

LA CAÑADA UNIFIED SCHOOL DISTRICT

RESOLUTION NO.

**RESOLUTION AUTHORIZING THE ISSUANCE OF THE LA CAÑADA
UNIFIED SCHOOL DISTRICT (LOS ANGELES COUNTY, CALIFORNIA) 2017
GENERAL OBLIGATION REFUNDING BONDS**

WHEREAS, a duly called election was held in the La Cañada Unified School District (the "District"), Los Angeles County (the "County"), State of California, on March 2, 2004 (the "Election") and thereafter canvassed pursuant to law;

WHEREAS, at the Election there was submitted to and approved by the requisite fifty-five percent vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$25,000,000 payable from the levy of an *ad valorem* property tax by the County against the taxable property in the District (the "2004 Authorization");

WHEREAS, pursuant to the 2004 Authorization, the District has previously caused the issuance of (i) \$5,800,000 of its Election of 2004 General Obligation Bonds, Series B (Bank Qualified) and (ii) \$4,200,000 of its Election of 2004 General Obligation Bonds, Series C (Bank Qualified) (collectively, the "Prior Bonds");

WHEREAS, pursuant to Section 53550 *et seq.* of the California Government Code (the "Act"), this Board of Education (the "Board") finds that the District is authorized to issue general obligation refunding bonds (the "Refunding Bonds") to refund all or a portion of the outstanding Prior Bonds (so refunded, the "Refunded Bonds");

WHEREAS, this Board desires to authorize the issuance of the Refunding Bonds in one or more Series of Taxable or Tax-Exempt Current Interest Bonds (as such terms are defined herein);

WHEREAS, pursuant to Section 265(b)(3) of the Code (as defined herein), under certain circumstances, certain obligations the interest on which is exempt from federal income tax under Section 103 of the Code may be designated by the issuer thereof as "qualified tax exempt obligations," thereby allowing certain financial institutions that are holders of such qualified tax exempt obligations to deduct for federal income tax purposes a portion of such institution's interest expense that is allocable to such qualified tax exempt obligations, all as determined in accordance with Sections 265 and 291 of the Code;

WHEREAS, this Board wishes to designate the Refunding Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code;

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 refunding bonds of the District, and whereas the indebtedness of the District, including this proposed issue of Refunding Bonds, is within all limits prescribed by law;

WHEREAS, at this time the Board desires to appoint professionals related to the issuance of the Refunding Bonds; and

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED BY THE BOARD OF EDUCATION OF THE LA CAÑADA UNIFIED SCHOOL DISTRICT, LOS ANGELES COUNTY, CALIFORNIA AS FOLLOWS:

SECTION 1. Purpose. To refund all or a portion of the currently outstanding principal amount of the Prior Bonds and to pay all necessary legal, financial, and contingent costs in connection therewith, the Board hereby authorizes the issuance of the Refunding Bonds pursuant to the Act in an aggregate principal amount not-to-exceed \$8,000,000, in one or more Series of Taxable or Tax-Exempt Current Interest Bonds (each as defined herein), to be styled as the "La Cañada Unified School District (Los Angeles County, California) 2017 General Obligation Refunding Bonds," with appropriate additional Series designation if more than one Series of Refunding Bonds are issued. Additional costs authorized to be paid from the proceeds of the Refunding Bonds are all of the authorized costs of issuance set forth in Section 53550(e) and (f) and Section 53587 of the Government Code.

SECTION 2. Paying Agent. The Board hereby appoints the Paying Agent, as defined in Section 5 hereof, to act as paying agent, bond registrar, authentication agent and transfer agent for the Refunding Bonds on behalf of the District. The Board hereby authorizes the payment of the reasonable fees and expenses of the Paying Agent, as they shall become due and payable. The fees and expenses of the Paying Agent which are not paid as a cost of issuance of the Refunding Bonds may be paid in each year from *ad valorem* property taxes levied and collected for the payment thereof, insofar as permitted by law, including specifically Section 15232 of the Education Code.

SECTION 3. Terms and Conditions of Sale. The Refunding Bonds are hereby authorized to be sold at a negotiated sale upon the direction of the Superintendent, Chief Business & Operations Officer, or such other officer or employee of the District as may be designated by the Superintendent or Chief Business & Operations Officer for such purpose (collectively, the "Authorized Officers"). The Refunding Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract, as described below.

SECTION 4. Approval of Purchase Contract. The form of Purchase Contract by and between District and the Underwriter (as defined herein), substantially in the form on file with the Secretary to the Board, is hereby approved and the Authorized Officers, each alone, are hereby authorized to execute and deliver the Purchase Contract, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that (i) the maximum interest rates on the Refunding Bonds shall not exceed that authorized by law, and (ii) the underwriting discount, excluding original issue discount, shall not exceed 0.70% of the aggregate principal amount of the Refunding Bonds issued. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Refunding Bonds to be specified in the Purchase Contract for sale by the District up to \$8,000,000 and to enter into and execute the Purchase Contract with the Underwriter, if the conditions set forth in this Resolution are satisfied.

SECTION 5. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) "Authorizing Documents" means the authorizing resolution(s), indenture, agreement or other legal document(s) pursuant to which the Prior Bonds were authorized and issued.

(b) "Act" means Sections 53550 *et seq.* of the California Government Code.

(c) **"Beneficial Owner"** means, when used with reference to book-entry Refunding Bonds registered pursuant to Section 6 hereof, the person who is considered the beneficial owner of such Refunding Bonds pursuant to the arrangements for book-entry determination of ownership applicable to the Depository.

(d) **"Bond Insurer"** means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Refunding Bonds.

(e) **"Bond Payment Date"** means, unless otherwise provided by the Purchase Contract, February 1 and August 1 of each year commencing February 1, 2018, with respect to the interest on the Refunding Bonds, and August 1 of each year commencing August 1, 2018, with respect to the principal payments on the Refunding Bonds.

(f) **"Bond Register"** means the registration books which the Paying Agent shall keep or cause to be kept on which the registered ownership, transfer and exchange of Refunding Bonds will be recorded.

(g) **"Code"** means the Internal Revenue Code of 1986, as the same may be amended from time to time. Reference to a particular section of the Code shall be deemed to be a reference to any successor to any such section.

(h) **"Continuing Disclosure Certificate"** means that certain contractual undertaking executed by the District in connection with the issuance of the Refunding Bonds pursuant to paragraph (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities and Exchange Act of 1934, dated as of the date of issuance of the Refunding Bonds, as amended from time to time in accordance with the provisions thereof.

(i) **"Current Interest Bonds"** means Refunding Bonds, the interest on which is payable semiannually on each Bond Payment Date specified for each such Refunding Bond as designated and maturing in the years and in the amounts set forth in the Purchase Contract.

(j) **"Date of Delivery"** means the date of initial issuance and delivery of the Refunding Bonds, or such other date as shall be set forth in the Purchase Contract or Official Statement.

(k) **"Depository"** means the entity acting as securities depository for the Refunding Bonds pursuant to Section 6(c) hereof.

(l) **"DTC"** means The Depository Trust Company, 55 Water Street, New York, New York 10041, a limited purpose trust company organized under the laws of the State of New York, in its capacity as the initial Depository for the Refunding Bonds.

(m) **"Escrow Agent"** means U.S. Bank National Association, or any other successor thereto, in its capacity as escrow agent for the Refunded Bonds.

(n) **"Escrow Agreement"** means the Escrow Agreement relating to the Refunded Bonds, by and between the District and the Escrow Agent.

(o) **"Federal Securities"** means securities as permitted, in accordance with the respective Authorizing Documents, to be deposited with the Escrow Agent for the purpose of defeasing the Prior Bonds.

(p) **"Holder"** or **"Owner"** means the registered owner of a Refunding Bond as set forth in the Bond Register maintained by the Paying Agent pursuant to Section 6 hereof.

(q) **"Information Services"** means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or such other services providing information with respect to called municipal obligations as the District may direct in writing to the Paying Agent or, in the absence of such written direction, as the Paying Agent may select.

(r) **"Moody's"** means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the District.

(s) **"Nominee"** means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(t) **"Official Statement"** means the Official Statement for the Refunding Bonds, as described in Section 17 hereof.

(u) **"Outstanding"** means, when used with reference to the Refunding Bonds, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

(i) Refunding Bonds canceled at or prior to such date;

(ii) Refunding Bonds in lieu of or in substitution for which other Refunding Bonds shall have been delivered pursuant to Section 8 hereof; or

(iii) Refunding Bonds for the payment or redemption of which funds or Government Obligations in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Refunding Bonds), in accordance with Section 19 of this Resolution.

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

(w) **"Paying Agent"** means initially the Treasurer, or any other Paying Agent as shall be named in the Purchase Contract or Official Statement, and afterwards any successor financial institution, acting as paying agent, transfer agent, authentication agent and bond registrar for the Refunding Bonds. The Treasurer is authorized to contract with a third party to carry out the services of Paying Agent hereunder.

(x) **"Principal"** or **"Principal Amount"** means, with respect to any Refunding Bond, the initial principal amount thereof.

(y) **"Purchase Contract"** means the contract or contracts for purchase and sale of the Refunding Bonds, by and between the District and the Underwriter. To the extent the Refunding Bonds are sold pursuant to more than one Purchase Contract, each shall be substantially in the form presented to the Board, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve.

(z) **"Record Date"** means the close of business on the fifteenth day of the month preceding each Bond Payment Date.

(aa) **"Series"** means any Refunding Bonds executed, authenticated and delivered pursuant to the provisions hereof and identified as a separate series of bonds.

(bb) **"S&P"** means S&P Global Ratings, its successors and their assigns, or, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the District.

(cc) **"Taxable Bonds"** means any Refunding Bonds not issued as Tax-Exempt Bonds.

(dd) **"Tax-Exempt Bonds"** means any Refunding Bonds the interest on which is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax, as further described in an opinion of Bond Counsel supplied to the original purchasers of such Refunding Bonds.

(ee) **"Term Bonds"** means those Refunding Bonds for which mandatory sinking fund redemption dates have been established in the Purchase Contract.

(ff) **"Transfer Amount"** means, with respect to any Outstanding Refunding Bond, the Principal Amount.

(gg) **"Treasurer"** means the Treasurer and Tax Collector of the County.

(hh) **"Underwriter"** means Stifel, Nicolaus & Company, Incorporated.

SECTION 6. Terms of the Refunding Bonds.

(a) **Denomination, Interest, Dated Dates.** The Refunding Bonds shall be issued as bonds registered as to both principal and interest, in the denominations of \$5,000 principal amount or any integral multiple thereof. The Refunding Bonds will be initially registered in the name of "Cede & Co.," the Nominee of DTC.

Each Refunding Bond shall be dated the Date of Delivery, and shall bear interest at the rates set forth in the Purchase Contract from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from the Date of Delivery. Interest on the Refunding Bonds shall be payable on the respective Bond Payment Dates and shall be computed on the basis of a 360-day year of twelve 30-day months.

No Refunding Bond shall mature later than the final maturity date of the Refunded Bonds to be refunded from proceeds of such Refunding Bond.

(b) **Redemption.**

(i) **Optional Redemption.** The Refunding Bonds shall be subject to optional redemption prior to maturity as provided in the Purchase Contract or the Official Statement.

(ii) **Mandatory Redemption.** Any Refunding Bonds issued as Term Bonds shall be subject to mandatory sinking fund redemption as provided in the Purchase Contract or the Official Statement.

