RESOLUTION NO. 2021/06

RESOLUTION OF THE BOARD OF EDUCATION OF THE GILROY UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED $94,680,000 AGGREGATE PRINCIPAL AMOUNT OF BONDS OF THE DISTRICT BY A NEGOTIATED SALE, PRESCRIBING THE TERMS OF SALE, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT FOR THE BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, an election was duly called and regularly held in the Gilroy Unified School District (the "District"), located in the County of Santa Clara, California (the "County"), on June 7, 2016, at which the following proposition (as abbreviated pursuant to Section 13247 of the California Elections Code) was submitted to the electors of the District (the "Bond Measure"):

> *"To improve the quality of local school facilities; renovate or replace leaky roofs; improve student access to computers and modern technology; renovate plumbing and sewer systems; make health, safety and security improvements; upgrade science labs and classrooms throughout the District; and construct a new elementary school, shall Gilroy Unified School District issue $170,000,000 of bonds, at legal rates, with an independent citizens' oversight committee, NO money used for administrator salaries and all funds controlled locally?"* and

WHEREAS, passage of said proposition required at least a 55% affirmative vote of the votes cast therein, and at least 55% of the votes cast on said proposition were in favor of issuing said bonds; and

WHEREAS, on January 19, 2017, pursuant to Resolution No. 16/17-31 of the Board of Education (the "Board of Education") of the District adopted on October 20, 2016, a portion of such bonds, designated the "Gilroy Unified School District (Santa Clara County, California) General Obligation Bonds, Election of 2016, Series 2017," in an aggregate principal amount of $60,000,000 was issued and sold; and

WHEREAS, on May 14, 2019, pursuant to Resolution No. 18/19-30 of the Board of Education of the District adopted on March 21, 2019, an issue of bonds of the District, designated the "Gilroy Unified School District (Santa Clara County, California) General Obligation Bonds, Election of 2008 and 2016, Series 2019," in an aggregate principal amount of $44,275,000 was issued and sold, of which $15,320,000 was issued pursuant to the Bond Measure, leaving $94,680,000 aggregate principal amount authorized but unissued under the Bond Measure; and

WHEREAS, at this time, the Board of Education of the District deems it necessary and desirable to authorize and consummate the sale of the remaining portion of the bonds, designated

the "Gilroy Unified School District (Santa Clara County, California) General Obligation Bonds, Election of 2018, Series 2021" (the "Series 2021 Bonds"), with such additional or other series or subseries designations as may be approved as herein provided, in an aggregate principal amount not exceeding $94,680,000 for purposes of financing projects authorized to be financed under the Bond Measure, according to the terms and in the manner hereinafter set forth; and

WHEREAS, Sections 53506 and following of the California Government Code (the "Government Code"), including Section 53508.7 thereof, provide that a school district may issue and sell bonds on its own behalf at a private or negotiated sale pursuant to Sections 15140 and 15146 of the California Education Code (the "Education Code"); and

WHEREAS, Section 15140(b) of the Education Code provides that the board of supervisors of a county may authorize a school district in the county to issue and sell its own bonds without the further action of the board of supervisors or officers of the county if said school district has not received a qualified or negative certification in its most recent interim report; and

WHEREAS, the District has not received a qualified or negative certification in its most recent interim report; and

WHEREAS, the Series 2021 Bonds shall be issued and sold by the District on its own behalf at a negotiated sale pursuant to authorization to be obtained from the Board of Supervisors of the County (the "Board of Supervisors"); and

WHEREAS, pursuant to Section 33050 et seq. of the Education Code, the governing board of a school district or a county board of education, on a districtwide or countywide basis or on behalf of one or more of its schools or programs, after a public hearing on the matter, may request the State Board of Education to waive all or part of any section of the Education Code or any regulation adopted by the State Board of Education that implements a provision of the Education Code that may be waived, except for certain specified provisions of the Education Code set forth in Education Code Section 33050(a); and

WHEREAS, under Education Code Section 15270, bonds of unified districts may be issued in amounts up to a statutory bonding limit of 2.50% of the district's assessed valuation, as calculated by the county assessor; and

WHEREAS, in the Bond Measure, it was recognized that the issuance of all of the authorized bonds might require the outstanding debt of the District to exceed its statutory bonding limit of 2.50% of the District's assessed valuation; and

WHEREAS, as part of the Bond Measure, the voters of the District authorized the District to seek a waiver of the statutory bonding limit from the State Board of Education, and to issue authorized bonds in excess of the 2.50% limit as the State Board of Education may approve; and

WHEREAS, issuing these remaining bonds within the statutory bonding limit would require an unknown delay until assessed valuation can grow or outstanding bonds can be paid down in a sufficient amount; and

WHEREAS, delaying issuance of the remaining bonds foreseeably will drive the bond program off schedule, and likely increase costs significantly; and

WHEREAS, in order for the District to complete critical projects authorized by the Bond Measure in a timely and cost effective manner, the Board of Education has determined it is in the best interest of the District to issue authorized bonds in excess of the 2.50% limit pursuant to a waiver of the statutory bonding limit to be obtained from the State Board of Education; and

WHEREAS, the Board of Education has determined that securing the timely payment of the principal of and interest on the Series 2021 Bonds by obtaining a municipal bond insurance policy with respect thereto could be economically advantageous to the District; and

