

**RESOLUTION NO. 10-20
BEFORE THE GOVERNING BOARD
OF THE CABRILLO UNIFIED SCHOOL DISTRICT
SAN MATEO COUNTY, CALIFORNIA**

RESOLUTION OF THE GOVERNING BOARD OF THE CABRILLO UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$40,000,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF CABRILLO UNIFIED SCHOOL DISTRICT, PRESCRIBING THE TERMS OF SALE, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN LEGAL DOCUMENTS, APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT FOR THE BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, an election was duly called and regularly held in the Cabrillo Unified School District (the "District"), located in the County of San Mateo ("County"), California, on June 5, 2018, at which the following proposition (as abbreviated pursuant to Section 13247 of the California Elections Code) was submitted to the electors of the District (the "Bond Measure"):

"To update classrooms and science labs in schools; perform essential safety repairs; fix leaky roofs; equip classrooms with 21st-century learning technology; replace aging heating/plumbing; and construct/equip classrooms, shall Cabrillo Unified School District issue \$99,000,000 in bonds, at legal interest rates, raising amounts needed each year to repay bonds while outstanding, at an estimated rate of \$52 per \$100,000 of assessed value, with citizen oversight, annual audits, no funds for administrator salaries, and funds staying local?"

WHEREAS, at least fifty-five percent (55%) of the votes cast on the proposition were in favor of issuing the bonds;

WHEREAS, on September 13, 2018, the Governing Board (the "Board") of the District authorized the issuance and sale of the first series of bonds designated the "Cabrillo Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2018, Series A" (the "Series A Bonds") under the Authorization;

WHEREAS, on October 10, 2018, the District issued the Series A Bonds in the principal amount of \$35,000,000;

WHEREAS, the Board deems it necessary and desirable to authorize and consummate the sale of a portion of the bonds, in a series designated the "Cabrillo Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2018, Series B" (the "Series B Bonds") in an aggregate principal amount not exceeding \$40,000,000, according to the terms and in the manner hereinafter set forth;

WHEREAS, Section 15140(b) of the Education Code of the State of California authorizes a county board of supervisors to allow school districts over which the county superintendent of schools has jurisdiction to issue and sell school bonds directly without further action by the board of supervisors or officers of the county if said school district has not received a qualified or negative certification in its most recent interim report;

WHEREAS, the District has requested that the Board of Supervisors of the County of San Mateo authorize the District to issue and sell the Series B Bonds on its own behalf, subject to the Government Code and applicable law;

WHEREAS, the District is authorized by Section 53506 et Seq. of the Government Code to sell bonds at a public or private (negotiated) sale;

WHEREAS, a form of bond purchase agreement, to be used in the event that the Series B Bonds are sold by negotiated sale, in the form submitted to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution ("Bond Purchase Agreement") for the purchase of the Series B Bonds, proposed to be entered into with Raymond James and Associates, Inc. has been prepared;

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

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

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

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

WHEREAS, the District desires that the Controller of the County annually establish tax rates on taxable property within the District for repayment of the Series B Bonds, pursuant to Sections 29100-29103 of the Government Code, that the Board of Supervisors of the County annually approve the levy of such tax, and that the Treasurer-Tax Collector of the County annually collect such tax and apply the proceeds thereof to the payment of principal of and interest on the Series B Bonds when due, all pursuant to Education Code Section 15250 et seq.; and

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

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

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

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

“Authorized Officers” means the President of the Board, or such other member of the Board as the President may designate, the Superintendent of the District, and the Chief Business Officer of the District, or such other officer or employee of the District as the Superintendent may designate.

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

“Board” means the Governing Board of the District.

“Bond Purchase Agreement” means the Bond Purchase Agreement relating to the negotiated sale of the Series B Bonds by and between the District and the Underwriter in accordance with the provisions hereof.

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

“Code” means the Internal Revenue Code of 1986.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement executed and delivered by the District relating to the Series B Bonds.

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

“Costs of Issuance” means all items of expense directly or indirectly reimbursable to the District relating to the issuance, execution and delivery of the Series B Bonds including, but not limited to, filing and recording costs, settlement costs, printing costs, reproduction and binding costs, legal fees and charges, fees and expenses of the Paying Agent, financial advisor and other professional consultant fees, costs of obtaining credit ratings, fees for execution, transportation and safekeeping of the Series B Bonds and charges and fees in connection with the foregoing. Additional costs authorized to be paid from the proceeds of the Series B Bonds are all of the authorized costs set forth in Sections 53550(e) and (f) of the Government Code.