(iii) Selection of Refunding Bonds for Redemption. Whenever provision is made in this Resolution for the redemption of Refunding Bonds and less than all Outstanding Refunding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Refunding Bonds for redemption as so directed and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Refunding Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that with respect to redemption by lot, the portion of any Refunding Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

The Purchase Contract may provide that (i) in the event that a portion of any Term Bond is optionally redeemed prior to maturity pursuant to Section 6(b)(i) hereof, the remaining mandatory sinking fund payments with respect to such Term Bonds shall be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000 principal amount, in respect to the portion of such Term Bond optionally redeemed, or (ii) within a maturity, Refunding Bonds shall be selected for redemption on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures, provided further that, such pro-rata redemption is made in accordance with the operational arrangements of DTC then in effect.

(iv) Redemption Notice. When redemption is authorized pursuant to this Resolution, the Paying Agent, upon written instruction from the District, shall give notice (a "Redemption Notice") of the redemption of the Refunding Bonds. Such Redemption Notice shall specify: the Refunding Bonds or designated portions thereof (in the case of redemption of the Refunding Bonds in part but not in whole) which are to be redeemed; the date of redemption; the place or places where the redemption will be made, including the name and address of the Paying Agent; the redemption price; the CUSIP numbers (if any) assigned to the Refunding Bonds to be redeemed, the Refunding Bond numbers of the Refunding Bonds to be redeemed in whole or in part and, in the case of any Refunding Bond to be redeemed in part only, the portion of the principal amount of such Refunding Bond to be redeemed; and the original issue date, interest rate and stated maturity date of each Refunding Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Refunding Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date thereon, and that from and after such date, interest thereon shall cease to accrue.

With respect to any Redemption Notice of Refunding Bonds, unless upon the giving of such notice such Refunding Bonds shall be deemed to have been defeased pursuant to Section 19 hereof, such notice shall state that such redemption shall be conditional upon the receipt by the Paying Agent (or an independent escrow agent selected by the District) on or prior to the date fixed for such redemption of the moneys necessary and sufficient to pay the principal of, premium, if any, and interest on, such Refunding Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect, the Refunding Bonds shall not be subject to redemption on such date and the Refunding Bonds shall not be required to be redeemed on such date. In the event that such Redemption Notice contains such a condition and such moneys are not so received, the redemption shall not be made and the Paying Agent shall within a reasonable time thereafter give notice, to the persons to whom and in the manner in which the Redemption Notice was given, that such moneys were not so received. In addition, the District shall have the right to rescind any Redemption Notice, by written notice to the Paying Agent, on or prior to the date fixed for such redemption. The Paying Agent shall distribute a notice of such rescission in the same manner as the Redemption Notice was originally provided.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(1) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Refunding Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.

(2) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service to the Depository.

(3) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service to one of the Information Services.

(4) The Paying Agent shall provide a Redemption Notice to such other persons as may be required pursuant to the Continuing Disclosure Certificate.

A certificate of the Paying Agent to the effect that a Redemption Notice has been given as provided herein shall be conclusive as against all parties. Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Refunding Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Refunding Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Refunding Bonds being redeemed with the proceeds of such check or other transfer. Such Redemption Notice may state that no representation is made as to the accuracy or correctness of CUSIP numbers printed thereon.

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

(vi) Effect of Redemption Notice. Notice having been given as aforesaid, and the moneys for the redemption (including the interest accrued to the applicable date of redemption) having been set aside as provided in Section 19 hereof, the Refunding Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Refunding Bonds to be redeemed as provided in Section 6(b)(i) hereof, together with interest accrued to such redemption date, shall be held in trust as provided in Section 19 hereof, so as to be available therefor on such redemption date, and if a Redemption Notice thereof shall have been given as aforesaid, then from and after such redemption date, interest on the Refunding Bonds to be redeemed shall cease to accrue and become payable. All money held for the redemption of Refunding Bonds shall be held in trust for the account of the Owners of the Refunding Bonds so to be redeemed.

All Refunding Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Refunding Bond purchased by the District shall be cancelled by the Paying Agent.

(vii) Refunding Bonds No Longer Outstanding. When any Refunding Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be irrevocably held in trust as provided in Section 19 hereof for the payment of the redemption price of such Refunding Bonds or portions thereof, and accrued interest thereon to the date fixed for redemption, all as provided in this Resolution, then such Refunding Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

(c) Book-Entry System.

(i) Election of Book-Entry System. The Refunding Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Refunding Bonds in an authorized denomination. The ownership of each such Refunding Bond shall be registered in Bond Register maintained by the Paying Agent in the name of the Nominee, as nominee of the Depository and ownership of the Refunding Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

With respect to book-entry Refunding Bonds, the District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry Refunding Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to: (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book-entry Refunding Bonds; (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to book-entry Refunding Bonds, including any Redemption Notice; (iii) the selection by the Depository and its Participants of the beneficial interests in book-entry Refunding Bonds to be prepaid in the event the District redeems such Refunding Bonds in part; (iv) or the payment by the Depository or any Participant or any other person, of any amount with respect to principal, premium, if any, or interest on book-entry Refunding Bonds. The District and the Paying Agent may treat and consider the person in whose name each book-entry Refunding Bond is registered in the Bond Register as the absolute Owner of such Refunding Bond for the purpose of payment of principal of and premium and interest on and to such Refunding Bond, for the purpose of giving notices of redemption and other matters with respect to such Refunding Bond, for the purpose of registering transfers with respect to such Refunding Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on book-entry Refunding Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on book-entry Refunding Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing the obligation to make payments of principal of, premium, if any, and interest on book-entry Refunding Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word "Nominee" in this Resolution shall refer to such nominee of the Depository.

(1) Delivery of Letter of Representations. In order to qualify the Refunding Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of

Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in the Refunding Bonds other than the Owners, as shown on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the Refunding Bonds for the Depository's book-entry program.

(2) Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for the Refunding Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the Beneficial Owners of the Refunding Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such Refunding Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Refunding Bonds shall no longer be restricted to being registered in such Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Refunding Bonds shall designate, in accordance with the provisions of this Section 6(c).

(3) Payments and Notices to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all Outstanding Refunding Bonds are held in book-entry and registered in the name of the Nominee, all payments by the District or Paying Agent with respect to principal of and premium, if any, or interest on book-entry Refunding Bonds and all notices with respect to such Refunding Bonds, including notices of redemption, shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

(4) Transfer of Refunding Bonds to Substitute Depository.

(A) The Refunding Bonds shall be initially issued as described in the Official Statement. Registered ownership of such Refunding Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its Nominee, or of any substitute depository designated pursuant to Section 6(c)(i)(4)(A)(2) ("Substitute Depository"); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, upon (a) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (b) a determination by the District that DTC (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

(3) to any person as provided below, upon (a) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (b) a

determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(1) or (2), upon receipt of all Outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Refunding Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of Refunding Bonds then Outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(3), upon receipt of all Outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Refunding Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Refunding Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption or advance refunding of any Refunding Bonds evidencing a portion of the principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Refunding Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Refunding Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any Beneficial Owners of the Refunding Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such Beneficial Owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Refunding Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Refunding Bonds.

SECTION 7. Execution of Refunding Bonds. The Refunding Bonds shall be signed by the President of the Board of Education, or by such other member of the Board authorized to sign on behalf of the President, by his or her manual or facsimile signature, and countersigned by the manual or facsimile signature of the Secretary to or Clerk of the Board, or the designees thereof, all in their official capacities. No Refunding Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Refunding Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Refunding Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

SECTION 8. Paying Agent; Transfer and Exchange. So long as any of the Refunding Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its principal corporate trust office all books and records necessary for the registration, exchange and transfer of the Refunding Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a Refunding Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Refunding Bond for all purposes of this Resolution. Payment of or on account of the principal of and

premium, if any, and interest on any Refunding Bond shall be made only to or upon the order of that person; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Refunding Bonds, including interest, to the extent of the amount or amounts so paid.

Any Refunding Bond may be exchanged for Refunding Bonds of like tenor, Series, maturity and principal amount upon presentation and surrender at the principal corporate trust office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Refunding Bond may be transferred on the Bond Register only upon presentation and surrender of the Refunding Bond at the principal corporate trust office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Refunding Bond or Refunding Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the principal amount of the Refunding Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

If any Refunding Bond shall become mutilated, the District, at the expense of the Owner of said Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Refunding Bond of like Series, tenor, maturity and principal amount in exchange and substitution for the Refunding Bond so mutilated, but only upon surrender to the Paying Agent of the Refunding Bond so mutilated. If any Refunding Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence be satisfactory to the Paying Agent and indemnity for the Paying Agent and the District satisfactory to the Paying Agent shall be given by the Owner, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Refunding Bond of like Series, tenor, maturity and principal amount in lieu of and in substitution for the Refunding Bond so lost, destroyed or stolen (or if any such Refunding Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Refunding Bond, the Paying Agent may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Paying Agent and the District). The Paying Agent may require payment of a reasonable fee for each new Refunding Bond issued under this paragraph and of the expenses which may be incurred by the District and the Paying Agent.

If signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Refunding Bonds only after the new Refunding Bonds are signed by the authorized officers of the District as provided in Section 7. In all cases of exchanged or transferred Refunding Bonds, the District shall sign and the Paying Agent shall authenticate and deliver Refunding Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Refunding Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Refunding Bonds surrendered upon that exchange or transfer.

Any Refunding Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Refunding Bonds that the District may have acquired in any manner whatsoever, and those Refunding Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Refunding Bonds shall be made to the District by the Paying Agent as requested by the District. The cancelled Refunding Bonds shall be retained for three years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Refunding Bonds during a period beginning with the opening of business on the 16th day next preceding either any Bond Payment Date or any date of selection of Refunding Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable Redemption Notice is given or (b) to transfer any Refunding Bonds which have been selected or called for redemption in whole or in part.

SECTION 9. Payment. Payment of interest on any Refunding Bond on any Bond Payment Date shall be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal of and redemption premium, if any, payable on the Refunding Bonds shall be payable upon maturity or redemption upon surrender at the principal corporate trust office of the Paying Agent. The principal of, premiums, if any, and interest on the Refunding Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Refunding Bonds when duly presented for payment at maturity, and to cancel all Refunding Bonds upon payment thereof. The Refunding Bonds are obligations of the District payable solely from the levy of ad valorem property taxes upon all property subject to taxation within the District, which taxes are unlimited as to rate or amount. The Refunding Bonds do not constitute an obligation of the County and no part of any fund of the County is pledged or obligated to the payment of the Refunding Bonds.

SECTION 10. Form of Refunding Bonds. The Refunding Bonds shall be in substantially the form attached as Exhibit A, allowing those officials executing the Refunding Bonds to make the insertions and deletions necessary to conform the Refunding Bonds to this Resolution, the Purchase Contract and the Official Statement, or to correct or cure any defect, inconsistency, ambiguity or omission therein.

SECTION 11. Delivery of Refunding Bonds. The proper officials of the District shall cause the Refunding Bonds to be prepared and, following their sale, shall have the Refunding Bonds signed and delivered, together with a final transcript of proceedings with reference to the issuance of the Refunding Bonds, to the Underwriter upon payment of the purchase price therefor.

