript of all proceedings relating to the authorization, issuance, execution, sale, and delivery of the Bonds, certified by such officer or officers of the District as shall be satisfactory to the Underwriter, specifically including copies of each of the following documents:

(i) Official Statement. The Official Statement delivered in accordance with Section 4 (Official Statement) hereof and each supplement or amendment thereto, if any, each executed by the Superintendent or his designee, or such other authorized officer of the District.

(ii) Final Opinion of Bond Counsel. An approving legal opinion of Bond Counsel, dated the Closing Date, in the form of Appendix B to the Official Statement, and a letter from Bond Counsel addressed to the Underwriter authorizing the Underwriter to rely on that opinion.

(iii) Supplemental Opinion of Bond Counsel. A supplemental opinion of Bond Counsel, addressed to the District and Underwriter, in form and substance to the effect that:

(1) The statements and information contained in the Official

Statement on the cover page and under the captions “INTRODUCTION,” “THE BONDS” (except for the information under the captions “Book-Entry Only System”), and “TAX MATTERS,” and in APPENDICES B and C, insofar as such statements purport to summarize certain provisions of the Bonds, the Paying Agent Agreement and such counsel’s opinion with respect to the validity of, and certain federal and State of California tax matters relating to, the Bonds, are true and accurate in all material respects;

(2) The Bonds are exempt from registration under the Securities Act of 1933, as amended (the “1933 Act”), and the Paying Agent Agreement is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended and then in effect (the “Trust Indenture Act”); and

(3) The District Documents have been duly authorized, executed and delivered by the District, and, assuming due authorization, execution and delivery by the other parties thereto, constitute the legal, valid and binding agreements of the District enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, fraudulent conveyance or other laws affecting the enforcement of creditors’ rights generally and equitable remedies if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and limitations on remedies against public agencies, and except as the enforceability of the indemnification or waiver provisions contained in the District Documents may be limited by applicable securities laws or public policy.

(iv) Disclosure Counsel Opinion. An opinion of Disclosure Counsel, dated the Closing Date and addressed to the District and the Underwriter, to the effect that without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the District, the Underwriter and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Preliminary Official Statement as of its date, and the Official Statement as of its date and as of the Closing Date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need be expressed as to DTC and its book entry only system, [the Insurer, the Insurance Policy], or any financial or statistical data contained in the Official Statement);

(v) [Opinion of Insurer’s Counsel]. A legal opinion of counsel to the Insurer, addressed to the Underwriter and the District, dated the Closing Date, in form and substance acceptable to the Underwriter, to the effect that:

(1) The Insurer is a New York domiciled mutual insurance

corporation, and is duly qualified to conduct an insurance business in the State of California; and

(2) The Insurance Policy has been duly executed and is a valid and binding obligation of the Insurer enforceable in accordance with its terms except that the enforcement of the Insurance Policy may be limited by laws relating to bankruptcy, insolvency, reorganization, moratorium, receivership and other similar laws affecting creditor's rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).]

(vi) District Resolution. The resolution of the Board of Trustees of the District approving the execution and delivery of the Bonds and the execution and delivery of the District Documents, approving the Preliminary Official Statement, and authorizing execution of the Official Statement and distribution of the Preliminary Official Statement and the Official Statement, certified by the Secretary of the Board of Trustees.

(vii) Tax Certificate. A Tax Certificate of the District in form satisfactory to Bond Counsel, signed by such officers of the District as shall be satisfactory to Bond Counsel and the Underwriter.

(viii) District's Certificate. A certificate, dated the Closing Date and signed by such officers of the District as shall be satisfactory to the Underwriter, to the effect that:

(1) the representations and warranties of the District contained herein are true and correct in all material respects on and as of the Closing Time with the same effect as if made at the Closing Time;

(2) the resolution of the Board of Trustees of the District authorizing the issuance, execution, sale, and delivery of the Bonds and the execution and delivery of the District Documents, approving the Preliminary Official Statement, and authorizing execution of the Official Statement and distribution of the Preliminary Official Statement and the Official Statement, is in full force and effect at the Closing Time and has not been amended, modified, or supplemented, except as agreed to in writing by the Underwriter;

(3) there has not been any adverse change of a material nature in the financial position, results of operations, or condition, financial or otherwise, of the District since the date of this Bond Purchase Agreement;

(4) the District has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Time;

(5) District officials have reviewed the Official Statement and on such basis certify that the Official Statement (excluding therefrom information regarding DTC and its book-entry only system) does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading;

(6) the Bonds being delivered on the Closing Date to the Underwriter under this Bond Purchase Agreement substantially conform to the descriptions thereof contained in the Paying Agent Agreement; and

(7) No event concerning the District has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement in light of the circumstances in which they were made not misleading.