“County” means the County of San Mateo.

“District” means the Cabrillo Unified School District.

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

“Interest Date” means February 1 and August 1 of each year commencing on August 1, 2020 or such other dates as may be set forth in the Bond Purchase Agreement.

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

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

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

“Paying Agent” means The Bank of New York Mellon Trust Company, N.A., or any bank, trust company, national banking association or other financial institution appointed as Paying Agent to act as authenticating agent, bond registrar, transfer agent, COI agent and paying agent for the Series B Bonds in accordance with Section 8 hereof.

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

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

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

“Series B Bonds” means the bonds authorized and issued pursuant to this Resolution designated the “Cabrillo Unified School District (San Mateo County) General Obligation Bonds, Election of 2018, Series B”.

“State” means the State of California.

“Tax Certificate” means the Tax Certificate with respect to the Series B Bonds executed by the District, dated the date of issuance of the Series B Bonds.

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

“Underwriter” means, if the Series B Bonds are sold by negotiated sale, Raymond James and Associates, Inc. and if the Series B Bonds are sold by Competitive Sale, means the responsible bidder who makes the best responsive bid therefor as provided in the Certificate of Award (defined below).

Section 3. Authorization and Designation of Bonds. Provided that the requested County authorization is granted, the Series B Bonds described herein shall be issued pursuant to the authority of Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the Government Code, and other applicable provisions of law, including applicable provisions of the Education Code. The Governing Board hereby authorizes the issuance and sale of not to exceed \$40,000,000 aggregate principal amount of Series B Bonds. The Series B Bonds shall be designated “Cabrillo Unified School District (San Mateo County) General Obligation Bonds, Election of 2018, Series B.” The Series B Bonds shall be issued as current interest bonds as provided in Section 5 hereof. The proceeds of the Series B Bonds, exclusive of any premium and accrued interest received, shall be applied to finance projects authorized to be financed under the Bond Measure.

Section 4. Form of Bonds: Execution.

- (a) Form of Series B Bonds. The Series B Bonds shall be issued in fully registered form without coupons. The Series B Bonds and the certificate of authentication and registration and the form of assignment to appear on each of them, shall be in substantially the form attached hereto as **Exhibit A**, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.
- (b) Execution of Bonds. The Series B Bonds shall be signed by the manual or facsimile signatures of the President of the Governing Board, and countersigned by the manual or facsimile signature of the Secretary of the Governing Board. The Series B Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.
- (c) Valid Authentication. Only such of the Series B Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (a) of this Section, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of authentication and registration shall be conclusive evidence that the Series B Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.
- (d) Identifying Number. The Paying Agent shall assign each Series B Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal office, which record shall be available to the District and the County for inspection.

Section 5. Terms of Bonds.

- (a) Date of Series B Bonds. The Series B Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement.
- (b) Denominations. The Series B Bonds shall be issued in denominations of \$5,000 principal amount or any integral multiple thereof.

- (c) Maturity. The Series B Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Agreement. No Series B Bonds shall mature later than the date which is 40 years from the date of the Series B Bonds, to be determined as provided in subsection (a) of this Section; provided, however, that for any Series B Bonds that have a maturity greater than 30 years, an Authorized Officer shall make a finding that the useful life of the facility financed with the Series B Bonds equal or exceeds the maturity date of the Series B Bonds, or otherwise upon such other terms and conditions as shall be established for the Series B Bonds by the Bond Purchase Agreement. No Series B Bond shall have principal maturing on more than one principal maturity date. The aggregate principal amount of the Series B Bonds shall not exceed \$40,000,000.

- (d) Interest. The Series B Bonds shall bear interest payable on the Interest Dates in each year computed on the basis of a 360-day year of twelve 30-day months. Each Series B Bond shall bear interest from the Interest Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Date, in which event it shall bear interest from such Interest Date, or unless it is authenticated on or before the Record Date preceding the first Interest Date, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Series B Bond, interest is in default on any outstanding Series B Bonds, such Series B Bond shall bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Series B Bonds.

Section 6. Payment of Bonds.