SECTION 12. Deposit of Proceeds of Refunding Bonds; Escrow Agreement. An amount of proceeds from the sale of the Refunding Bonds necessary to purchase certain Federal Securities, or to otherwise refund the Refunded Bonds, shall be transferred to the Escrow Agent for deposit in the escrow fund established under the Escrow Agreement (the "Escrow Fund"), which amount, if uninvested, shall be sufficient, or if invested, together with an amount or amounts of cash held uninvested therein, shall be sufficient to refund the Refunded Bonds all as set forth in a certificate of an Authorized Officer. Premium or proceeds received from the sale of the Refunding Bonds desired to pay all or a portion of the costs of issuing the Refunding Bonds may be deposited in the fund of the District held by a fiscal agent selected thereby and shall be kept separate and distinct from all other District funds, and those proceeds shall be used solely for the purpose of paying costs of issuance of the Refunding Bonds.

Any accrued interest received by the District from the sale of the Refunding Bonds shall be kept separate and apart in the fund hereby created and established and to be designated as the "La Cañada Unified School District 2017 General Obligation Refunding Bonds Debt Service Fund" (the "Debt Service Fund") for the Refunding Bonds and used only for payments of principal of and interest on the Refunding Bonds. The Debt Service Fund shall be held by the County, and may contain subaccounts or otherwise be subdivided if the Refunding Bonds are sold in more than one Series. A portion of the premium received by the District from the sale of the Refunding Bonds may be transferred to the Debt Service Fund or applied to the payment of cost of issuance of the Refunding Bonds, or some combination of deposits. Any excess proceeds of the Refunding Bonds not needed for the authorized purposes set forth herein for which the Refunding Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment

of the principal of and interest on the Refunding Bonds. If, after payment in full of the Refunding Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Refunding Bonds as the same become due and payable, shall be transferred by the Treasurer to the Paying Agent which, in turn, shall pay such moneys to DTC to pay the principal of and interest on the Refunding Bonds. DTC will thereupon make payments of principal of and interest on the Refunding Bonds to the DTC Participants who will thereupon make payments of such principal and interest to the Beneficial Owners of the Refunding Bonds. Any moneys remaining in the Debt Service Fund after the Refunding Bonds and the interest thereon have been paid in full, or provision for such payment has been made, shall be transferred to the general fund of the District.

Except as required below to satisfy the requirements of Section 148(f) of the Code, interest earned on the investment of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used to pay principal of and interest on the Refunding Bonds when due.

SECTION 13. Rebate Fund.

(a) General. If necessary, there shall be created and established a special fund designated the "La Cañada Unified School District 2017 General Obligation Refunding Bonds Rebate Fund" (the "Rebate Fund"). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the "Rebate Requirement") pursuant to Section 148 of the Code, as the same may be amended from time to time, and the Treasury Regulations promulgated thereunder (the "Rebate Regulations"). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and Section 14 of this Resolution and by the that certain tax certificate concerning certain matters pertaining to the use and investment of proceeds of the Refunding Bonds, executed and delivered to the District on the date of issuance of the Refunding Bonds, including any and all exhibits attached thereto (the "Tax Certificate").

(b) Deposits.

(i) Within forty-five (45) days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate) (1) the District shall calculate or cause to be calculated with respect to the Refunding Bonds the amount that would be considered the "rebate amount" within the meaning of Section 1.148-3 of the Rebate Regulations, using as the "computation date" for this purpose the end of such five Bond Years, and (2) the District shall deposit to the Rebate Fund from deposits from the District or from amounts available therefor on deposit in the other funds established hereunder, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the "rebate amount" so calculated.

(ii) The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the "rebate amount" calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section.

(iii) The District shall not be required to calculate the "rebate amount" and the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Refunding Bonds (including amounts treated as the proceeds of the Refunding Bonds) (1) to the extent such proceeds satisfy the

expenditure requirements of Section 148(f)(4)(B) or Section 148 (f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations or the small issuer exception of Section 148(f)(4)(D) of the Code, whichever is applicable, and otherwise qualify for the exception of the Rebate Requirement pursuant to whichever of said sections is applicable, or (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a "bona fide debt service fund." In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Withdrawal Following Payment of Refunding Bonds. Any funds remaining in the Rebate Fund after redemption of all the Refunding Bonds and any amounts described in paragraph (ii) of subsection (d) of this Section, including accrued interest, shall be transferred to the General Fund of the District.

(d) Withdrawal for Payment of Rebate. Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the "rebate amount" and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(i) not later than sixty (60) days after the end of (a) the fifth (5th) Bond Year, and (b) each fifth (5th) Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the "rebate amount" calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Rebate Regulations; and

(ii) not later than sixty (60) days after the payment of all Refunding Bonds, an amount equal to one hundred percent (100%) of the "rebate amount" calculated as of the date of such payment (and any income attributable to the "rebate amount" determined to be due and payable) in accordance with Section 1.148-3 of the Rebate Regulations.

(e) Rebate Payments. Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by or on behalf of the District.

(f) Deficiencies in the Rebate Fund. In the event that, prior to the time of any payment required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(g) Withdrawals of Excess Amount. In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the "rebate amount" calculated in accordance with said subsection, upon written instructions from the District, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) Record Retention. The District shall retain records of all determinations made hereunder until three years after the retirement of the Refunding Bonds.

(i) Survival of Defeasance. Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Refunding Bonds.

SECTION 14. Security for the Refunding Bonds. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* property tax annually during the period the Refunding Bonds are Outstanding in an amount sufficient to pay the principal of and interest on the Refunding Bonds when due, which moneys when collected will be deposited in the Debt Service Fund of the District, and which moneys shall be applied to the payment of the principal of and interest on the Refunding Bonds when and as the same fall due, and for no other purpose. The District covenants to cause the County to take all actions necessary to levy such *ad valorem* property tax in accordance with this Section 14 and Section 53559 of the Act. Pursuant to Section 53515 of the Government Code, the Refunding 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 *ad valorem* taxes for the payment of each Series of Refunding Bonds and all amounts on deposit in the corresponding Debt Service Fund created pursuant to Section 12 to the payment of such Series of Refunding Bonds. Such pledge shall constitute a lien on and security interest in such taxes and amounts in such Debt Service Fund. This pledge shall constitute an agreement between the District and the Owners of such Series of Refunding Bonds to provide security for the payment of such Refunding Bonds in addition to any statutory lien that may exist.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Refunding Bonds as the same become due and payable, shall be transferred by the Treasurer to the Paying Agent which, in turn, shall pay such moneys to DTC to pay such principal and interest. DTC will thereupon make payments of principal of and interest on the Refunding Bonds to the DTC Participants who will thereupon make payments of such principal and interest to the Beneficial Owners of the Refunding Bonds. Any moneys remaining in the Debt Service Fund after the Refunding Bonds and the interest thereon have been paid in full, or provision for such payment has been made, shall be transferred to the general fund of the District.

SECTION 15. Arbitrage Covenant. The District covenants that it will restrict the use of the proceeds of the Refunding Bonds in such manner and to such extent, if any, as may be necessary, so that the Refunding Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed under that Section or any predecessor section. Calculations for determining arbitrage requirements shall be the sole responsibility of the District.

SECTION 16. Legislative Determinations. The Board hereby determines that all acts and conditions necessary to be performed thereby or to have been met precedent to and in the issuing of the Refunding Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Refunding Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Refunding Bonds. Furthermore, the Board hereby finds and determines pursuant to Section 53552 of the Act that the prudent management of the fiscal affairs of the District requires that it issue the Refunding Bonds without submitting the question of the issuance of the Refunding Bonds to a vote of the qualified electors of the District.

SECTION 17. Official Statement. The Preliminary Official Statement relating to the Refunding Bonds, substantially in the form on file with the Secretary to the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriter to be used in connection with the offering and sale of the Refunding Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official

Statement "final" pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriter a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as an Authorized Officer executing such final Official Statement shall approve. The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Refunding Bonds and is directed to deliver copies of any final Official Statement to the purchasers of the Refunding Bonds. Execution of the Official Statement shall conclusively evidence the District's approval of the Official Statement.

SECTION 18. Insurance. In the event the District purchases bond insurance for the Refunding Bonds, and to the extent that the Bond Insurer makes payment of the principal of or interest on the Refunding Bonds, it shall become the Owner of such Refunding Bonds with the right to payment of principal or interest on the Refunding Bonds, and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims of past due interest, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for the Refunding Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Refunding Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for the Refunding Bonds maintained by the Paying Agent upon surrender of the Refunding Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

SECTION 19. Defeasance. All or any portion of the Outstanding maturities of the Refunding Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which, together with any amounts transferred from the Debt Service Fund, is sufficient to pay all Refunding Bonds Outstanding and designated for defeasance (including all principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date; or

(b) Government Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations together with any amounts transferred from the Debt Service Fund and any other cash, if required, in such amount as will, together with interest to accrue thereon, in the opinion of an independent certified public accountant, be fully sufficient to pay and discharge all Refunding Bonds Outstanding and designated for defeasance (including all principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Refunding Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated Outstanding Refunding Bonds shall cease and terminate, except only the obligation of the independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Refunding Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, "Government Obligations" shall mean:

Direct and general obligations of the United States of America, obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), and obligations secured or otherwise guaranteed, directly or indirectly, as to principal and interest by a

pledge of the full faith and credit of the United States of America. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (i) a bank or trust company acts as custodian and holds the underlying United States obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (iii) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by either Moody's or S&P.

SECTION 20. Other Actions, Determinations and Approvals.

(a) Officers of the Board, District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Refunding Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby finds and determines that both the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds will be less than the total net interest cost to maturity on the Refunded Bonds plus the principal amount of the Refunded Bonds.

(c) The Board anticipates that the Refunded Bonds will be redeemed on the first respective optional redemption dates therefor following the issuance of the Refunding Bonds.

(d) The Board hereby appoints U.S. Bank National Association as Escrow Agent for the Refunding Bonds and approves the form of the Escrow Agreement substantially in the form on file with the Secretary to the Board. The Authorized Officers, each alone, are hereby authorized to execute the Escrow Agreement with such changes as they shall approve, such approval to be conclusively evidenced by such individual's execution and delivery thereof.

(e) The Board hereby appoints Stifel, Nicolaus & Company, Incorporated as underwriter (the "Underwriter"), Fieldman, Rolapp & Associates, Inc. as Financial Advisor, and Stradling Yocca Carlson & Rauth, a Professional Corporation, as Bond Counsel and Disclosure Counsel, all with respect to the issuance of the Refunding Bonds.

(f) The provisions of this Resolution as they relate to the terms of the Refunding Bonds may be amended by the Purchase Contract. If the Purchase Contract so provides, the Refunding Bonds may be issued as crossover refunding bonds pursuant to Section 53558(b) of the Government Code. All or a portion of the Refunding Bonds are further authorized to be issued on a forward delivery basis.

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

SECTION 22. 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 each year sufficient to pay all principal of and interest coming due on the Refunding Bonds in such year, and to pay from such taxes all amounts due on the Refunding Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to pay all such principal

and interest coming due on the Refunding Bonds in such year, and to pay from such taxes all amounts due on the Refunding Bonds. The Board hereby finds and determines that such *ad valorem* taxes shall be levied specifically to pay the Refunding Bonds being issued to finance specific projects authorized by the voters of the District at the Election.

SECTION 23. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the District and dated as of the Date of Delivery, as originally executed and as it may be amended from time to time in accordance with the terms thereof. The Board hereby approves the form of Continuing Disclosure Certificate appended to the Preliminary Official Statement on file with the Secretary to the Board, and the Authorized Officers, each alone, are hereby authorized to execute the Continuing Disclosure Certificate with such changes thereto as the Authorized Officers executing the same shall approve, such approval to be conclusively evidenced by such execution and delivery. Noncompliance with the Continuing Disclosure Certificate shall not result in acceleration of the Refunding Bonds.