WHEREAS, a form of Bond Purchase Agreement (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Bond Purchase Agreement") to purchase the Series 2021 Bonds proposed to be entered into with Raymond James & Associates, Inc., as underwriter (the "Underwriter") has been prepared; and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Series 2021 Bonds, the Underwriter must have reasonably determined that the issuer or other obligated person has undertaken in a written agreement or contract for the benefit of the holders of the Series 2021 Bonds to provide disclosure of certain financial and operating information and certain enumerated events on an ongoing basis; and

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

WHEREAS, the Preliminary Official Statement to be distributed in connection with the public offering of the Series 2021 Bonds has been prepared (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Preliminary Official Statement"); and

WHEREAS, Government Code Section 5852.1 requires that the Board of Education obtain from an underwriter, financial advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, in compliance with Government Code Section 5852.1, the Board of Education has obtained from Isom Advisors, a Division of Urban Futures, Inc., as financial advisor

under Education Code Section 15146(b)(1)(C) and as municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the "Municipal Advisor"), and the Underwriter the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto; and

WHEREAS, the District has previously adopted a local debt policy (the "Debt Management Policy") that complies with Government Code Section 8855(i), and the District's sale and issuance of the Series 2021 Bonds as contemplated by this Resolution is in compliance with the Debt Management Policy; and

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

WHEREAS, the District desires that the County levy and collect a tax on all taxable property within the District sufficient to provide for payment of the Series 2021 Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County, the Auditor-Controller of the County, the Director of Finance of the County and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of principal of and interest on the Series 2021 Bonds, all pursuant to Sections 15250 and 15251 of the Education Code; and

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Gilroy Unified School District, as follows:

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

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

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

"Authorized Officers" means the President of the Board of Education, or such other member of the Board of Education as the President may designate, the Superintendent of the District, the Assistant Superintendent, Business Services of the District, or such other officer or employee of the District as the Superintendent may designate.

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

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

"Bond Purchase Agreement" means the Bond Purchase Agreement relating to the sale of the Series 2021 Bonds by and between the District and the Underwriter in accordance with the provisions hereof.

"Bonds" means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District on November 5, 2002 and November 4, 2008, and pursuant to the Bond Measure, as all such Bonds are required by State law to be paid from the interest and sinking fund.

"Cede & Co." means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2021 Bonds.

"Code" means the Internal Revenue Code of 1986.

"Continuing Disclosure Certificate" means the Continuing Disclosure Certificate executed and delivered by the District relating to the Series 2021 Bonds.

"County" means the County of Santa Clara.

"Director of Finance" means the Director of Finance of the County or any authorized deputy thereof.

"District" means the Gilroy Unified School District.

"DTC" means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Series 2021 Bonds, including any such successor thereto appointed pursuant to Section 9 hereof.

"Interest Payment Date" means February 1 and August 1 of each year, commencing on August 1, 2021, or such other dates as may be set forth in the Bond Purchase Agreement.

"Investment Agreement" shall have the meaning set forth in Section 15 hereof.

"Official Statement" means the Official Statement of the District relating to the Series 2021 Bonds.

"Opinion of Bond Counsel" means an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds.

"Owner" means, with respect to any Series 2021 Bond, the person whose name appears on the Registration Books as the registered Owner thereof.

"Paying Agent" means The Bank of New York Mellon Trust Company, N.A., or the Director of Finance of the County, including his or her designated agents, or any bank, trust company, national banking association or other financial institution appointed as Paying Agent to

act as authenticating agent, bond registrar, transfer agent and paying agent for the Series 2021 Bonds in accordance with Section 8 hereof.

"Preliminary Official Statement" means the Preliminary Official Statement of the District relating to the Series 2021 Bonds.

"Record Date" means, with respect to any Interest Payment Date for Series 2021 Bonds, the 15th day of the calendar month immediately preceding such Interest Payment Date for such Series 2021 Bonds, whether or not such day is a business day, or such other date or dates as may be set forth in the Bond Purchase Agreement.

"Registration Books" means the books for the registration and transfer of the Series 2021 Bonds maintained by the Paying Agent in accordance with Section 8(d) hereof.

"Series 2021 Bonds" means the bonds authorized and issued pursuant to this Resolution, in one or more series or subseries, designated the "Gilroy Unified School District (Santa Clara County, California) General Obligation Bonds, Election of 2016, Series 2021," with such additional or other series or subseries designations as may be approved as herein provided.

"State" means the State of California.

"Tax Certificate" means the Tax Certificate with respect to the Series 2021 Bonds not issued as Taxable Bonds, executed by the District, dated the date of issuance of such Series 2021 Bonds.

"Tax-Exempt" means, with respect to interest on any obligations of a state or local government, that such interest is excluded from the gross income of the holders thereof for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Code.

"Taxable Bonds" means those Series 2021 Bonds the interest on which is not Tax-Exempt.

"Underwriter" means Raymond James & Associates, Inc., as underwriter.

Section 3. Authorization and Designation of Bonds. Subject to the authorization of the District by the Board of Supervisors of the County to issue and sell the Series 2021 Bonds without the further action of the Board of Supervisors pursuant to Sections 15140 and 15146 of the Education Code, as permitted by Section 53508.7 of the Government Code, which authorization is hereby respectfully requested, the Series 2021 Bonds described herein are being issued pursuant to the authority of Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the Government Code, and other applicable provisions of law, including applicable provisions of the Education Code. The Board of Education hereby authorizes the issuance and sale, by a negotiated sale, of not to exceed $94,680,000 aggregate principal amount of Series 2021 Bonds. The Series 2021 Bonds may be issued in one or more series or subseries and shall be designated "Gilroy Unified School District (Santa Clara County, California) General Obligation Bonds, Election of 2016, Series 2021," with appropriate additional or other series or subseries designations as approved by an

Authorized Officer. The proceeds of the Series 2021 Bonds, exclusive of any premium and accrued interest received, shall be applied to finance projects authorized to be financed under the Bond Measure.