- (a) Request for Tax Levy. The money for the payment of principal, redemption premium, if any, and interest on the Series B Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the Interest and Sinking Fund, as defined below. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Series B Bonds in such year, and to pay from such taxes all amounts due on the Series B Bonds. The District hereby requests the Board of Supervisors of the County to annually levy a tax upon all taxable property in the District sufficient to redeem the Series B Bonds, and to pay the principal, redemption premium, if any, and interest thereon as and when the same become due.

The *ad valorem* tax revenues levied to pay the Series B Bonds shall, when collected, be deposited by the County into the Interest and Sinking Fund of the District ("Interest and Sinking Fund), which is hereby authorized to be created. The Interest and Sinking Fund and *ad valorem* tax revenues are irrevocably pledged, and the District hereby grants a lien and security interest therein, for the payment of the principal, redemption premium, if any, and interest on the Series B Bonds when and as the same fall due. The moneys in the Interest and Sinking Fund, to the extent necessary to pay the principal, redemption premium, if any, and interest on the Series B Bonds as the same become due and payable, shall be transferred by the County or the District, as the case may be, to the Paying Agent, as paying agent for the Series B Bonds, as necessary to pay the principal, redemption premium, if any, and interest on the Series B Bonds. The property taxes and amounts held in the Interest and Sinking Fund of the District shall immediately be subject to this pledge, and the pledge shall constitute a lien and security interest which shall be effective, binding, and enforceable against the

District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The pledge is an agreement between the District and the Owners of the Series B Bonds in addition to any statutory lien that may exist, and the Series B Bonds are being issued to finance one or more projects and not to finance the general purposes of the District.

Additionally, in accordance with Section 15251(b) of the California Education Code and Section 53515(a) of the California Government Code, the Series B Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax for the Series B Bonds. The lien shall automatically attach without further action or authorization by the District or the County. The lien shall be valid and binding from the time the Series B Bonds are executed and delivered. The revenues received pursuant to the levy and collection of the tax shall be immediately subject to the lien, and the lien shall automatically attach to the revenues and be effective, binding, and enforceable against the District, its successors, transferees and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any physical delivery, recordation, filing, or further act.

- (b) Financial. The principal of the Series B Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the principal corporate trust office of the Paying Agent.
- (c) Interest, Record Date. The interest on the Series B Bonds shall be payable on each Interest Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Date, such interest to be paid by check or draft mailed on such Interest Date (if a business day, or on the next business day if the Interest Date does not fall on a business day) to such Owner at such Owner's address as it appears on the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least \$1,000,000 of outstanding Series B Bonds who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Date.
- (d) Interest and Sinking Fund. Principal and interest due on the Series B Bonds shall be paid from the Interest and Sinking Fund as provided in Section 15146 of the Education Code.
- (e) Obligation of the District. No part of any fund or account of the County is pledged or obligated to the payment of the Series B Bonds. The obligation for repayment of the Series B Bonds is the sole obligation of the District.

Section 7. Redemption Provisions.

- (a) Optional Redemption. The Series B Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement.
- (b) Selection. If less than all of the Series B Bonds are subject to such redemption and are called for redemption, such Series B Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the Bond Purchase Agreement), and if less than all of the Series B Bonds of any given maturity are called for redemption, the portions of such Series B Bonds of a given maturity to be redeemed shall be determined by lot (or as otherwise set forth in the Bond Purchase Agreement).

- (d) Mandatory Sinking Fund Redemption. The Series B Bonds, if any, which are designated in the Bond Purchase Agreement as term bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot (or as otherwise set forth in the Bond Purchase Agreement), from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in such Bond Purchase Agreement. Unless otherwise provided in the Bond Purchase Agreement, the principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount of any Series B Bonds of that maturity redeemed in accordance with subsection (a) or (b) of this Section prior to the mandatory sinking fund payment date. The Bond Purchase Agreement may provide that the Series B Bonds shall not be subject to mandatory sinking fund redemption. The Controller is hereby authorized to create such sinking funds or accounts for the term Series B Bonds as shall be necessary to accomplish the purposes of this Section.
- (e) Notice of Redemption. Notice of any redemption of the Series B Bonds shall be mailed by the Paying Agent, postage prepaid, not less than 20 nor more than 45 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the Continuing Disclosure Agreement. Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Series B Bonds and the date of issue of the Series B Bonds; (iii) the redemption date; (iv) the redemption price; (v) the series of Series B Bonds and the dates of maturity or maturities of Series B Bonds to be redeemed; (vi) if less than all of the Series B Bonds of a series of any maturity are to be redeemed, the distinctive numbers of the Series B Bonds of each maturity of such series to be redeemed; (vii) in the case of Series B Bonds of a series redeemed in part only, the respective portions of the principal amount of the Series B Bonds of each maturity of such series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Series B Bonds of a series to be redeemed; (ix) a statement that such Series B Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Series B Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.
- (f) Effect of Notice. A certificate of the Paying Agent that notice of redemption has been given to Owners as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Series B Bonds or the cessation of interest on the date fixed for redemption. When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Series B Bonds called for redemption is set aside for the purpose as described in subsection (h) of this Section, the Series B Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Series B Bonds at the place specified in the notice of redemption, such Series B Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series B Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the Interest and Sinking Fund or the trust fund established for such purpose. All Series B Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