SECTION 24. Designation as Qualified Tax-Exempt Obligation. Based on the following representations, the Refunding Bonds are hereby designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code: (i) the Refunding Bonds are not private activity bonds within the meaning of Section 141 of the Code; (ii) the District, together with all of its subordinate entities, has not issued obligations (other than those obligations described in clause (iv) below) in the calendar year in which the Refunding Bonds are issued the interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code; (iii) the District reasonably anticipates that it, together with its subordinate entities, will issue during the remainder of the calendar year in which the Refunding Bonds are issued obligations (other than those obligations described in clause (iv) below) the interest on which is excluded from gross income for federal income tax purposes under to Section 103 of the Code which, when aggregated with all obligations described in clause (ii) above (if any), will not exceed an aggregate principal amount of \$10,000,000; (iv) and notwithstanding clauses (ii) and (iii) above, the District and its subordinate entities may have issued in the calendar year in which the Refunding Bonds are issued and may continue to issue during the remainder of the calendar year in which the Refunding Bonds are issued private activity bonds other than qualified 501(c)(3) bonds as defined in Section 145 of the Code.

SECTION 25. Action Regarding Qualified Tax-Exempt Obligation. Appropriate officials of the District are hereby authorized and directed to take such other actions as may be necessary to designate the Refunding Bonds as "qualified tax-exempt obligations," including, if either deemed necessary or appropriate, placing a legend to such effect on the form of the Refunding Bonds such form as either deemed necessary or appropriate.

SECTION 26. Further Actions Authorized. It is hereby covenanted that the District, and its appropriate officials, have duly taken all actions necessary to be taken by them, and will take any additional actions necessary to be taken by them, for carrying out the provisions of this Resolution.

SECTION 27. Recitals. All the recitals in this Resolution above are true and correct and the Board so finds, determines and represents.

[REMAINDER OF PAGE LEFT BLANK]

SECTION 28. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 20th day of June, 2017.

AYES:

NOES:

ABSENT:

ABSTENTIONS:

President, Board of Education
La Cañada Unified School District

Attest:

Secretary to the Board of Education
La Cañada Unified School District

SECRETARY'S CERTIFICATE

I, Wendy Sinnette, Secretary to the Board of Education of the La Cañada Unified School District (the "District"), hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of the District duly and regularly and legally held at the regular meeting place thereof on June 20, 2017, of which meeting all of the members of the Board had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said 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 said meeting and entered in said minutes.

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: June __, 2017.

Secretary to the Board
of Education of the
La Cañada Unified School District

(Form of Refunding Bond)

REGISTERED
NO.

REGISTERED
\$

LA CAÑADA UNIFIED SCHOOL DISTRICT
(LOS ANGELES COUNTY, CALIFORNIA)
2017 GENERAL OBLIGATION REFUNDING BONDS
[(BANK QUALIFIED)]

INTEREST RATE:

____% per annum

MATURITY DATE:

August 1, ____

DATED AS OF:

____, 2017

CUSIP

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The La Cañada Unified School District (the "District") in Los Angeles County, California, for value received, promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing February 1, 2018. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2018, in which event it shall bear interest from the Date of Delivery. Interest on this bond shall be computed on the basis of a 360-day year of twelve 30-day months. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the Register maintained by the Paying Agent, initially U.S. Bank National Association as agent of the Treasurer and Tax Collector of Los Angeles County. Principal is payable upon presentation and surrender of this bond at the principal corporate trust office of the Paying Agent. Interest is payable by wire transfer by the Paying Agent on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown on the bond register maintained by the Paying Agent as of, and to the bank and account number on file with the Paying Agent as of, the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date").

This bond is one of an authorization of bonds issued by the District pursuant to California Government Code Section 53550 *et seq.* (the "Act") for the purpose of refunding certain of the District's outstanding bonded indebtedness and to pay all necessary legal, financial, and contingent costs in connection therewith. The bonds are being issued under authority of and pursuant to the Act, the laws of the State of California, and the resolution of the Board of Education of the District adopted on June 20, 2017 (the "Bond Resolution"). This bond and the issue of which this bond is one are general obligation bonds of the District payable as to both principal and interest solely from the proceeds of the levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

The bonds of this issue comprise \$_____ Principal Amount of current interest bonds, of which this bond is a part (each a "Refunding Bond").

This bond is exchangeable and transferable for bonds of like tenor, maturity and principal amount and in authorized denominations at the principal corporate trust office of the Paying Agent by the Registered Owner, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute Owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any bond during a period beginning with the opening of business on the 16th day next preceding either any Bond Payment Date or any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any bond which has been selected or called for redemption in whole or in part.

The Refunding Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their fixed maturity dates. The Refunding Bonds maturing on or after August 1, 20__ are subject to redemption on or after August 1, 20__ or on any date thereafter at the option of the District, as a whole or in part, at a redemption price equal to the principal amount of the Refunding Bonds called for redemption, plus interest accrued thereon to the date fixed for redemption, without premium.

The Refunding Bonds maturing on August 1, 20__ are subject to mandatory sinking fund redemption on August 1 of each year on and after August 1, 20__, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amounts represented by such Refunding Bonds to be so redeemed and the dates therefore and the final payment date is as indicated in the following table:

Redemption Dates

Principal Amounts

TOTAL

\$

The principal amount to be redeemed in each year shown above will be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000, by any portion of the Refunding Term Bond optionally redeemed prior to the mandatory sinking fund redemption date.

If less than all of the Refunding Bonds of any one maturity shall be called for redemption, the particular Refunding Bonds or portions thereof of such maturity to be redeemed shall be selected by lot by the Paying Agent in such manner as the Paying Agent in its discretion may determine; provided, however, that the portion of any Refunding Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof. If less than all of the Refunding Bonds stated to mature on different dates shall be called for redemption, the particular Refunding Bonds or portions thereof to be redeemed shall be called by the Paying Agent in any order of maturity as directed by the District or, if the Paying Agent is not so directed, in the inverse order of maturity.

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

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

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

[REMAINDER OF PAGE LEFT BLANK]

IN WITNESS WHEREOF, the La Cañada Unified School District, Los Angeles County, California, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the President of the Board of Education of the District and to be countersigned by the manual or facsimile signature of the [Secretary to/Clerk of] the Board of the District, all as of the date stated above.

LA CAÑADA UNIFIED SCHOOL DISTRICT

By: _____ (Facsimile Signature)
President of the Board of Education

COUNTERSIGNED:

(Facsimile Signature)
[Secretary to/Clerk of] the Board of Education

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on _____, 2017.

U.S. BANK NATIONAL ASSOCIATION, as agent of
the TREASURER AND TAX COLLECTOR OF LOS
ANGELES COUNTY, as Paying Agent

By: _____
Authorized Representative

[QUALIFIED TAX-EXEMPT OBLIGATION

This bond has been determined to be a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, by resolution of the District.]

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

(Facsimile Signature)
[Secretary to/Clerk of] the Board of Education

(Form of Legal Opinion)

**ESCROW AGREEMENT
RELATING TO THE DEFEASANCE OF**

\$5,800,000.00
La Cañada Unified School District
Election of 2004
General Obligation Bonds, Series B
(Bank Qualified)

\$4,200,000
La Cañada Unified School District
Election of 2004
General Obligation Bonds, Series C
(Bank Qualified)

THIS ESCROW AGREEMENT, dated as of July 1, 2017, by and between the La Cañada Unified School District (the "District"), and U.S. Bank National Association, acting in its capacity as escrow agent (the "Escrow Agent") pursuant to this Escrow Agreement (the "Agreement");

WITNESSETH:

WHEREAS, the District previously caused the issuance of the following: (i) Election of 2004 General Obligation Bonds, Series B (Bank Qualified) (the "Series B Bonds") and (ii) Election of 2004 General Obligation Bonds, Series C (Bank Qualified) (the "Series C Bonds" and together with the Series B Bonds, the "Prior Bonds"); and

WHEREAS, the District did, pursuant to a resolution adopted by the Board of Education of the District on June 6, 2017 (the "Resolution"), determine that it is in the District's best interest to issue its 2017 General Obligation Refunding Bonds (the "Bonds") to provide proceeds to refund all or a portion of the remaining outstanding Prior Bonds, as more particularly described in Schedule C hereto (the "Refunded Bonds"); and

WHEREAS, in order to accomplish such refinancing it is necessary and desirable for the District to secure payment of debt service on the Refunded Bonds to be refunded to redeem and retire such bonds; and

WHEREAS, the District has determined that it is in its best interests and desirable for the Bonds to be issued and for the net proceeds of the Bonds to be applied to the refunding of the Refunded Bonds in accordance with the terms of this Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the District and the Escrow Agent agree as follows:

SECTION 1. Deposit of Moneys.

(a) As used herein, the term "Investment Securities" means the Investment Securities set forth in Schedule A hereto. The District hereby deposits with the Escrow Agent \$ _____, which amount represents the net proceeds of the Bonds to be held in irrevocable escrow by the Escrow Agent separate and apart from other funds of the District and the Escrow Agent in a fund hereby created and established and to be known as the "La Cañada Unified School District 2017 General Obligation Refunding Bonds Escrow Fund" to be applied solely as provided in this Agreement. Such moneys are at least equal to an amount sufficient to purchase the principal amount of Investment Securities set forth in Schedule A hereto.

(b) The Escrow Agent hereby acknowledges receipt of the cash flow and yield verification report of Causey Demgen & Moore, P.C. certified public accountants (the "Verification

Report”) and the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, each dated as of July __, 2017, relating to the sufficiency of the Investment Securities and cash deposited pursuant hereto to defease the Refunded Bonds, and, as to such opinion, relating to this Agreement.

SECTION 2. Use and Investment of Moneys. The Escrow Agent acknowledges receipt of the moneys described in Section 1(a) hereof and agrees:

(a) to invest \$_____ of the moneys described in Section 1(a) in the Investment Securities set forth in Schedule A hereto and to deposit such Investment Securities in the Escrow Fund, and to hold \$_____ uninvested as cash; and

(b) to make the payments required under Section 3(a) hereof at the times set forth in Section 3(a) hereof.

SECTION 3. Payment of the Refunded Bonds.

(a) Payment. From funds deposited with the Escrow Agent pursuant to Section 1 hereof, the Escrow Agent shall transfer from the Escrow Fund to the paying agent for the Refunded Bonds (the “Paying Agent”) amounts sufficient to pay the following:

(1) interest on the Refunded Series B Bonds due on August 1, 2018, and to redeem on such date the outstanding principal of the Refunded Series B Bonds at a redemption price equal to 100% of the outstanding principal amount thereof;

(2) interest on the Refunded Series C Bonds due on August 1, 2019, and to redeem on such date the outstanding principal of the Refunded Series C Bonds at a redemption price equal to 100% of the outstanding principal amount thereof;

Such transfers shall constitute the respective payments of the principal and of and interest on the Refunded Bonds and redemption price due from the District.