Section 4. Form of Bonds; Execution. (a) *Form of Series 2021 Bonds*. The Series 2021 Bonds shall be issued in fully registered form without coupons. The Series 2021 Bonds and the certificate of authentication and registration and the form of assignment to appear on each of them, shall be in substantially the form attached hereto as Exhibit B, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.

(b) *Execution of Bonds*. The Series 2021 Bonds shall be signed by the manual or facsimile signatures of the President of the Board of Education, and countersigned by the manual or facsimile signature of the Secretary of the Board of Education (or the designee of any such respective officers if any are unavailable). The Series 2021 Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.

(c) *Valid Authentication*. Only such of the Series 2021 Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (a) of this Section, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of authentication and registration shall be conclusive evidence that the Series 2021 Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

(d) *Identifying Number*. The Paying Agent shall assign each Series 2021 Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal office, which record shall be available to the District and the County for inspection.

Section 5. Terms of Bonds. (a) *Date of Series 2021 Bonds*. The Series 2021 Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement.

(b) *Denominations*. The Series 2021 Bonds shall be issued in denominations of $5,000 principal amount or any integral multiple thereof.

(c) *Maturity*. The Series 2021 Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Agreement. No Series 2021 Bond shall mature later than the date which is 30 years from the date of the Series 2021 Bonds, to be determined as provided in subsection (a) of this Section. No Series 2021 Bond shall have principal maturing on more than one principal maturity date.

(d) *Interest*. The Series 2021 Bonds shall bear interest at an interest rate or rates not to exceed 6.00% per annum, payable on the Interest Payment Dates in each year computed on the basis of a 360-day year of twelve 30-day months. Each Series 2021 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Payment Date for such Series 2021 Bond, in which event it shall bear interest from such Interest

Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date for such Series 2021 Bond, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Series 2021 Bond, interest is in default on any outstanding Series 2021 Bonds, such Series 2021 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Series 2021 Bonds.

(e) *Interest; Tax-Exempt or Taxable.* Each series of the Series 2021 Bonds or portion thereof may be issued such that the interest on such series of Series 2021 Bonds is Tax-Exempt or such that the interest on such series of Series 2021 Bonds is not Tax-Exempt. The Board of Education hereby finds and determines that, pursuant to Section 5903 of the Government Code, the interest payable on each series of Series 2021 Bonds or portion thereof issued as Taxable Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of such series of Series 2021 Bonds.

Section 6. Payment of Bonds. (a) *Request for Tax Levy*. The money for the payment of principal, redemption premium, if any, and interest on the Series 2021 Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Series 2021 Bonds in such year, and to pay from such taxes all amounts due on the Series 2021 Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to redeem the Series 2021 Bonds, and to pay the principal, redemption premium, if any, and interest thereon, and all fees and expenses of the Paying Agent, insofar as permitted by law, including specifically by Section 15232 of the Education Code, as and when the same become due.

(b) *Principal*. The principal of the Series 2021 Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the principal corporate trust office of the Paying Agent.

(c) *Interest; Record Date*. The interest on the Series 2021 Bonds shall be payable on each Interest Payment Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Payment Date, such interest to be paid by check or draft mailed on such Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to such Owner at such Owner's address as it appears on the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least $1,000,000 of outstanding Series 2021 Bonds who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Payment Date.

(d) *Interest and Sinking Fund.* Principal and interest due on the Series 2021 Bonds shall be paid from the interest and sinking fund of the District as provided in Section 15146 of the Education Code.

(e) *Obligation of the District.* No part of any fund or account of the County is pledged or obligated to the payment of the Series 2021 Bonds. The obligation for repayment of the Series 2021 Bonds is the sole obligation of the District.

(f) *Pledge of Taxes.* The District hereby pledges all revenues from the property taxes collected from the levy by the Board of Supervisors of the County for the payment of Bonds of the District and amounts on deposit in the interest and sinking fund of the District to the payment of the principal or redemption price of and interest on the Bonds. This pledge shall be valid and binding from the date hereof for the benefit of the owners of the Bonds and successors thereto. The property taxes and amounts held in the interest and sinking fund of the District shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the interest and sinking fund of the District to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The pledge is an agreement between the District and the owners of Bonds to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds secured by the pledge are or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

(g) *Insurance.* The payment of principal of and interest on all or a portion of the Series 2021 Bonds may be secured by a municipal bond insurance policy as shall be described in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that no municipal bond insurance policy shall be obtained. The Authorized Officers are each hereby authorized and directed to qualify the District for municipal bond insurance for the Series 2021 Bonds and authorize that such insurance be obtained if the present value cost of such insurance is less than the present value of the estimated interest savings with respect to the Series 2021 Bonds. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver a contract or contracts for such insurance if such contract is deemed by the Authorized Officer executing the same to be in the best interests of the District, such determination to be conclusively evidenced by such Authorized Officer's execution and delivery of such contract. If the Authorized Officers so deem and obtain municipal bond insurance, and such insurance is issued by a mutual insurance company, the Authorized Officers are each hereby authorized and directed to enter into any required mutual insurance agreement substantially in such insurer's standard form with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of such agreement by such Authorized Officer.

Section 7. <u>Redemption Provisions</u>. (a) *Optional Redemption*. The Series 2021 Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that the Series 2021 Bonds shall not be subject to optional redemption.