- (g) Right to Rescind Notice. The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Series B Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the Interest and Sinking Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series B Bonds called for redemption.

Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Series B Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

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

- (i) Defeasance of Bonds. If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Series B Bonds all or any part of the principal, interest and premium, if any, on the Series B Bonds at the times and in the manner provided herein and in the Series B Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners shall cease to be entitled to the obligation of the District as provided in Section 6 hereof, and such obligation and all agreement and covenants of the District and of the County to such Owners hereunder and under the Series B Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by the Series B Bonds, but only out of monies on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment; and provided further, however, that the provisions of subsection (j) of this Section shall apply in all events.

For purposes of this Section, the District may pay and discharge any or all of the Series B Bonds by depositing in trust with the Paying Agent or an escrow agent, selected by the District, at or before maturity, money or non-callable direct obligations of the United States of America (including zero interest bearing State and Local Government Series) or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith

and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the Interest and Sinking Fund, be fully sufficient to pay and discharge the indebtedness on such Series B Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

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

Section 8. Paying Agent.

- (a) Appointment, Payment of Fees and Expenses. This Board does hereby consent to and confirm the appointment of The Bank of New York Mellon Trust Company, N.A., to act as the initial paying agent for the Series B Bonds. All fees and expenses of the paying agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Series B Bonds, or from the Interest and Sinking Fund, insofar as permitted by law, including specifically by Section 15232 of the Education Code, such fees and expenses shall be paid by the District.
- (b) Resignation, Removal and Replacement of Paying Agent. The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the County after consultation with the District as provided in the Paying Agent's service agreement. If at any time the Paying Agent shall resign or be removed, the Treasurer-Tax Collector shall appoint a successor Paying Agent, which shall be any bank, trust company, national banking association or other financial institution doing business in and having a corporate trust office in California, with at least \$100,000,000 in net assets.
- (c) Principal Corporate Trust Office. The initial Paying Agent, and any successor Paying Agent, shall designate each place or places where it will conduct the functions of transfer, registration, exchange, payment, and surrender of the Series B Bonds, and any reference herein to the "principal corporate trust office" of the Paying Agent shall mean the office so designated for a particular purpose. If no office is so designated for a particular purpose, such functions shall be conducted at the office of The Bank of New York Mellon Trust Company, N.A., in Los Angeles, California, or the principal corporate trust office of any successor Paying Agent.
- (d) Registration Books. The Paying Agent shall keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Series B Bonds, which shall at all times be open to inspection by the District and the County, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on the Registration Books, Series B Bonds as provided in Sections 9 and 10 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Series B Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District in a format mutually agreeable to the Paying Agent and the District.

Section 9. Transfer Under Book-Entry System; Discontinuation of Book-Entry System.

- (a) DTC as Depository. Unless otherwise specified in the Bond Purchase Agreement, DTC is hereby appointed depository for the Series B Bonds and the Series B Bonds shall be issued in book-entry form only, and shall be initially registered in the name of "Cede & Co.," as nominee of DTC. One bond certificate shall be issued for each maturity of each series of the Series B Bonds; provided, however, that if different CUSIP numbers are assigned to Series B Bonds of a series maturing in a single year or, if Series B Bonds of the same series maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Series B Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 10 hereof:
- (i) To any successor of DTC, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a "substitute depository"); provided, however that any successor of DTC, as nominee of DTC or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;
 - (ii) To any substitute depository not objected to by the District, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or
 - (iii) To any person as provided below, upon (1) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository; provided that no substitute depository which is not objected to by the District can be obtained, or (2) a determination by the District that it is in the best interests of the District to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.
- (b) Transfer of Depository. In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Series B Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Series B Bond for each maturity shall be executed and delivered in the aggregate principal amount of such Series B Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Series B Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Series B Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 4 hereof and the receipt of such a written request of the District, and thereafter, the Series B Bonds shall be transferred pursuant to the provisions set forth in Section 9 hereof provided, however, that the Paying Agent shall not be required to deliver such new Series B Bonds within a period of less than 60 days after the receipt of any such written request of the District.