(b) Unclaimed Moneys. Any moneys which remain unclaimed for two years after the date such moneys and Investment Securities have become due and payable hereunder (during which time the Escrow Agent shall hold such funds without liability for interest) shall be repaid by the Escrow Agent to the District and deposited by the District in the Debt Service Fund relating to the Bonds. Any moneys remaining in the Escrow Fund established hereunder after August 1, 2019 (aside from unclaimed monies of the Refunded Bonds) which are in excess of the amount needed to pay owners of the Refunded Bonds payments of principal of and interest on and redemption premium, if any, with respect to the Refunded Bonds or to pay any amounts owed to the Escrow Agent shall be immediately transferred by the Escrow Agent to the County of Los Angeles, on behalf of the District, for deposit in the Debt Service Funds relating to the Bonds.

(c) Priority of Payments. The holders of the Refunded Bonds shall have a first lien on the moneys and Investment Securities in the Escrow Fund which are allowable and sufficient to pay the Refunded Bonds until such moneys and Investment Securities are used and applied as provided in this Agreement, as verified by the Verification Report. Any cash or securities held in the Escrow Fund are irrevocably pledged only to the owners of the Refunded Bonds.

(d) Termination of Obligation. Upon deposit of the moneys set forth in Section 1(a) hereof with the Escrow Agent pursuant to the provisions of Section 1(a) hereof and the purchase of the Investment Securities as provided in Section 2 hereof, all obligations of the District

with respect to the Refunded Bonds shall cease and terminate, except only the obligation to make payments therefor from the moneys provided for hereunder.

SECTION 4. Performance of Duties. The Escrow Agent agrees to perform only the duties set forth herein, and no implied obligations shall be read into this Agreement against either party hereto; provided, however, that the parties hereto shall be subject to a duty of acting in good faith hereunder.

SECTION 5. Reinvestment. Upon written direction of the District, the Escrow Agent may reinvest any uninvested amounts held as cash under this Agreement in noncallable nonprepayable obligations which are direct obligations issued by the United States Treasury or obligations which are unconditionally guaranteed as to full and timely payment by the United States of America provided (i) the amounts of and dates on which the anticipated transfers from the Escrow Fund to the Paying Agent for the payment of the principal of, redemption price of, and interest on the Refunded Bonds will not be diminished or postponed thereby, (ii) the Escrow Agent shall receive the unqualified opinion of nationally recognized bond counsel to the effect that such reinvestment will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or the Refunded Bonds, (iii) the Escrow Agent shall receive from a firm of independent certified public accountants a certification that, immediately after such reinvestment, the principal of and interest on obligations in the Escrow Fund will, together with other cash on deposit in the Escrow Fund available for such purposes, be sufficient without reinvestment to pay, when due, the principal or redemption price of and interest on the Refunded Bonds; and (iv) the Escrow Agent shall receive an opinion of nationally recognized bond counsel that such reinvestment is permissible under this Agreement.

SECTION 6. Indemnity. The District hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, officers, directors, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the District or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of its Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the purchase of the Investment Securities, the retention of the Investment Securities or the proceeds thereof, and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the District shall not hereby indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the negligent or willful misconduct of the Escrow Agent's respective successors, assigns, agents and employees or the breach by the Escrow Agent of the terms of this Agreement. In no event shall the District or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this section. The indemnities contained in this section shall survive the termination of this Agreement and the earlier removal or resignation of the Escrow Agent.

SECTION 7. Responsibilities of the Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or securities deposited therein, the purchase of the Investment Securities, the retention of the Investment Securities or the proceeds thereof, the sufficiency of the Investment Securities to accomplish the refunding and defeasance of the Refunded Bonds or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained in the "whereas" clauses herein shall be taken as the statements of the District and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the Investment

Securities to accomplish the refunding and defeasance of the Refunded Bonds or the validity of this Agreement as to the District and, except as otherwise provided herein, the Escrow Agent shall incur no liability with respect thereto. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence, willful misconduct or material default, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the District, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection with respect to any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the District.

None of the provisions of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, except as set forth in the preceding paragraph. The Escrow Agent may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Agent shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, entitlement order, approval or other paper or document. The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Agent agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Escrow Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the District elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

SECTION 8. Substitution of Investment Securities. At the written request of the District and upon compliance with the conditions hereinafter set forth, the Escrow Agent shall have the power to sell, transfer, request the redemption or otherwise dispose of some or all of the Investment Securities in the Escrow Fund and to substitute noncallable nonprepayable obligations (the "Substitute Investment Securities") constituting direct obligations issued by the United States Treasury or obligations which are unconditionally guaranteed as to full and timely payment by the United States of America. The foregoing may be effected only if: (i) the substitution of Substitute Investment Securities for the Investment Securities (or Substitute Investment Securities) occurs simultaneously; (ii) the amounts of and dates on which the anticipated transfers from the Escrow Fund to the Trustee for the payment of the principal, and/or redemption price of and/or interest on the Refunded Bonds will not be diminished or postponed thereby; (iii) the Escrow Agent shall receive the unqualified opinion of nationally recognized bond counsel to the effect that such disposition and substitution would not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds or the Bonds, and that the conditions of this Section 8 as to the disposition and substitution

have been satisfied and that the substitution is permitted by this Agreement; and (iv) the Escrow Agent shall receive from a firm of independent certified public accountants a certification that, immediately after such transaction, the principal of and interest on the Substitute Investment Securities in the Escrow Fund will, together with other cash on deposit in the Escrow Fund available for such purpose, be sufficient without reinvestment to pay, when due, the principal or redemption price of and interest on the Refunded Bonds. Any cash from the sale of Investment Securities (including U.S. Treasury Securities) received from the disposition and substitution of Substitute Investment Securities pursuant to this Section 8 to the extent such cash will not be required, in accordance with this Agreement, and as demonstrated in the certification described in subsection (iv) above, at any time for the payment when due of the principal or redemption price of or interest on the Refunded Bonds shall be paid to the District as received by the Escrow Agent free and clear of any trust, lien, pledge or assignment securing such Bonds or otherwise existing under this Agreement. Any other substitution of securities in the Escrow Fund not described in the previous sentence must satisfy the requirements of this Section 8. In no event shall the Escrow Agent invest or reinvest moneys held under this Agreement in mutual funds or unit investment trusts.

SECTION 9. Irrevocable Instructions as to Notice of Defeasance; Termination of Obligations.

(a) The Escrow Agent hereby acknowledges that upon the funding of the Escrow Fund as provided in Section 1(a) hereof and the purchase of the Investment Securities as provided in Section 2 hereof, the receipt of the Defeasance Opinion and the Verification Report described in Section 1(b) of this Agreement, then the Refunded Bonds shall be deemed paid in accordance with their terms and all obligations of the District with respect to the Refunded Bonds shall cease and terminate, except only the obligation to make payments therefore from the monies provided for hereunder.

(b) The Escrow Agent further agrees that it shall provide timely notice of the redemption of the Refunded Bonds pursuant to the Irrevocable Instructions and Request to Escrow Agent attached hereto as Schedule B.

SECTION 10. Amendments. This Agreement is made for the benefit of the District and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and the District; provided, however, but only after the receipt by the Escrow Agent of an opinion of nationally recognized bond counsel that the exclusion from gross income of interest on the Bonds and the Refunded Bonds will not be adversely affected for federal income tax purposes, that the District and the Escrow Agent may, without the consent of, or notice to, such holders, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not materially adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and (iii) to include under this Agreement additional funds, securities or properties. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized bond attorneys with respect to compliance with this Section 10, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section 10. In the event of any conflict with respect to the provisions of this Agreement, this Agreement shall prevail and be binding.

SECTION 11. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either (i) the date upon which the Refunded Bonds have been paid in accordance with this Agreement or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 3(b) of this Agreement.

SECTION 12. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien nor will it assert a lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

SECTION 13. Resignation or Removal of Escrow Agent.

(a) The Escrow Agent may resign by giving notice in writing to the District, a copy of which shall be sent to DTC. The Escrow Agent may be removed (1) by (i) filing with the District an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of the Refunded Bonds then remaining unpaid, (ii) sending notice at least 60 days prior to the effective date of said removal to DTC, and (iii) the delivery of a copy of the instruments filed with the District to the Escrow Agent; or (2) by a court of competent jurisdiction for failure to act in accordance with the provisions of this Agreement upon application by the District or the holders of 51% in aggregate principal amount of the Refunded Bonds then remaining unpaid.

(b) If the position of Escrow Agent becomes vacant due to resignation or removal of the Escrow Agent or any other reason, a successor Escrow Agent may be appointed by the District. The holders of a majority (51%) in principal amount of the Refunded Bonds then remaining unpaid may, by an instrument or instruments filed with the District, appoint a successor Escrow Agent who shall supersede any Escrow Agent theretofore appointed by the District. If no successor Escrow Agent is appointed by the District or the holders of such Refunded Bonds then remaining unpaid, within 45 days after any such resignation or removal, the holder of any such Refunded Bond or any retiring Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor Escrow Agent. The responsibilities of the Escrow Agent under this Escrow Agreement will not be discharged until a new Escrow Agent is appointed and until the cash and investments held under this Escrow Agreement are transferred to the new Escrow Agent.

SECTION 14. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the District or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 15. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 16. Governing Law. This Agreement shall be construed under the laws of the State of California.

SECTION 17. Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Agreement, shall be a legal holiday or a day on which banking institutions in the city in which is located the principal office of the Escrow Agent are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed,

with the same force and effect as if done on the nominal date provided in this Agreement, and no interest shall accrue for the period after such nominal date.

SECTION 18. Assignment. This Agreement shall not be assigned by the Escrow Agent or any successor thereto without the prior written consent of the District, except as permitted under Section 20 hereof.

SECTION 19. Rating Agencies. The District agrees to provide Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York, 10007 and S&P Global Ratings, a business unit of S&P Global Ratings, 55 Water Street, New York, New York 10041, prior notice of each amendment entered into pursuant to Section 10 hereof and a copy of such proposed amendment, and to forward a copy (as soon as possible) of (i) each amendment hereto entered into pursuant to Section 10 hereof, and (ii) any action relating to severability or contemplated by Section 14 hereof.

SECTION 20. Reorganization of Escrow Agent. Notwithstanding anything to the contrary contained in this Agreement, any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Escrow Agent is a party, or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Escrow Agent without execution or filing of any paper or any paper or further act, if such company is eligible to serve as Escrow Agent.

SECTION 21. Capitalized Terms. Capitalized terms used herein but not otherwise defined shall have the meanings assigned thereto in the Resolution.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed by their duly authorized officers as of the day and year first above written.

LA CAÑADA UNIFIED SCHOOL DISTRICT

By: _____
Chief Business & Operations Officer

U.S. BANK NATIONAL ASSOCIATION, as Escrow
Agent

By: _____
Authorized Officer

SCHEDULE A

“Investment Securities” are defined to be and shall be as follows:

A-1

SCHEDULE B

IRREVOCABLE INSTRUCTIONS AND REQUEST TO
ESCROW AGENT

July __, 2017

U.S. Bank National Association
Los Angeles, California

\$5,800,000.00
La Cañada Unified School District
Election of 2004
General Obligation Bonds, Series B
(Bank Qualified)

\$4,200,000
La Cañada Unified School District
Election of 2004
General Obligation Bonds, Series C
(Bank Qualified)

Ladies and Gentlemen:

As Escrow Agent and Paying Agent with respect to the Refunded Bonds, as defined herein, and pursuant to that certain Escrow Agreement, dated as of July 1, 2017, between the La Cañada Unified School District (the "District") and U.S. Bank National Association (the "Escrow Agreement"), you are hereby notified of the irrevocable election of the District to pay the following general obligation bonds issued thereof (collectively, the "Refunded Bonds"):

(i) the interest on the District's Election of 2004 General Obligation Bonds, Series B (Bank Qualified) maturing on August 1, 2019 through and including August 1, 2029 due on August 1, 2018, and to redeem on such date the outstanding principal of such bonds, at a redemption price equal to 100% of the principal amount thereof,

(ii) the interest on the District's Election of 2004 General Obligation Bonds, Series C (Bank Qualified) maturing on August 1, 2021 through and including August 1, 2032 due on August 1, 2019, and to redeem on such date the outstanding principal of such bonds, at a redemption price equal to 100% of the principal amount thereof

You are hereby irrevocably instructed to give, as provided in the resolutions pursuant to which the Refunded Bonds were issued, notice of redemption of such principal amounts of said Refunded Bonds as are scheduled to be redeemed prior to maturity to the extent such Refunded Bonds have not been otherwise redeemed or purchased by the Escrow Agent prior to such date. Such notices shall be in the forms annexed hereto as Exhibit X.