(ix) Paying Agent's Certificate. A certificate dated the Closing Date of an authorized officer of the Paying Agent to the effect that:

(1) the Paying Agent has duly accepted its duties under the Paying Agent Agreement;

(2) the Paying Agent Agreement was duly executed and delivered and the Bonds were duly authenticated in the name and on behalf of the Paying Agent by authorized signatories of the Paying Agent; and

(3) there are no actions or proceedings against the Paying Agent pending (service of process having been accomplished) or, to the best knowledge of the Paying Agent threatened, before any court, governmental agency, or arbitrator that (a) seek to restrain or enjoin the execution and delivery of the Paying Agent Agreement or the delivery of the Bonds, by the Paying Agent, or (b) seek to affect the validity of the Bonds or the Paying Agent Agreement against the Paying Agent.

(x) Agreements. Fully executed copies of the Paying Agent Agreement and the Continuing Disclosure Certificate.

(xi) Rating Letters. Letters from Standard & Poor's Rating Service that it has assigned its financial enhancing rating of "___" [(based upon the delivery of the Insurance Policy by the Insurer)] and "___" (underlying) to the Bonds, and that such ratings are in full force and effect and have not been withdrawn or downgraded for any reason.

(xiv) Underwriter's Counsel Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Underwriter's Counsel, in format and substance acceptable to the Underwriter.

(xvi) Issue Price Certificate. The Underwriter shall execute and deliver on the Closing Date an issue price or similar certificate, as described in Section 6 hereof.

[(xvii) Bond Insurance. The Insurance Policy of the Insurer guaranteeing the payment of principal of and interest on the Bonds when due, together with a certificate of the Insurer in form and substance acceptable to Bond Counsel and the Underwriter.]

(xviii) Other Legal Opinions and Documents. Such additional legal opinions, certificates, proceedings, instruments, and other documents as the Underwriter or Bond Counsel may reasonably request to evidence compliance by the District and the Paying Agent with all legal requirements with respect to the issuance, sale, execution and delivery of the Bonds and the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

9. Termination. If the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Bond Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement may be cancelled by the Underwriter at, or at any time prior to, the Closing Time. Notice of such cancellation shall be given to the District in writing, or by telephone or email confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived in writing by the Underwriter at its sole discretion.

The Underwriter shall also have the right to cancel its obligations to purchase the Bonds, by written notice to the District, if between the date hereof and the Closing Time:

(a) Inaccuracy of Official Statement. Any event occurs or information becomes known that, in the reasonable judgment of the Underwriter, makes untrue any statement of a material fact set forth in the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(b) Change in Law Affecting Bonds. Any legislation, resolution, ordinance, rule, or regulation shall be introduced in or be enacted by any governmental body, department or agency of the State or federal government, or a decision by any court of competent jurisdiction within the State or the United States shall be rendered, or any action taken by any department or agency of the State or federal government that, in the reasonable judgment of the Underwriter, materially adversely affects the market price of the Bonds;

(c) Change in Law Affecting Tax Consequences of Interest Paid on the Bonds. The market for the Bonds or the market price of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds shall have been materially and adversely affected, in the reasonable judgment of the Underwriter, by legislation enacted by the Congress of the United

States, or passed by either House of the Congress, or favorably reported for passage to either House of the Congress by any Committee of such House to which such legislation has been referred for consideration, or by the legislature of the State; or a decision rendered by a court of the United States or the State or by the United States Tax Court, or a ruling, order, or regulation (final or temporary) made by the Treasury Department of the United States or the Internal Revenue Service or other federal or State authority, that would have the effect of changing, directly or indirectly, the federal income tax consequences or State income tax consequences of the receipt of interest paid with respect to obligations of the general character of the Bonds;