- (c) Redemption or Refunding. In the case of partial redemption or an advance refunding of the Series B Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Series B Bonds indicating the date and amounts of such reduction in principal.
- (d) Treatment of Registered Owner. The District and the Paying Agent shall be entitled to treat the person in whose name any Series B Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent; and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Series B Bonds, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Series B Bonds.
- (e) Cooperation with Registered Owner. So long as the outstanding Series B Bonds are registered in the name of Cede & Co. or its registered assigns, the District and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Series B Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

Section 10. Transfer and Exchange of Bonds.

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

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

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

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

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

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

Section 11. Bond Purchase Agreement; Sale of Series B Bonds. The form of Bond Purchase Agreement, in substantially the form submitted herewith and made a part hereof as though set forth herein, and to be entered into in the event the Series B Bonds are sold by negotiated sale, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver a Bond Purchase Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that (a) the true interest cost for the Series B Bonds shall not be in excess of 6.00%, (b) the interest rate on the Series B Bonds shall not exceed 6.00% per annum, (c) the minimum purchase price for the Series B Bonds shall be not less than the aggregate principal amount thereof, (d) the Underwriter's discount for the sale of Series B Bonds shall not exceed 1.00% of the principal amount of such Series B Bonds exclusive of any costs of issuance the Underwriter may contract to pay, and (e) the Series B Bonds shall otherwise conform to the limitations specified herein.

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

The Board hereby finds and determines pursuant to Government Code section 53508.7 that the sale of the Series B Bonds at negotiated sale as contemplated herein and by the Bond Purchase Agreement will provide more flexibility in the timing of the sale, and ability to implement the sale in a shorter time period, an increased ability to structure the Series B Bonds to fit the needs of particular purchasers, and greater opportunity for the Underwriter to pre-market the Series B Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds. Estimates of the Costs of Issuance associated with the issuance of the Series B Bonds, including any such costs which the Underwriter agrees to pay pursuant to the Bond Purchase Agreement, are set forth on **Exhibit B** attached hereto and incorporated herein.

In accordance with Section 15146(h) of the Education Code, the Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by the Paying Agent as cost of issuance administrator, proceeds of the sale of the Series B Bonds (exclusive of any premium or accrued interest received) in an amount not exceeding 2.00% of the principal amount of the Series B Bonds sold, as shall be set forth in the Bond Purchase Agreement, for the purposes of paying the costs associated with the issuance of the Series B Bonds.

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

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

Section 12. Alternative Method of Sale of Bonds. In addition to the authority granted hereunder to sell the Series B Bonds by negotiated sale, and notwithstanding anything contained in this Resolution to the contrary, the Series B Bonds, to the extent determined by an Authorized Officer to be advantageous to the District, may be sold upon the taking of public bids (a "competitive sale"). If an Authorized Officer elects to sell the Series B Bonds pursuant to a competitive sale, the Series B Bonds shall be offered by means of an Official Notice of Sale, substantially in such form as is approved by an Authorized Officer, for the Series B Bonds. Such Series B Bonds, if sold by competitive sale, shall be sold to the responsible bidder who makes the best responsive bid therefor, after publication of a Notice of Intention to Sell Bonds once at least five (5) days before the date of sale in a financial publication generally circulated throughout the State of California or which the District's Financial Advisor advises is expected to be disseminated among prospective bidders for the Series B Bonds. The Official Notice of Sale with respect to the competitively sold Series B Bonds shall require that (i) the purchase price of such Series B Bonds shall be no less than the respective principal amount thereof; (ii) such Series B Bonds shall otherwise conform to the limitations specified in this Resolution, as applicable, including specifically those terms prescribed by this section. The Authorized Officers are each hereby authorized to publicize one or more instruments in substantially said form and award the sale of the Series B Bonds pursuant thereto and pursuant a certificates of award (the "Certificate of Award"), subject to such changes or revisions to the Official Notice of Sale as may be acceptable to the Authorized Officer, and the District's approval of all such changes shall be conclusively evidenced by the execution and delivery of the Certificate of Award. The District reserves the right to reject all bids and to re-bid the Series B Bonds or, if necessary, to sell the Series B Bonds by negotiated sale as permitted by law, upon consultation with the District's Financial Advisor, and upon terms and conditions otherwise in conformity with the limitations contained in this Resolution, as applicable. The Certificate of Award shall recite the aggregate principal amount of the Series B Bonds and shall recite the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual Interest Payment Dates thereof, and the terms of optional, extraordinary and mandatory sinking fund redemption thereof, if any.