You are also hereby irrevocably instructed to file notices of defeasance, in the forms annexed hereto as Exhibit Y, of the Refunded Bonds with the Municipal Securities Rulemaking Board, which can be found at <http://emma.msrb.org/>.

LA CAÑADA UNIFIED SCHOOL DISTRICT

By: _____
Superintendent

Receipt acknowledged and
consented to:

U.S. BANK NATIONAL ASSOCIATION,
as Escrow Agent

By: _____
Authorized Officer

EXHIBIT X

NOTICE OF REDEMPTION OF

\$5,800,000.00 La Cañada Unified School District Election of 2004 General Obligation Bonds, Series B (Bank Qualified) Original Issued Date: August 5, 2008					
Maturity August 1	Rate	Principal Amount	CUSIP*	Redemption Price	Bond Number
2019	4.500%	\$300,000.00	502516LD7	100%	No. 11
2020	4.500	225,000.00	502516LE5	100	No. 12
2021	4.500	200,000.00	502516LF2	100	No. 13
2022	4.500	200,000.00	502516LG0	100	No. 14
2026	5.000	470,000.00	502516LL9	100	No. 15
2027	5.000	500,000.00	502516LM7	100	No. 16
2028	5.000	525,000.00	502516LN5	100	No. 17
2029	5.000	550,000.00	502516LP0	100	No. 18

NOTICE IS HEREBY given to the holders of the outstanding La Cañada Unified School District Election of 2004 General Obligation Bonds, Series B (Bank Qualified) maturing on August 1, 2019 through and including August 1, 2029 (the "Refunded Bonds"), that such Refunded Bonds have been called for redemption prior to maturity on August 1, 2018 (the "Redemption Date") in accordance with their terms at a redemption price of 100% of the principal amount thereof, together with accrued interest thereon to the Redemption Date. The source of the funds to be used for such redemption is the principal of and interest on cash heretofore deposited with U.S. Bank National Association, as Escrow Agent.

Interest on the Refunded Bonds and the Redemption Price shall become due and payable on the Redemption Date, and after such date, interest on such Refunded Bonds shall cease to accrue and be payable.

Holders of the Refunded Bonds will receive payment of the redemption price and accrued interest to which they are entitled upon presentation and surrender thereof at the corporate trust office of U.S. Bank National Association in the following manner:

If by Hand, Mail or Overnight Delivery:
U.S. Bank National Association Attn: Global Corporate Trust Services 111 Fillmore Avenue E St. Paul, MN 55107

Bondholders presenting their Bonds in person for same day payment must surrender their bond(s) by 1:00 PM on the Redemption Date and a check will be available for pickup after 2:00PM. Checks not picked up by 4:30 PM will be mailed out to the bondholder via first class mail. If payment of the Redemption Price is to be made to the registered owner of the Bond, you are not required to endorse the Bond to collect the Redemption Price.

Interest on the principal amount designated to be redeemed shall cease to accrue on and after the Redemption Date.

IMPORTANT NOTICE

*Neither the La Cañada Unified School District, nor U.S. Bank National Association shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness as shown in the Redemption Notice. It is included solely for convenience of the Holders.

By U.S. Bank National Association, as **Paying Agent**

Date:

NOTICE OF REDEMPTION OF

\$4,200,000 La Cañada Unified School District Election of 2004 General Obligation Bonds, Series C (Bank Qualified)

Original Issue date: March 25, 2009

Maturity August 1	Rate	Principal Amount	CUSIP*	Redemption Price	Bond Number
2021	5.250%	\$350,000	502516ME4	100%	No. 8
2023	5.500	650,000	502516MG9	100	No. 9
2024	5.500	450,000	502516MH7	100	No. 10
2025	5.500	500,000	502516MJ3	100	No. 11
2032	6.000	2,000,000	502516MR5	100	No. 12

NOTICE IS HEREBY given to the holders of the outstanding La Cañada Unified School District Election of 2004 General Obligation Bonds, Series C (Bank Qualified) maturing on and after August 1, 2021 through and including August 1, 2032 (the "Refunded Bonds"), that such Refunded Bonds have been called for redemption prior to maturity on August 1, 2019 (the "Redemption Date") in accordance with their terms at a redemption price of 100% of the principal amount thereof, together with accrued interest thereon to the Redemption Date. The source of the funds to be used for such redemption is the principal of and interest on cash heretofore deposited with U.S. Bank National Association, as Escrow Agent.

Interest on the Refunded Bonds and the Redemption Price shall become due and payable on the Redemption Date, and after such date, interest on such Refunded Bonds shall cease to accrue and be payable.

Holders of the Refunded Bonds will receive payment of the redemption price and accrued interest to which they are entitled upon presentation and surrender thereof at the corporate trust office of U.S. Bank National Association in the following manner:

If by Hand, Mail or Overnight Delivery:
U.S. Bank National Association Attn: Global Corporate Trust Services 111 Fillmore Avenue E St. Paul, MN 55107

Bondholders presenting their Bonds in person for same day payment must surrender their bond(s) by 1:00 PM on the Redemption Date and a check will be available for pickup after 2:00PM. Checks not picked up by 4:30 PM will be mailed out to the bondholder via first class mail. If payment of the Redemption Price is to be made to the registered owner of the Bond, you are not required to endorse the Bond to collect the Redemption Price.

Interest on the principal amount designated to be redeemed shall cease to accrue on and after the Redemption Date.

IMPORTANT NOTICE

*Neither the La Cañada Unified School District, nor U.S. Bank National Association shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness as shown in the Redemption Notice. It is included solely for convenience of the Holders.

By U.S. Bank National Association, as **Paying Agent**

Date:

EXHIBIT Y

NOTICE OF DEFEASANCE OF

\$5,800,000.00 La Cañada Unified School District Election of 2004 General Obligation Bonds, Series B (Bank Qualified) Original Issued Date: August 5, 2008					
Maturity August 1	Rate	Principal Amount	CUSIP*	Redemption Price	Bond Number
2019	4.500%	\$300,000.00	502516LD7	100%	No. 11
2020	4.500	225,000.00	502516LE5	100	No. 12
2021	4.500	200,000.00	502516LF2	100	No. 13
2022	4.500	200,000.00	502516LG0	100	No. 14
2026	5.000	470,000.00	502516LL9	100	No. 15
2027	5.000	500,000.00	502516LM7	100	No. 16
2028	5.000	525,000.00	502516LN5	100	No. 17
2029	5.000	550,000.00	502516LP0	100	No. 18

Notice is hereby given to the holders of the above-described outstanding bonds (the "Refunded Bonds") (i) that there has been deposited with U.S. Bank National Association, as Escrow Agent, moneys and investment securities as permitted by the Escrow Agreement, dated as of July 1, 2017, between La Cañada Unified School District and U.S. Bank National Association as Escrow Agent (the "Agreement"), the principal of and the interest on which when due will provide moneys which, together with such other moneys deposited with the Escrow Agent, shall be sufficient and available (a) to pay the interest on the Refunded Bonds scheduled to be paid on August 1, 2018 (the "Redemption Date"), and (b) to redeem the Refunded Bonds on such date at a redemption price (expressed as a percentage of the principal amount of the Refunded Bonds to be redeemed) equal to 100%; (ii) that the Escrow Agent has been irrevocably instructed to redeem on the Redemption Date such Refunded Bonds; and (iii) that the Refunded Bonds are deemed to be paid in accordance with Section 3 of the Agreement.

Dated this ____th day of _____, 2017.

by U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent

*Neither the La Cañada Unified School District, nor U.S. Bank National Association shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness as shown in the Redemption Notice. It is included solely for convenience of the Holders.

NOTICE OF DEFEASANCE OF

\$4,200,000
La Cañada Unified School District
Election of 2004
General Obligation Bonds, Series C
(Bank Qualified)

Original Issue date: March 25, 2009

Maturity August 1	Rate	Principal Amount	CUSIP*	Redemption Price	Bond Number
2021	5.250%	\$350,000	502516ME4	100%	No. 8
2023	5.500	650,000	502516MG9	100	No. 9
2024	5.500	450,000	502516MH7	100	No. 10
2025	5.500	500,000	502516MJ3	100	No. 11
2032	6.000	2,000,000	502516MR5	100	No. 12

Notice is hereby given to the holders of the above-described outstanding bonds (the "Refunded Bonds") (i) that there has been deposited with U.S. Bank National Association, as Escrow Agent, moneys and investment securities as permitted by the Escrow Agreement, dated as of July 1, 2017, between La Cañada Unified School District and U.S. Bank National Association as Escrow Agent (the "Agreement"), the principal of and the interest on which when due will provide moneys which, together with such other moneys deposited with the Escrow Agent, shall be sufficient and available (a) to pay the interest on the Refunded Bonds scheduled to be paid on August 1, 2019 (the "Redemption Date"), and (b) to redeem the Refunded Bonds on such date at a redemption price (expressed as a percentage of the principal amount of the Refunded Bonds to be redeemed) equal to 100%; (ii) that the Escrow Agent has been irrevocably instructed to redeem on the Redemption Date such Refunded Bonds; and (iii) that the Refunded Bonds are deemed to be paid in accordance with Section 3 of the Agreement.

Dated this __th day of _____, 2017.

by U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent

*Neither the La Cañada Unified School District, nor U.S. Bank National Association shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness as shown in the Redemption Notice. It is included solely for convenience of the Holders.