(b) *Selection.* If less than all of the Series 2021 Bonds, if any, are subject to such redemption and are called for redemption, such Series 2021 Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the Bond Purchase Agreement), and if less than all of the Series 2021 Bonds of any given maturity are called

for redemption, the portions of such Series 2021 Bonds of a given maturity to be redeemed shall be determined by lot (or as otherwise set forth in the Bond Purchase Agreement).

(c) *Mandatory Sinking Fund Redemption*. The Series 2021 Bonds, if any, which are designated in the Bond Purchase Agreement as term bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot (or as otherwise set forth in the Bond Purchase Agreement), from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Bond Purchase Agreement. Unless otherwise provided in the Bond Purchase Agreement, the principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately or as otherwise directed by the District by the amount of any Series 2021 Bonds of that maturity redeemed in accordance with subsection (a) of this Section prior to the mandatory sinking fund payment date. The Bond Purchase Agreement may provide that the Series 2021 Bonds shall not be subject to mandatory sinking fund redemption. The Auditor-Controller is hereby authorized to create such sinking funds or accounts for the term Series 2021 Bonds as shall be necessary to accomplish the purposes of this Section.

(d) *Notice of Redemption*. Notice of any redemption of the Series 2021 Bonds shall be mailed by the Paying Agent, postage prepaid, not less than 20 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Series 2021 Bonds and the date of issue of the Series 2021 Bonds; (iii) the redemption date; (iv) the redemption price; (v) the series of Series 2021 Bonds and the dates of maturity or maturities of Series 2021 Bonds to be redeemed; (vi) if less than all of the Series 2021 Bonds of a series of any maturity are to be redeemed, the distinctive numbers of the Series 2021 Bonds of each maturity of such series to be redeemed; (vii) in the case of Series 2021 Bonds of a series redeemed in part only, the respective portions of the principal amount of the Series 2021 Bonds of each maturity of such series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Series 2021 Bonds of a series to be redeemed; (ix) a statement that such Series 2021 Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Series 2021 Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

(e) *Effect of Notice*. A certificate of the Paying Agent that notice of redemption has been given to Owners as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Series 2021 Bonds or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Series 2021 Bonds called for redemption is set aside for the purpose as described in subsection (g) of this Section, the Series 2021 Bonds designated for redemption

shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Series 2021 Bonds at the place specified in the notice of redemption, such Series 2021 Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series 2021 Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the interest and sinking fund or the trust fund established for such purpose. All Series 2021 Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(f) *Right to Rescind Notice.* The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Series 2021 Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption monies are not available in the interest and sinking fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series 2021 Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Series 2021 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

(g) *Funds for Redemption*. Prior to or on the redemption date of any Series 2021 Bonds there shall be available in the interest and sinking fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as in this Resolution provided, the Series 2021 Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Series 2021 Bonds to be redeemed upon presentation and surrender of such Series 2021 Bonds, provided that all monies in the interest and sinking fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the interest and sinking fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Series 2021 Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the interest and sinking fund of the District or otherwise held in trust for the payment of redemption price of the Series 2021 Bonds, the monies shall be held in or returned or transferred to the interest and sinking fund of the District for payment of any outstanding Bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of Bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such Bonds. If no such Bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

(h) *Defeasance of Bonds*. If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Series 2021 Bonds all or any part of the principal, interest and premium, if any, on the Series 2021 Bonds at the times and in the manner provided herein and in the Series 2021 Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners shall cease to be entitled to the obligation of the District and the County as provided in Section 6 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners

hereunder and under the Series 2021 Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by the Series 2021 Bonds, but only out of monies on deposit in the interest and sinking fund or otherwise held in trust for such payment; and provided further, however, that the provisions of subsection (i) of this Section shall apply in all events.

For purposes of this Section, the District may pay and discharge any or all of the Series 2021 Bonds by depositing in trust with the Paying Agent or an escrow agent selected by the District, at or before maturity, money or non-callable direct obligations of the United States of America (including zero interest bearing State and Local Government Series) or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the interest and sinking fund of the District, be fully sufficient to pay and discharge the indebtedness on such Series 2021 Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

(i) *Unclaimed Monies*. Any money held in any fund created pursuant to this Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Series 2021 Bonds and remaining unclaimed for two years after the principal of all of the Series 2021 Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the interest and sinking fund of the District for payment of any outstanding Bonds of the District payable from the fund; or, if no such Bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Section 8. Paying Agent. (a) *Appointment; Payment of Fees and Expenses*. This Board of Education does hereby consent to and confirm the appointment of The Bank of New York Mellon Trust Company, N.A., to act as the initial paying agent for the Series 2021 Bonds. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Series 2021 Bonds, or from the interest and sinking fund of the District, insofar as permitted by law, including specifically by Section 15232 of the Education Code, such fees and expenses shall be paid by the District.

(b) *Resignation, Removal and Replacement of Paying Agent*. The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the District as provided in the Paying Agent's service agreement. If at any time the Paying Agent shall resign or be removed, the District shall appoint a successor Paying Agent, which shall be the Director of Finance of the County, including his or her designated agents, or any bank, trust company, national banking association or other financial institution doing business in and having a corporate trust office in California, with at least $50,000,000 in net assets.