Section 13. Continuing Disclosure Agreement. The Continuing Disclosure Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver a Continuing Certificate in substantially said form, as is necessary to cause the requirements of Rule 15c2-12 to be satisfied, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such determination, requirement or approval to be conclusively evidenced by the execution of the applicable Continuing Disclosure Agreement by such Authorized Officer.

Section 14. Preliminary Official Statement. The Preliminary Official Statement to be distributed in connection with the public offering of the Series B Bonds, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, with such changes, insertions and omissions as may be approved by an Authorized Officer, is hereby approved, and the use of such Preliminary Official Statement in connection with the offering and sale of the Series B Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the District that

such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

Section 15. Official Statement. The preparation and delivery of an Official Statement with respect to the Series B Bonds, and its use by the Underwriter in connection with the offering and sale of the Series B Bonds, is hereby authorized and approved. Such Official Statement shall be in substantially the form of the Preliminary Official Statement distributed in connection with the public offering of the Series B Bonds with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the District, to execute the final Official Statement with respect to the Series B Bonds and any amendment or supplement thereto and thereupon to cause such final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 16. Application and Investment of Proceeds.

- (a) Deposit of Bond Proceeds. The proceeds from the sale of the Series B Bonds, other than amounts deposited to the Interest and Sinking Fund and a costs of issuance account as described in Section 11 hereof, shall be deposited in the County Treasury to the credit of the building fund of the District. Any premium or accrued interest received by the District shall be deposited in the Interest and Sinking Fund in the County Treasury. Earnings on the investment of moneys in either fund will be retained in that fund and used only for the purposes to which that fund may lawfully be applied. Moneys in the Building Fund may only be applied for the purposes for which the Series B Bonds were approved. Moneys in the Interest and Sinking Fund may only be applied to make payments of interest, principal, and premium, if any, on bonds of the District. Any excess proceeds of the Series B Bonds not needed for the authorized purposes set forth herein for which the Series B Bonds are being issued shall be transferred to the Interest and Sinking Fund and applied to the payment of the Principal of and interest on the Series B Bonds. If, after payment in full of the Series B Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.
- (b) Investment of Bond Proceeds. Amounts deposited into the Building fund and the Interest and Sinking Fund, as well as proceeds of taxes held therein for payment of the Series B Bonds, will be invested at the Treasurer-Tax Collector's discretion pursuant to law and the investment policy of the County.

Section 17. Rebate Fund.

- (a) The District shall create and establish a special fund designated the "Cabrillo Unified School District (San Mateo County) General Obligation Bond, Election of 2018, Series B Bonds Rebate Fund" ("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 ("Rebate Requirement") pursuant to Section 148 of the Code, and the United States Treasury Regulations promulgated thereunder ("Treasury Regulations"). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and by the Tax Certificate to be executed by the District.
- (b) Within 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 Series B Bonds the amount that would be considered the "rebate amount" within the meaning of Section 1.148-3 of the Treasury Regulations, using as the "computation date" for this purpose the end of such Bond Year, and

(2) the District shall deposit to the Rebate Fund from amounts on deposit in the other funds established hereunder or from other District funds, 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. 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. The District shall not be required to calculate the “rebate amount” and 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 Series B Bonds (including amounts treated as proceeds of the Series B 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, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (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) Any funds remaining in the Rebate Fund after redemption of all the Series B Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the District, including accrued interest, shall be remitted to the District.
- (d) 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,
 - (1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth 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 Treasury Regulations; and
 - (2) not later than 60 days after the payment of all Bonds, an amount equal to 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 Treasury Regulations.
- (e) In the event that, prior to the time any payment is 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 (or have calculated) 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.
- (f) Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service, 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 cause to be prepared by the District.