SCHEDULE C

REFUNDED BONDS

\$5,800,000.00 La Cañada Unified School District Election of 2004 General Obligation Bonds, Series B (Bank Qualified) Original Issued Date: August 5, 2008					
Maturity August 1	Rate	Principal Amount	CUSIP*	Redemption Price	Bond Number
2019	4.500%	\$300,000.00	502516LD7	100%	No. 11
2020	4.500	225,000.00	502516LE5	100	No. 12
2021	4.500	200,000.00	502516LF2	100	No. 13
2022	4.500	200,000.00	502516LG0	100	No. 14
2026	5.000	470,000.00	502516LL9	100	No. 15
2027	5.000	500,000.00	502516LM7	100	No. 16
2028	5.000	525,000.00	502516LN5	100	No. 17
2029	5.000	550,000.00	502516LP0	100	No. 18

\$4,200,000 La Cañada Unified School District Election of 2004 General Obligation Bonds, Series C (Bank Qualified) Original Issue date: March 25, 2009					
Maturity August 1	Rate	Principal Amount	CUSIP*	Redemption Price	Bond Number
2021	5.250%	\$350,000	502516ME4	100%	No. 8
2023	5.500	650,000	502516MG9	100	No. 9
2024	5.500	450,000	502516MH7	100	No. 10
2025	5.500	500,000	502516MJ3	100	No. 11
2032	6.000	2,000,000	502516MR5	100	No. 12

§
LA CAÑADA UNIFIED SCHOOL DISTRICT
(Los Angeles County, California)
2017 General Obligation Refunding Bonds

PURCHASE CONTRACT

_____, 2017

Board of Education
La Cañada Unified School District
4490 Cornishon Ave.
La Cañada, California 91011

Ladies and Gentlemen:

The undersigned, as underwriter (the "Underwriter"), offers to enter into this Purchase Contract (the "Purchase Contract") with the La Cañada Unified School District (the "District"), which, upon the District's acceptance hereof, will be binding upon the District and the Underwriter. This offer is made subject to the written acceptance of this Purchase Contract by the District and delivery of such acceptance to the Underwriter at or prior to 11:59 P.M., California Time, on the date hereof. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Official Statement (as defined herein) or, if not defined in the Official Statement, in the Resolution (as defined herein).

The District acknowledges and agrees that (i) the purchase and sale of the Bonds (as defined herein) pursuant to this Purchase Contract is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or fiduciary of the District, (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the District with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or are currently advising the District on other matters) or (y) any other obligation to the District except the obligations expressly set forth in this Purchase Contract, and (iv) the District has consulted with its own legal, accounting and other professional advisors to the extent it has deemed appropriate in connection with the offering of the Bonds. The District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the "MSRB").

1. **Purchase and Sale of the Bonds.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of \$_____ aggregate initial principal amount of the District's 2017 General Obligation Refunding Bonds (the "Bonds"). The Bonds shall

bear interest at the rates, shall mature in the years and shall be subject to redemption as shown on Appendix A hereto, which is incorporated herein by this reference. The Bonds shall be dated the date of delivery (the "Date of Delivery") and shall bear interest from such date, payable semiannually on February 1 and August 1, commencing February 1, 2018.

The Underwriter shall purchase the Bonds at a price of \$ _____ (which is equal to the principal amount of the Bonds of \$ _____, plus original issue premium of \$ _____, less an Underwriter's discount of \$ _____). Certain costs of issuance of the Bonds shall be paid by the District in accordance with Section 12 hereof.

2. **The Bonds.** The Bonds shall otherwise be as described in the Official Statement (defined herein), and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on June 20, 2017 (the "Resolution"), this Purchase Contract, and Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act").

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Contract and the Resolution. The Bonds shall bear CUSIP numbers; be in fully registered book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"); and initially be in authorized denominations of Five Thousand Dollars (\$5,000) principal amount, or any integral multiple thereof.

The net proceeds of the Bonds will be used to advance refund portions of the District's outstanding (i) Election of 2004 General Obligation Bonds, Series B (the "Series B Bonds"), and (ii) Election of 2004 General Obligation Bond, Series C (the "Series C Bonds" and together with the Series B Bonds, the "Refunded Bonds").

Pursuant to an escrow agreement, dated as of July 1, 2017 (the "Escrow Agreement"), by and between the District and U.S. Bank National Association (the "Escrow Agent"), a portion of the proceeds of the Bonds will be deposited into an escrow fund held thereunder and used to redeem the Refunded Bonds on their respective first optional redemption dates, and pay interest on the Refunded Bonds on such dates.

3. **Use of Documents.** The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, the Continuing Disclosure Certificate (as defined herein), this Purchase Contract, the Escrow Agreements, the Preliminary Official Statement, the Official Statement, the Resolution and all information contained herein and therein and all of the documents, certificates or statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Purchase Contract.

4. **Establishment of Issue Price.** The Underwriter agrees to assist the District in establishing the issue price of the Bonds 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 Appendix B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the District under this section 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.

(b) [Except as otherwise set forth in Schedule I attached hereto,] the District will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Bonds 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 Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

(c) *[TO BE INCLUDED ONLY IF THE UNDERWRITER AGREES TO APPLY THE HOLD-THE-OFFERING PRICE RULE]* The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating 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 (1) 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 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 and (2) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The District acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that the

Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(e) The Underwriter acknowledges that sales of any Bonds 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 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),

(3) 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

(4) "sale date" means the date of execution of this Purchase Contract by all parties.

5. **Review of Official Statement.** The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated _____, 2017 (the "Preliminary Official Statement"), which has been duly authorized and prepared by the District for use by the Underwriter in connection with the sale of the Bonds. The District represents that it has duly authorized and caused the preparation of the Preliminary Official Statement and it has deemed the Preliminary Official Statement to be final as of its date, except for either revision or addition of the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, redemption provisions, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (the "Rule").

The Underwriter agrees that prior to the time the Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail or electronic distribution (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

The Underwriter agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system within one business day after receipt thereof from the District, but in no event later than the Closing.

6. **Closing.** At 9:00 A.M., California Time, on _____, 2017 or at such other time or on such other date as shall have been mutually agreed upon by the District and the Underwriter (the "Closing"), the District will deliver to the Underwriter, through the facilities of DTC in New York, New York, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Bond Counsel in San Francisco, California, the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price set forth in Section 1 hereof in immediately available funds by wire transfer to the account or accounts designated by the District.

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

(a) **Due Organization.** The District is a school district duly organized and validly existing under the laws of the State of California (the "State"), with the power to issue the Bonds pursuant to the Act.

(b) **Due Authorization.** (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power, and authority to refund the Refunded Bonds, to enter into this Purchase Contract, the Continuing Disclosure Certificate and the Escrow Agreements, to adopt the Resolution, to perform its obligations under each such document or instrument, to approve the Official Statement, and to carry out and effectuate the transactions contemplated by this Purchase Contract, the Escrow Agreements, the Continuing Disclosure Certificate and the Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the Resolution, the Escrow Agreements, the Continuing Disclosure Certificate and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Contract and the Escrow Agreements, assuming the due authorization, execution and delivery by the other parties thereto, and the Continuing Disclosure Certificate, constitute valid and legally binding obligations of the District, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as enforcement may be subject to the application of equitable principles or the exercise of judicial discretion in appropriate cases if equitable remedies are sought, and by the limitations on legal remedies against public agencies in the State; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract.

(c) **Consents.** No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds, the execution and delivery of this Purchase Contract, the Escrow Agreements and the Continuing Disclosure Certificate, or the consummation of the other transactions effected or contemplated herein or hereby, which have not been taken or obtained, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws

and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(d) Internal Revenue Code. The District has complied with the Internal Revenue Code of 1986, as amended, with respect to the Bonds.

(e) No Conflicts. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Purchase Contract, the Escrow Agreements, the Continuing Disclosure Certificate, the Resolution and the Bonds, and the compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the District a violation of or default under the State Constitution or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(f) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation 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 several offices of the District or of the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, the collection of *ad valorem* property taxes contemplated by the Resolution, and the application thereof to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract, the Escrow Agreements, the Continuing Disclosure Certificate or the Resolution or contesting the powers of the District or its authority with respect to the Bonds, the Resolution, this Purchase Contract, the Escrow Agreements, or the Continuing Disclosure Certificate; or (iii) in which a final adverse decision could (a) materially adversely affect the operations or financial condition of the District or the consummation of the transactions contemplated by this Purchase Contract, the Continuing Disclosure Certificate, the Escrow Agreements or the Resolution, (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the exemption of interest on the Bonds from State personal income taxation.

(g) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, the District will not have issued, and no other person will have issued in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(h) Certificates. Any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

(i) Continuing Disclosure. In accordance with the requirements of the Rule and pursuant to the Resolution, at or prior to the Closing, the District shall have duly authorized, executed and delivered a Continuing Disclosure Certificate with respect to the Bonds (the "Continuing Disclosure Certificate") on behalf of each obligated person for which financial and/or operating data is presented in the Official Statement. The Continuing Disclosure Certificate shall be substantially in the form attached to the Official Statement in Appendix C. Except as otherwise disclosed in the Official Statement, the District has not, within the past five years, failed to comply in a material respect with any of its previous undertakings pursuant to the Rule to provide annual reports or notice of certain listed events.

(j) Official Statement Accurate and Complete. The Preliminary Official Statement, as of the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. As of the date hereof and on the date of Closing, the Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein.

(k) Levy of Tax. The District hereby agrees to take any and all actions as may be required by Los Angeles County (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 and Treasurer-Tax Collector of the County a copy of the Resolution, a copy of Appendix A 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.

(l) 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, 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.

(m) Representation Regarding Refunded Bonds. The District hereby represents that it has not entered into any contract or agreement that would limit or restrict the District's ability to refund the Refunded Bonds or enter into this Purchase Contract for the sale of the Bonds to the Underwriter.

8. **Covenants of the District.** The District covenants and agrees with the Underwriter that:

(a) Securities Laws. The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations or such states and jurisdictions, provided,

however, that the District shall not be required to consent to service of process in any jurisdiction in which it is not so subject as of the date hereof;

(b) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds for the purposes specified in the Resolution;

(c) Official Statement. The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the seventh (7th) business day following the date this Purchase Contract is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page, inside front cover pages, and all appendices, exhibits, maps, reports and statements included therein or attached thereto being herein called the "Official Statement") in such quantities as may be requested by the Underwriter not later than five (5) business days following the date this Purchase Contract is signed, in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

(d) Subsequent Events. The District hereby agrees to notify the Underwriter of any event or occurrence that may affect the accuracy or completeness of any information set forth in the Official Statement relating to the District until the date which is twenty five (25) days following the Closing;

(e) References. References herein to the Preliminary Official Statement and the Official Statement include the cover, inside front cover pages and all appendices, exhibits, maps, reports and statements included therein or attached thereto; and

(f) Amendments to Official Statement. During the period ending on the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the District and the Underwriter), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriter, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, at its own expense, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Purchase Contract, the "End of the Underwriting Period" is used as defined in the Rule and shall occur on the later of (A) the date of Closing or (B) 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 date of Closing, or otherwise agreed to by the District and the Underwriter, the District may assume that the End of the Underwriting Period is the date of Closing.

9. Representations, Warranties and Agreements of the Underwriter. The Underwriter represents to and agrees with the District that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to execute this Purchase Contract and to take any action under the Purchase Contract required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the District, and is not prohibited thereby from acting as underwriter with respect to securities of the District.

(c) The Underwriter has, and has had, no financial advisory relationship, as that term is defined in State Government Code section 53590(c) or MSRB Rule G-23, with the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

10. Conditions to Closing. The Underwriter has entered into this Purchase Contract in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of Closing. The Underwriter's obligations under this Purchase Contract are, and shall be subject, at the option of the Underwriter, to the following further conditions at the Closing:

(a) Representations True. 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, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing; and the District shall be in compliance with each of the agreements made by it in this Purchase Contract;

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Purchase Contract, the Continuing Disclosure Certificate, the Escrow Agreements and the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of their obligations required under or specified in the Resolution, this Purchase Contract, the Escrow Agreements or the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Contract (and not reversed

on appeal or otherwise set aside), or shall be pending, or, to the best knowledge of the District, threatened, which has any of the effects described in Section 7(f) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Marketability. The Underwriter shall have the right to cancel its obligation to purchase the Bonds if, between the date of this Purchase Contract and the Closing, the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, has been materially adversely affected, in the reasonable judgment of the Underwriter, by the occurrence of any of the following:

(1) legislation enacted or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the Securities and Exchange Commission, the United States Treasury, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the interest on the Bonds or securities of the general character of the Bonds are not exempt from federal taxation or that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;

(2) legislation enacted by the State legislature or a decision rendered by a State Court, or a ruling, order, or regulation (final or temporary) made by a State authority, which would have the effect of changing, directly or indirectly, the State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof;

(3) the formal declaration of war by Congress or a new major engagement in or escalation of military hostilities by order of the President of the United States, or the occurrence of any other declared national or international emergency, calamity or crisis that interrupts or causes discord to the operation of the financial markets or otherwise in the United States or elsewhere;

(4) the declaration of a general banking moratorium by federal, New York or State authorities, or the general suspension of trading on any national securities exchange;

(5) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(6) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of

obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(7) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status to any rating of the District's outstanding indebtedness by a national rating agency;

(8) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; or

(9) there shall have occurred any materially adverse change in the affairs or financial condition of the District.