(c) *Principal Corporate Trust Office*. The initial Paying Agent, and any successor Paying Agent, shall designate each place or places where it will conduct the functions of transfer, registration, exchange, payment, and surrender of the Series 2021 Bonds, and any reference herein to the "principal corporate trust office" of the Paying Agent shall mean the office so designated

for a particular purpose, which includes the office of the Director of Finance of the County, or the office of his or her designated agents, if the Director of Finance of the County is acting in the capacity of the Paying Agent. If no office is so designated for a particular purpose, such functions shall be conducted at the office of The Bank of New York Mellon Trust Company, N.A., in Dallas, Texas, or the principal corporate trust office of any successor Paying Agent.

(d) *Registration Books*. The Paying Agent shall keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Series 2021 Bonds, which shall at all times be open to inspection by the District and the County, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on the Registration Books, Series 2021 Bonds as provided in Sections 9 and 10 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Series 2021 Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District in a format mutually agreeable to the Paying Agent and the District.

(e) *Merger or Consolidation.* Any bank, national banking association or trust company into which the Paying Agent may be merged or converted or with which it may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under subsection (b) of this Section shall be the successor to such Paying Agent, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 9. Transfer Under Book-Entry System; Discontinuation of Book-Entry System. (a) *Appointment of Depository; Book-Entry System.* Unless otherwise specified in the Bond Purchase Agreement, DTC is hereby appointed depository for each series of the Series 2021 Bonds and the Series 2021 Bonds shall be issued in book-entry form only, and shall be initially registered in the name of "Cede & Co.," as nominee of DTC. One bond certificate shall be issued for each maturity of each series or subseries of the Series 2021 Bonds; provided, however, that if different CUSIP numbers are assigned to Series 2021 Bonds of a series or subseries maturing in a single year or, if Series 2021 Bonds of the same series or subseries maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Series 2021 Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 10 hereof:

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

(ii) To any substitute depository not objected to by the District, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute

depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

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

(b) *Transfers.* In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Series 2021 Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Series 2021 Bond for each maturity shall be executed and delivered (in the aggregate principal amount of such Series 2021 Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Series 2021 Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Series 2021 Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 5 hereof and the receipt of such a written request of the District, and thereafter, the Series 2021 Bonds shall be transferred pursuant to the provisions set forth in Section 10 hereof; provided, however, that the Paying Agent shall not be required to deliver such new Series 2021 Bonds within a period of less than 60 days after the receipt of any such written request of the District.

(c) *Partial or Advance Refundings.* In the case of partial redemption or an advance refunding of the Series 2021 Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Series 2021 Bonds indicating the date and amounts of such reduction in principal.

(d) *Treatment of Registered Owner.* The District and the Paying Agent shall be entitled to treat the person in whose name any Series 2021 Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent; and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Series 2021 Bonds, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Series 2021 Bonds.

(e) *Form of Payment.* So long as the outstanding Series 2021 Bonds are registered in the name of Cede & Co. or its registered assigns, the District and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Series 2021 Bonds by arranging for payment in such manner that

funds for such payments are properly identified and are made immediately available on the date they are due.

Section 10. Transfer and Exchange. (a) *Transfer.* Following the termination or removal of DTC or successor depository pursuant to Section 9 hereof, any Series 2021 Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series 2021 Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Series 2021 Bond or Series 2021 Bonds shall be surrendered for transfer, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series 2021 Bond or Series 2021 Bonds, of the same maturity, Interest Payment Date and interest rate or rates (for a like aggregate principal amount). The Paying Agent may require the payment by any Owner of Series 2021 Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Series 2021 Bond shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Series 2021 Bonds for redemption, and (ii) after any Series 2021 Bond has been selected for redemption.

(b) *Exchange*. The Series 2021 Bonds may be exchanged for Series 2021 Bonds of other authorized denominations of the same series, maturity, Interest Payment Date and interest rate or rates, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series 2021 Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed request for exchange in a form approved by the Paying Agent.

Whenever any Series 2021 Bond or Series 2021 Bonds shall be surrendered for exchange, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series 2021 Bond or Series 2021 Bonds of the same series, maturity and interest payment mode and interest rate or rates (for a like aggregate principal amount). The Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchange of any Series 2021 Bonds shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Series 2021 Bonds for redemption, and (ii) after any Series 2021 Bond has been selected for redemption.

Section 11. Bond Purchase Agreement; Sale of Bonds. (a) *Bond Purchase Agreement.* The form of Bond Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that (a) the true interest cost for the Series 2021 Bonds shall not be in excess of 4.50%, (b) the

interest rates on the Series 2021 Bonds shall not exceed 6.00% per annum, (c) the ratio of total debt service to principal of the Series 2021 Bonds shall not exceed four to one, (d) the Underwriter's discount for the sale of Series 2021 Bonds shall not exceed 0.50% of the principal amount of such Series 2021 Bonds (exclusive of any costs of issuance the Underwriter contracts to pay), and (e) the Series 2021 Bonds shall otherwise conform to the limitations specified herein.

The Bond Purchase Agreement shall recite the aggregate principal amount of the Series 2021 Bonds, and the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual Interest Payment Dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any.

(b) *Method of Sale.* The Board of Education hereby finds and determines that the sale of the Series 2021 Bonds at negotiated sale as contemplated herein and by the Bond Purchase Agreement will provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Series 2021 Bonds to fit the needs of particular purchasers, and greater opportunity for the Underwriter to pre-market the Series 2021 Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds.

(c) *Reserves and Capitalized Interest.* In accordance with subsections (i) and (j) of Section 15146 of the Education Code, the Authorized Officers are each hereby authorized to cause to be deposited in the interest and sinking fund of the District proceeds of sale of the Series 2021 Bonds (in addition to any premium or accrued interest received) to fund (i) an annual reserve permitted by Section 15250 of the Education Code, and/or (ii) capitalized interest in an amount not exceeding the interest scheduled to become due on the Series 2021 Bonds for a period of two years from the date of issuance of the Series 2021 Bonds, as shall be set forth in the Bond Purchase Agreement, if any such a deposit is deemed by the Authorized Officer executing the same to be in the best interests of the District.