(d) Administrative Action Affecting Securities Law Status. A stop order, decree, injunction of court of competent jurisdiction or order, filing, ruling, regulation, or official statement by, or on behalf of, the Securities and Exchange Commission (including a no-action or interpretive letter of the staff thereof) or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, execution, sale, or delivery of obligations of the general character of the Bonds, including any underlying or related arrangements, as contemplated hereby or by the Official Statement, is in violation of (or would be in violation unless registered or otherwise qualified under) any provision of the 1933 Act, or the Bonds, including any underlying or related arrangements, are required to be registered under the Securities Exchange Act of 1934, as amended and as then in effect (the "Exchange Act"), or the Paying Agent Agreement is required to be qualified under the Trust Indenture Act;

(e) Change in Law Affecting Securities Law Status. Legislation shall be introduced in or enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Bonds, including any underlying or related arrangements, are not exempt from registration, qualification, or the other requirements of the 1933 Act or the Exchange Act that are not now applicable to the Bonds and any underlying or related arrangements or that the Paying Agent Agreement is not exempt from qualification under or other requirements of the Trust Indenture Act;

(f) Change in Capital Requirements. Any national securities exchange, or any governmental authority, shall impose, as to the Bonds, or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(g) Banking Moratorium. A general banking moratorium shall have been established by federal, New York, or State authorities;

(h) National Emergency. A war involving the United States of America shall have been declared, or any conflict involving the armed forces of the United States of America shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred (regardless of the circumstances, if any, that exist as to such events as of the date hereof) that, in the reasonable judgment of the Underwriter, materially adversely affects the market price of the Bonds;

(i) Suspension of Trading. A general suspension of trading on the New York Stock Exchange or any other national securities exchange shall be in force;

(j) Trading Restrictions. Additional material restrictions not in force or not being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange that, in the reasonable judgment of the Underwriter, materially adversely affects the market price for the Bonds;

(k) Event Requiring Amendment of Official Statement. An event described in Section 4(d) (Amendments or Supplements to Official Statement) hereof shall have occurred that, in the reasonable judgment opinion of the Underwriter, requires the preparation and publication of a supplement or amendment to the Official Statement;

(l) Litigation. Any litigation shall be instituted or be pending at the Closing Time to restrain or enjoin the issuance, execution, or delivery of the Bonds or in any way contesting or affecting any authority for or the validity of the proceedings authorizing and approving the Bonds, the District Documents, the security for the Bonds, or the existence or powers of the District;

(m) Actions Affecting Ratings. The occurrence or notice of intention of the withdrawal, downgrading, suspension, review, or negative change in credit watch status of any rating of the Bonds or the District's outstanding indebtedness by any national rating agency then rating the Bonds [or of the rating of the Insurer]; or

(n) Disruption of Settlement Payment or Clearance Services. The occurrence of a disruption in securities settlement payment or clearance services.

If the Underwriter terminates its obligations to purchase the Bonds because the conditions specified in this Bond Purchase Agreement shall not have been fulfilled at or before the Closing Time or for any reason permitted by this Bond Purchase Agreement, such termination shall not result in any liability on the part of the Underwriter.

10. Conditions to Obligations of the District. The performance by the District of its obligations hereunder is conditioned upon (i) the performance by the Underwriter of its obligations hereunder at or prior to the Closing Date, and (ii) the following additional conditions:

(a) Continued Legality. No order, decree, injunction, ruling, or regulation of any court, regulatory agency, public board, or body shall have been issued, nor shall any legislation have been enacted, with the purpose or effect, directly or indirectly, of prohibiting the issuance, offering, sale, execution, or delivery of the Bonds as contemplated hereby or by the Official Statement; and

(b) Opinions, Documents and Certificates. The opinions, documents and certificates required to be delivered at the Closing Time under Section 8(e) (Receipt of Documents) of this Bond Purchase Agreement by persons and entities other than the District shall have been delivered to the District and the Underwriter.

11. Expenses. (a) To the extent that the transactions contemplated by this Bond Purchase Agreement are consummated, the District shall pay (or cause to be paid), and the

Underwriter shall be under no obligation to pay, costs of issuance of the Bonds from proceeds thereof, including but not limited to the following:

- (i) the cost of the preparation and reproduction of the District Documents;
- (ii) the fees and disbursements of Bond Counsel, disclosure counsel, financial advisor, accountants, and any other experts or consultants retained in connection with the Bonds;
- (iii) the cost of the preparation, printing and delivery of the Bonds;
- (iv) the fees for Bond ratings, including all necessary travel expenses;
- (v) the cost of the printing and distribution of the Preliminary Official Statement, and the Official Statement;
- (vi) the initial fees of the Paying Agent; and
- (vii) all other fees and expenses incident to the issuance and sale of the Bonds.