(e) Delivery of Documents. At or prior to the date of the Closing, the Underwriter shall receive sufficient copies of the following documents in each case dated as of the date of Closing and satisfactory in form and substance to the Underwriter:

(1) Opinions of Bond Counsel. (A) The approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the date of the Closing, addressed to the District in substantially the form set forth in the Official Statement as Appendix A; and (B) a defeasance opinion of Bond Counsel with respect to the defeasance of the Refunded Bonds addressed to the District and the Underwriter, and including therein an opinion that the Escrow Agreements have each been duly authorized and delivered by the District and, assuming due authorization, execution and delivery by the respective Escrow Agents, are valid and binding agreements of the District;

(2) Reliance Letter. A reliance letter from Bond Counsel to the effect that the Underwriter can rely upon the opinion described in Section 10(e)(1)(A) above;

(3) Supplemental Opinion of Bond Counsel. A supplemental opinion of Bond Counsel addressed to the District and the Underwriter, dated as of the date of Closing, substantially to the following effect:

(i) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions "INTRODUCTION," "THE BONDS", "LEGAL MATTERS – Continuing Disclosure – Current Undertaking" and "TAX MATTERS," to the extent they purport to summarize certain provisions of the Bonds, the Resolution, the Continuing Disclosure Certificate, and Bond Counsel's opinion regarding the treatment of interest on the Bonds under State or federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect

to (i) any information contained in Appendices ___, ___ and ___ to the Official Statement, (ii) financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion contained in the Official Statement, including in any of the appendices thereto, (iii) information with respect to The Depository Trust Company or its book-entry only system included therein, (iv) any CUSIP numbers or information relating thereto, (v) the District's compliance with its obligations to file annual reports or provide notice of the events described in Rule 15c2-12 promulgated under the Securities Act of 1934, (vi) any information with respect to the Underwriter or underwriting matters with respect to the Bonds, including but not limited to information under the caption "MISCELLANEOUS – Underwriting"; and (vii) any information with respect to the ratings on the Bonds and the rating agency referenced therein, including but not limited to information under the caption "MISCELLANEOUS - Rating");

(ii) the Continuing Disclosure Certificate and this Purchase Contract have each been duly authorized, executed and delivered by the District and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the District, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the State; and

(iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended; and

(4) Disclosure Counsel Letter. A letter of Stradling Yocca Carlson & Rauth, dated the date of Closing and addressed to the District, substantially to the effect that based on such counsel's participation in conferences with representatives of the Underwriter, the financial advisor to the District, the District and others, during which conferences the contents of the Official Statement and related matters were discussed, and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the District, as a matter of fact and not opinion, that during the course of its engagement as Disclosure Counsel no information came to the attention of such counsel's attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement as of its date contained any untrue statement of a material fact or omitted to state any 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 for provided that Bond Counsel need not express any opinion with respect to (i) any information contained in Appendices ___, ___ and ___ to the Official Statement, (ii) financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion contained in the Official Statement, including

in any of the appendices thereto, (iii) information with respect to The Depository Trust Company or its book-entry only system included therein, (iv) any CUSIP numbers or information relating thereto, (v) any information with respect to the Underwriter or underwriting matters with respect to the Bonds, including but not limited to information under the caption "MISCELLANEOUS – Underwriting"; and (vii) any information with respect to the ratings on the Bonds and the rating agency referenced therein, including but not limited to information under the caption "MISCELLANEOUS – Rating");

(5) District Certificates. A certificate signed by appropriate officials of the District to the effect that (i) such officials are authorized to execute this Purchase Contract, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has complied with all the terms of the Resolution, the Escrow Agreements and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing, and, as to the District, such documents are in full force and effect, (iv) such District officials have reviewed the Official Statement and on such basis certify that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (v) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the Resolution, (vi) 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, and (vii) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or, to the best knowledge of such officials, threatened against the District, contesting in any way the completeness or accuracy of the Official Statement, the issuance of the Bonds by the District on behalf of the District or the due adoption of the Resolution;

(6) Arbitrage. A nonarbitrage certificate of the District in form satisfactory to Bond Counsel, with respect to the Bonds;

(7) Ratings. Evidence satisfactory to the Underwriter that the Bonds shall have received a rating of "_____" by Moody's Investors Service ("Moody's") (or such other equivalent rating as such rating agency may give) and that any such rating has not been revoked or downgraded;

(8) Resolution. A certificate, together with fully executed copies of the Resolution, of an authorized officer of the District to the effect that:

- (i) such copies are true and correct copies of the Resolution; and
- (ii) the Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing;

(9) Official Statement. A certificate of the appropriate official of the District evidencing his or her determinations respecting the Preliminary Official Statement in accordance with the Rule;

(10) Certificate of the Paying Agent. A certificate of the Paying Agent, signed by a duly authorized officer thereof, and in form and substance satisfactory to the Underwriter, substantially to the effect that no litigation is pending or, to the best of the Paying Agent's knowledge, threatened (either in state or federal courts) (i) seeking to restrain or enjoin the delivery by the Paying Agent of any of the Bonds, or (ii) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or any agreement with the Paying Agent;

(11) Certificate of the Escrow Agent. A certificate of each Escrow Agent, dated the date of Closing, signed by a duly authorized officer of such Escrow Agent, and in form and substance satisfactory to the Underwriter, to the effect that (i) the Escrow Agent has all necessary power and authority to enter into and perform its duties under its Escrow Agreement; (ii) the Escrow Agent has duly authorized, executed and delivered such Escrow Agreement, and, assuming due authorization, execution and delivery by the District, such Escrow Agreement constitutes the valid and binding agreement of such Escrow Agent enforceable against the Escrow Agent in accordance with its terms, except as enforceability may be subject to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights and to the application of equitable principles; (iii) the execution and delivery of such Escrow Agreement and compliance with the provisions thereof have been duly authorized by all necessary corporate action on the part of such Escrow Agent and, to the best knowledge of such Escrow Agent, will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaws or any agreement to which such Escrow Agent is subject or by which it is bound; and (iv) no litigation is pending or, to the best knowledge of such Escrow Agent, threatened (either in state or federal courts) against the Escrow Agent in any way contesting or affecting the validity or enforceability of the Bonds or such Escrow Agreement;

(12) Verification Report. A report and opinion of Causey Demgen & Moore P.C. (the "Verification Agent") with respect to the sufficiency of monies or securities, and investment earnings thereon, held under each Escrow Agreement to refund the respective series of Refunded Bonds, all as provided in the Escrow Agreements;

(13) Underwriter's Counsel Opinion. The opinion of Kutak Rock LLP, Denver, Colorado, as counsel to the Underwriter, in a form and substance satisfactory to the Underwriter;

(14) Continuing Disclosure Certificate. An executed copy of the Continuing Disclosure Certificate, substantially in the form presented in the Official Statement as Appendix C thereto;

(15) Escrow Agreements. The Escrow Agreements, and executed by the respective parties thereto; and

(16) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel or the Underwriter may reasonably request to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained and of the Official Statement, and (iii) 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.

(f) Termination. Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the District to the Underwriter as provided in Section 6 herein, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect except with respect to the obligations of the District and the Underwriter under Section 12 hereof.

If the District is unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Contract or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be cancelled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the District in writing, or, if by telephone, 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 by the Underwriter in writing at its sole discretion.

11. **Conditions to Obligations of the District.** The performance by the District of its obligations is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the District and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than the District.

12. **Expenses.** (a) To the extent that the transactions contemplated by this Purchase Contract are consummated, the District shall pay (or cause to be paid), and the Underwriter shall be under no obligation to pay, the following costs of issuance with respect to the Bonds, including but not limited to the following: (i) the fees and disbursements of the District's Bond Counsel, Disclosure Counsel and financial advisor; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fees for Bond ratings, including all necessary travel expenses; (iv) the cost of the printing and distribution of the Preliminary Official Statement and Official Statement; (v) the initial fees of the Paying Agent and Fiscal Agent (as defined herein); (vi) expenses for travel, lodging, and subsistence related to rating agency visits and other meetings connected to the authorization, sale, issuance and distribution of the Bonds; (vii) the initial fees of the Escrow Agents; (ix) the fees of the Verification Agent; and (x) all other fees and expenses incident to the issuance and sale of the Bonds. The District hereby authorizes the Underwriter to wire a portion of the collective purchase price for the Bonds equal to \$ _____ to U.S. Bank National Association, as fiscal agent for the District (the "Fiscal Agent"), for the payment of such costs. In the event that following payment of the expenses set forth above, there is any portion remaining, such remaining amount shall be deposited into the debt service fund for the Bonds.

(b) Notwithstanding any of the foregoing, the Underwriter shall pay all out of pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, CUSIP fees, the fees and disbursement of counsel to the Underwriter, and other

expenses (except those expressly provided above) without limitation, except travel and related expenses in connection with the bond ratings.

(c) Notwithstanding Section 10(f) hereof, the District hereby agrees, in the event the purchase and sale of the Bonds does not occur as contemplated hereunder, to reimburse the Underwriter for any costs described in Subsection 12(a)(vii) above that are attributable to District personnel.

13. **Notices.** Any notice or other communication to be given under this Purchase Contract (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, to La Cañada Unified School District, 4490 Cornishon Ave., La Cañada, California 91011, Attention: Chief Business & Operations Officer, or if to the Underwriter, to Stifel, Nicolaus & Company, Incorporated, 515 South Figueroa Street, Suite 1800, Los Angeles, California 90071, attention: Dawn Vincent, Managing Director.

14. **Parties in Interest; Survival of Representations and Warranties.** This Purchase Contract when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter. This Purchase Contract is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the District in this Purchase Contract shall survive regardless of (a) any investigation or 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 Purchase Contract.

15. **Execution in Counterparts.** This Purchase Contract may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

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16. **Applicable Law.** This Purchase Contract shall be interpreted, governed and enforced in accordance with the laws of the State applicable to contracts made and performed in such State.

Very truly yours,

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED, as Underwriter**

By: _____
Managing Director

The foregoing is hereby agreed to and accepted
at _____, California Time, as of
the date first above written:

LA CAÑADA UNIFIED SCHOOL DISTRICT

By: _____
Chief Business & Operations Officer

APPENDIX A

\$
LA CAÑADA UNIFIED SCHOOL DISTRICT
(Los Angeles County, California)
2017 General Obligation Refunding Bonds

<u>Maturity (October 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
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Redemption

[TO COME].