(d) *Good Faith Estimates.* In accordance with Government Code Section 5852.1 and subsection (b) of Section 15146 of the Education Code, good faith estimates of the following have been obtained from the Municipal Advisor and the Underwriter and are set forth on Exhibit A attached hereto: (a) the true interest cost of the Series 2021 Bonds, (b) the sum of all fees and charges paid to third parties with respect to the Series 2021 Bonds, (c) the amount of proceeds of the Series 2021 Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Series 2021 Bonds, and (d) the sum total of all debt service payments on the Series 2021 Bonds calculated to the final maturity of the Series 2021 Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Series 2021 Bonds. In accordance with Section 15146(b)(4) of the Education Code, the actual costs associated with the issuance of the Series 2021 Bonds shall be presented to this Board of Education at its next scheduled public meeting following the sale of the Series 2021 Bonds.

(e) *Costs of Issuance.* In accordance with subsection (h) of Section 15146 of the Education Code, to the extent not contracted to be paid by the Underwriter, the Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by a bank, national banking association or trust company meeting the qualifications necessary

to be a paying agent set forth in Section 8, as cost of issuance administrator, proceeds of sale of the Series 2021 Bonds (exclusive of any premium or accrued interest received) in an amount not exceeding 2.00% of the principal amount of the Series 2021 Bonds sold, as shall be set forth in the Bond Purchase Agreement, for the purposes of paying the costs associated with the issuance of the Series 2021 Bonds.

Section 12. Continuing Disclosure Certificate. The Continuing Disclosure Certificate, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Continuing Disclosure Certificate in substantially said form, as is necessary to cause the requirements of Rule 15c2-12 to be satisfied, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such determination, requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Certificate by such Authorized Officer.

Section 13. Preliminary Official Statement. The Preliminary Official Statement to be distributed in connection with the public offering of the Series 2021 Bonds, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, with such changes, insertions and omissions as may be approved by an Authorized Officer, is hereby approved, and the use of such Preliminary Official Statement in connection with the offering and sale of the Series 2021 Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the District that such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). If and to the extent it is necessary to make substantial changes to the Preliminary Official Statement prior to the offering and sale of the Series 2021 Bonds, the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2021 Bonds, and the certification of its finality within the meaning of Rule 15c2-12 by an Authorized Officer, shall follow the distribution to the Board of Trustees of a revised draft of the Preliminary Official Statement with accompanying directions and instructions to members of the Board of Trustees to review the revised Preliminary Official Statement and provide comments to such Authorized Officer.

Section 14. Official Statement. The preparation and delivery of an Official Statement with respect to the Series 2021 Bonds, and its use by the Underwriter in connection with the offering and sale of the Series 2021 Bonds, is hereby authorized and approved. Such Official Statement shall be in substantially the form of the Preliminary Official Statement distributed in connection with the public offering of the Series 2021 Bonds with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the District, to execute the final Official Statement with respect to the Series 2021 Bonds and any amendment or supplement thereto and thereupon to cause such final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 15. Investment of Proceeds. (a) *Deposit of Proceeds.* As provided in subsection (g) of Section 15146 of the Education Code, (i) the proceeds of the sale of the Series 2021 Bonds, exclusive of any premium or accrued interest received, shall be deposited in the County treasury

to the credit of the building fund of the District, (ii) the proceeds deposited in the building fund of the District shall be drawn out as other school monies are drawn out, and (iii) the bond proceeds withdrawn shall not be applied to any purposes other than those for which the Series 2021 Bonds were issued. In accordance with subsection (g) of Section 15146 of the Education Code, at no time shall the proceeds of the Series 2021 Bonds be withdrawn by the District for investment outside the County treasury. Amounts in the building fund of the District shall be invested so as to be available for the aforementioned disbursements and the District shall keep a written record of such disbursements. Pursuant to subsection (g) of Section 15146 of the Education Code, any premium or accrued interest received by the District from the sale of the Series 2021 Bonds, shall be deposited in the interest and sinking fund of the District.

(b) *Investment of Proceeds*. All funds held in the interest and sinking fund of the District shall be invested at the sole discretion of the Director of Finance of the County pursuant to State law, including Government Code Section 53601 *et. seq.*, and the investment policy of the County, as either may be amended or supplemented from time to time. Proceeds of the Series 2021 Bonds held in the building fund of the District shall be invested at the sole discretion of the Director of Finance of the County pursuant to State law, including Government Code Section 53601 *et. seq.*, and the investment policy of the County, as either may be amended or supplemented from time to time.

(c) *Investment Agreements.* To the extent permitted by law, at the written request of an Authorized Officer, each of whom is hereby expressly authorized to make such request, all or any portion of the building fund of the District may be invested on behalf of the District, in investment agreements, including guaranteed investment contracts, float contracts or other investment products (collectively, "Investment Agreements"), which comply with the requirements of each rating agency then rating the Series 2021 Bonds necessary in order to maintain the then-current rating on the Series 2021 Bonds. Pursuant to Section 5922 of the Government Code, the Board of Education hereby finds and determines that the Investment Agreements will reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreements and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Series 2021 Bonds or enhance the relationship between risk and return with respect to investments of proceeds of the Series 2021 Bonds and funds held to pay the Series 2021 Bonds.