(b) The Underwriter shall pay [the premium for the Insurance Policy] and all out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission and CUSIP fees, travel, all expenses incurred by it in connection with the public offering and distribution of the Bonds (including all advertisement expenses and “Blue Sky” filing fees), Underwriter’s Counsel, and other expenses (except as provided above) without limitation.

(c) The District acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

12. Continuing Disclosure. The District will undertake, pursuant to the Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain significant events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

13. Notices. Any notice or other communication to be given under this Bond Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing, if to the District, addressed to:

Paso Robles Joint Unified School District
800 Niblick Road
Paso Robles, CA 93446
Attention: Superintendent

or if to the Underwriter, addressed to:

Attention: _____

14. Parties in Interest. This Bond Purchase Agreement when accepted by the District in writing as heretofore specified, shall constitute the entire agreement between the District and the Underwriter and is made solely for the benefit of the District and the Underwriter (including the successors of the Underwriter). No other person shall acquire or have any right hereunder or by virtue hereof.

15. Survival of Representations and Warranties. All representations, warranties, and agreements of the District in this Bond Purchase Agreement shall survive regardless of (a) any investigation of any statement in respect thereof made by or on behalf of the Underwriter; (b) delivery of and payment by the Underwriter for the Bonds hereunder; and (c) any termination of this Bond Purchase Agreement.

16. Section Headings and References. The headings or titles of the sections and subsections of this Bond Purchase Agreement are solely for convenience of reference and shall not affect the meaning, construction, or effect of any provision of this Bond Purchase Agreement.

17. Execution in Counterparts. This Bond Purchase Agreement may be executed in several counterparts and by each of the parties hereto in separate counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

18. Applicable Law. This Bond Purchase Agreement shall be interpreted, governed and enforced in accordance with the laws of the State of California.

19. Effective Date. This Bond Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the District and shall be valid and enforceable as of the time of such acceptance.

[UNDERWRITER]

By: _____
Title: _____

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

PASO ROBLES JOINT UNIFIED SCHOOL DISTRICT

By: _____
Chris Williams, Superintendent

Time of Execution: _____, 2018; _____ p.m. PST

EXHIBIT C-1

DESCRIPTION OF THE BONDS

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
8/1/2019				
8/1/2020				
8/1/2021				
8/1/2022				
8/1/2023				
8/1/2024				
8/1/2025				
8/1/2026				
8/1/2027				
8/1/2028				
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8/1/2038				
8/1/2039				
8/1/2040				
8/1/2041				
8/1/2042				
8/1/2043				
8/1/2044				
8/1/2045				
8/1/2046				
8/1/2047				
8/1/2048				

C = Priced to optional call date of August 1, 20__ at par

REDEMPTION PROVISION

Optional Redemption of Bonds. The Bonds maturing on or before August 1, 202__, shall not be subject to redemption prior to their respective stated maturities. Bonds maturing on or after August 1, 20__, are subject to redemption prior to their respective stated maturities, at the option of the District, from any source of available funds, as a whole or in part (by such maturities as may be specified by the District and by lot within a maturity), on any date on or after August 1, 20__, at redemption prices equal to the principal amount of Bonds called for redemption, plus accrued interest to the date fixed for redemption, without premium.

EXHIBIT C-2

FORM OF ISSUE PRICE CERTIFICATE

EXHIBIT D

[\$40,000,000]*

**GENERAL OBLIGATION BONDS OF
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1 OF THE
PASO ROBLES JOINT UNIFIED SCHOOL DISTRICT
SAN LUIS OBISPO COUNTY, CALIFORNIA
ELECTION OF 2016, SERIES A**

BOND PARAMETERS AND ESTIMATED COSTS OF ISSUANCE

1. Estimated True Interest Cost of the Bonds: 3.75%
2. Estimated Costs of Issuance of the Bonds, being the sum of all fees paid to third parties other than the Underwriter's discount and bond insurance, is approximately \$188,000. Estimate bond insurance premium is approximately \$400,000. Estimated Underwriter's discount is approximately \$400,000.
3. Estimated Amount of Proceeds to be received by the District, less Costs of Issuance, reserves (if any) and capitalized interest (if any): \$39,812,000.
4. Estimated Total Payment of Principal and Interest on the Bonds through final maturity of the Bonds: \$72,725,000.

*Preliminary, subject to change