Section 16. Tax Covenants. (a) *General.* The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on any Tax-Exempt Series 2021 Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District on the date of issuance of any Tax-Exempt Series 2021 Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Series 2021 Bonds.

(b) *Yield Restriction.* In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any monies held by the Director of Finance of the County on behalf of the District, in accordance with this Resolution or pursuant to law, the District shall so request of the Director of Finance in

writing, and the District shall make its best efforts to ensure that the Director of Finance shall take such action as may be necessary in accordance with such instructions.

(c) *Reliance on Opinion of Bond Counsel.* Notwithstanding any provision of this Section, if the District shall provide to the Director of Finance of the County an Opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on any Tax-Exempt Series 2021 Bonds under Section 103 of the Code, the Director of Finance may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and each Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

Section 17. Professional Services. Isom Advisors, a Division of Urban Futures, Inc., shall serve as Municipal Advisor to the District for the Series 2021 Bonds. Orrick, Herrington & Sutcliffe LLP shall serve as bond counsel and disclosure counsel to the District for the Series 2021 Bonds. Raymond James & Associates, Inc., shall serve as Underwriter for the Series 2021 Bonds.

Section 18. Delegation of Authority. The Authorized Officers are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, without limitation negotiating the terms of the insurance policy, if any, referred to herein.

Section 19. Approval of Actions. All actions heretofore taken by the officers, employees and agents of the District with respect to the transactions set forth above are hereby approved, confirmed and ratified.

Section 20. Debt Management Policy; Notice to California Debt and Investment Advisory Commission. With the passage of this Resolution, the Board of Education hereby certifies that the Debt Management Policy complies with Government Code Section 8855(i), and that the Series 2021 Bonds authorized to be issued pursuant to this Resolution are consistent with such policy, and instructs Bond Counsel, on behalf of the District, with respect to each series of Series 2021 Bonds issued pursuant to this Resolution, (a) to cause notices of the proposed sale and final sale of the Series 2021 Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Government Code Section 8855, and (b) to check, on behalf of the District, the "Yes" box relating to such certifications in the notice of proposed sale filed pursuant to Government Code Section 8855.

Section 21. Electronic Signatures; DocuSign. The Board of Trustees hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 22. Filing with County. The Superintendent, or such other officer or employee of the District as the Superintendent may designate, is hereby authorized and directed to report to the Auditor-Controller of the County the final terms of sale of the Series 2021 Bonds, and to file

with the Auditor-Controller and with the Director of Finance of the County a copy of the executed Bond Purchase Agreement and this Resolution, and the schedule of amortization of the principal of and payment of interest on the Series 2021 Bonds, and to file with the Director of Finance of the County a proposed schedule of draws on the building fund of the District, and this Resolution shall serve as the notice required to be given by Section 15140(c) of the Education Code and as the District's request to the Auditor-Controller of the County and the Board of Supervisors of the County to propose and adopt in each year a tax rate applicable to all taxable property of the District for payment of the Series 2021 Bonds, pursuant to law; and to the other officers of the County to levy and collect said taxes for the payment of the Series 2021 Bonds, to pay in a timely manner to the Paying Agent on behalf of the Owners of the Series 2021 Bonds the principal, interest, and premium, if any, due on the Series 2021 Bonds in each year, and to create in the County treasury to the credit of the District a building fund and an interest and sinking fund pursuant to Section 15146 of the Education Code.

Section 23. Contract with Bondholders. The provisions of this Resolution shall be a contract with each and every owner of Bonds and the duties of the District and of the Board of Education and the officers of the District shall be enforceable by any owner of Bonds by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

Section 24. Amendments. This Resolution may be modified or amended without the consent of the Owners in order to cure ambiguities or provide clarification, provided that such modification or amendment does not materially adversely affect the rights of owners of Bonds. For any other purpose, this Resolution may be modified or amended only with the consent of the Owners of a majority of the aggregate principal amount of all Series 2021 Bonds then outstanding; provided that any such modification or amendment to Section 6(f) or Section 23 shall require the consent of the owners of a majority of the aggregate principal amount of all Bonds then outstanding. No such modification or amendment shall extend the maturity of, reduce the interest rate or redemption premium on or principal amount of any Series 2021 Bond or reduce the percentage of consent required for amendment hereof without the express consent of all the owners so affected.

Section 25. Indemnification of County. The District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees ("Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of any resolution by the Board of Supervisors of the County authorizing the District to issue and sell the Series 2021 Bonds without the further action of the Board of Supervisors pursuant to Sections 15140 and 15146 of the Education Code, as permitted by Section 53508.7 of the Government Code. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

Section 26. <u>Effective Date</u>. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED this day, February 11, 2021.

President of the Board of Education
of the Gilroy Unified School District

ATTEST:

Secretary of the Board of Education
of the Gilroy Unified School District

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Series 2021 Bonds in compliance with Section 15146(b)(1)(D) of the California Education Code and Section 5852.1 of the California Government Code. Such good faith estimates have been provided to the District by Isom Advisors, a Division of Urban Futures, Inc., as the District's financial advisor under Education Code Section 15146(b)(1)(C) and the District's municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the "Municipal Advisor"), and by Raymond James & Associates, Inc., the Underwriter of the Series 2021 Bonds (the "Underwriter").

Principal Amount. The Municipal Advisor and the Underwriter have informed the District that, based on the District's financing plan and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the aggregate principal amount of the Series 2021 Bonds to be sold in a public offering is $94,680,000.00 (the "Estimated Principal Amount").

True Interest Cost of the Series 2021 Bonds. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2021 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the Series 2021 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Series 2021 Bonds, is 2.98%.

Finance Charge of the Series 2021 Bonds. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2021 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the Series 2021 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Series 2021 Bonds), is $677,780.16, as follows:

a)	Underwriter's Discount	$355,050.00
b)	Credit Enhancement	N/A*
c)	Bond Counsel and Disbursements	70,000.00
d)	Disclosure Counsel and Disbursements	25,000.00
e)	Municipal Advisor and Disbursements	66,500.00
f)	Rating Agencies	143,154.56
g)	Other Expenses	18,075.60

* A municipal bond insurance policy with respect to the Series 2021 Bonds is not expected to be obtained.

Amount of Proceeds to be Received. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2021 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the District for sale of the Series 2021 Bonds, less the finance charge of the Series 2021 Bonds, as estimated above, and

any reserves or capitalized interest paid or funded with proceeds of the Series 2021 Bonds, is $94,680,000.00.

Total Payment Amount. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2021 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Series 2021 Bonds, plus the estimated finance charge for the Series 2021 Bonds, as described above, not paid with the proceeds of the Series 2021 Bonds, calculated to the final maturity of the Series 2021 Bonds, is $141,799,800.00.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the Series 2021 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates for a variety of reasons, including, without limitation, due to (a) the market conditions prevailing on the actual date of the sale of the Series 2021 Bonds being different than the market conditions prevailing at the time of preparation of the estimates contained herein, (b) the actual principal amount of Series 2021 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Series 2021 Bonds being different than the amortization assumed for purposes of preparing the estimates contained herein, (d) the actual interest rates at which the Series 2021 Bonds are sold being different than those estimated for purposes of preparing the estimates contained herein, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Series 2021 Bonds and the actual principal amount of Series 2021 Bonds sold will be determined by the District based on the need for project funds and other factors. The actual interest rates borne by the Series 2021 Bonds will depend on market conditions at the time of sale thereof. Market conditions, including, without limitation, interest rates are affected by economic and other factors beyond the control of the District, the Municipal Advisor and the Underwriter. The Board of Education has approved the issuance of the Series 2021 Bonds with a maximum true interest cost of 4.50%.

EXHIBIT B

FORM OF SERIES 2021 BOND

Number	**UNITED STATES OF AMERICA**	**Amount**
R-__	**STATE OF CALIFORNIA**	**$_____**
	COUNTY OF SANTA CLARA	

GILROY UNIFIED SCHOOL DISTRICT
(SANTA CLARA COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES 2021

Maturity Date	Interest Rate	Dated as of	CUSIP No.
August 1, 20__	____%	_____ __, 20__	376087 ___

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

Gilroy Unified School District, County of Santa Clara, State of California (the "District"), acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns, on the Maturity Date set forth above or upon prior redemption hereof, the Principal Amount specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless this bond is authenticated after the close of business on a Record Date (as defined herein) and on or prior to the succeeding interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before _____ 15, 20__, in which event it shall bear interest from the date hereof) at the Interest Rate per annum stated above, payable commencing on _____ 1, 20__, and thereafter on February 1 and August 1 in each year, until payment of the Principal Amount. This Bond is issued pursuant to a Resolution adopted by the Board of Education of the District on February 11, 2021 (the "Resolution"). Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The principal hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., the paying agent/registrar and transfer agent of the District (the "Paying Agent"). Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such Registered Owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of bonds aggregating at least $1,000,000 in principal amount, interest will be paid by wire transfer in immediately available funds to an account maintained in

the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate principal amount of $_____, and designated as "Gilroy Unified School District (Santa Clara County, California) General Obligation Bonds, Election of 2016, Series 2021" (the "Bonds"). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on June 7, 2016. The Bonds are issued and sold by the Board of Education of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated _____, 2021 (the "Bond Purchase Agreement"), by and between the District and Raymond James & Associates, Inc., as underwriter.

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

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

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

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

The Board of Education of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond; and that this Bond is in substantially the form prescribed by order of the Board of Education duly made and entered on its minutes. The Bonds represent an obligation payable out of the interest and sinking fund of the District, and the money for the

payment of principal of, premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District.

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

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

IN WITNESS WHEREOF, the Board of Education of the Gilroy Unified School District, County of Santa Clara, State of California, has caused this bond to be signed by its President and countersigned by the Secretary of said Board, as of the date set forth above.

President of the Board of Education
of the Gilroy Unified School District

Countersigned:

Secretary of the Board of Education
of the Gilroy Unified School District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS PAYING AGENT

By: _____
Authorized Officer

ASSIGNMENT

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

_____
I.D. Number

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

Dated: _____

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

SECRETARY'S CERTIFICATE

I, Deborah A. Flores, Secretary of the Board of Education of the Gilroy Unified School District, County of Santa Clara, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly conducted on February 11, 2021 in accordance with law, including in accordance with Executive Order N-29-20, signed by the Governor of the State of California on March 17, 2020, and entered in the minutes thereof, of which meeting all of the members of the Board of Education had due notice and at which a quorum thereof was acknowledged, and that at said meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 72 hours before the meeting at 7810 Arroyo Circle, Gilroy, California, a location freely accessible to members of the public, and on the District's website at https://agendaonline.net/public/Agency.aspx?PublicAgencyID=181&AgencyTypeID=1, and a brief description of the resolution appeared on the agenda.

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

Dated: _____, 2021

_____

Secretary of the Board of Education
of Gilroy Unified School District