- (g) 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, the District may withdraw the excess from the Rebate Fund and credit such excess to the Interest and Sinking Fund.
- (h) The District shall retain records of all determinations made hereunder until three years after the complete retirement of the Series B Bonds.
- (i) Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Series B Bonds.

Section 18. Tax Covenants.

- (a) Compliance with Tax Certificate. The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on Series B Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate with respect to the Series B Bonds to be executed by the District on the date of issuance of such Series B Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Series B Bonds.
- (b) Yield Restriction. In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any monies held by the Treasurer-Tax Collector on behalf of the District, in accordance with this Resolution or pursuant to law, the District shall so request of the Treasurer-Tax Collector in writing, and the District shall make its best efforts to ensure that the Treasurer-Tax Collector shall take such action as may be necessary in accordance with such instructions.
- (c) Opinion of Counsel. Notwithstanding any provision of this Section, if the District shall provide to the Treasurer-Tax Collector an Opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on Series B Bonds under Section 103 of the Code, the Treasurer-Tax Collector may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and of the Tax Certificate with respect to the Series B Bonds, and the covenants hereunder shall be deemed to be modified to that extent.

Section 19. Professional Services. Dannis Woliver Kelley shall serve as bond counsel and as disclosure counsel to the District for the Series B Bonds and Isom Advisors, a Division of Urban Futures, Inc., shall serve as financial advisor for the Series B Bonds.

Section 20. Delegation of Authority. The Authorized Officers are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 21. Approval of Actions. All actions heretofore taken by the officers, employees and agents of the District with respect to the transactions set forth above are hereby approved, confirmed and ratified.

Section 22. Filing with County. The Superintendent, or such other officer or employee of the District as the Superintendent may designate, is hereby authorized and directed to report to the

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

Section 23. Nonliability of County. Notwithstanding anything to the contrary contained herein, in the Series B Bonds or in any other document mentioned herein, neither the County, nor its officials, officers, employees or agents shall have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby, the Series B Bonds are not a debt of the County or a pledge of the full faith and credit of the County, and the Series B Bonds and any liability in connection therewith shall be paid solely from ad valorem property taxes lawfully levied to pay the principal of or interest on the Series B Bonds.

Section 25. Effective Date. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED by the Governing Board of the Cabrillo Unified School District on the 16th day of April, 2020, by the following vote:

Mary Beth Alexander:	<input type="checkbox"/> Aye	<input type="checkbox"/> No	<input type="checkbox"/> Abstain	<input type="checkbox"/> Absent
Lizet Cortes:	<input type="checkbox"/> Aye	<input type="checkbox"/> No	<input type="checkbox"/> Abstain	<input type="checkbox"/> Absent
Kimberly Hines:	<input type="checkbox"/> Aye	<input type="checkbox"/> No	<input type="checkbox"/> Abstain	<input type="checkbox"/> Absent
Sophia Layne:	<input type="checkbox"/> Aye	<input type="checkbox"/> No	<input type="checkbox"/> Abstain	<input type="checkbox"/> Absent
Freya McCamant:	<input type="checkbox"/> Aye	<input type="checkbox"/> No	<input type="checkbox"/> Abstain	<input type="checkbox"/> Absent

Certified by:

 Mary Beth Alexander
 Clerk to the Governing Board
 Cabrillo Unified School District

Attest by:

 Sean McPhetridge, Ed.D.
 Secretary to the Governing Board
 Cabrillo Unified School District

**EXHIBIT A
FORM OF BOND**

**REGISTERED
NO.**

**REGISTERED
\$**

**CABRILLO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN MATEO, CALIFORNIA)
GENERAL OBLIGATION BOND
ELECTION OF 2018, SERIES B**

INTEREST RATE:

___%

MATURITY DATE:

August 1, ___

DATED:

___, 2020

CUSIP NO:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Cabrillo Unified School District (the "District") in San Mateo 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 _____ 1, 20__.

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 close of business on the 15th day of the calendar month preceding any Bond Payment Date (the "Record Date") to such Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before _____ 15, 20__, in which event it shall bear interest from the date of delivery. 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 Bond Registrar, initially The Bank of New York Mellon Trust Company, N.A. Principal is payable upon presentation and surrender of this bond at the corporate trust office of the Bond Registrar in Los Angeles, California. Interest is payable by check mailed by the Bond Registrar on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the Register at the Record Date. The Owner of Series B Bonds in the aggregate principal amount of \$1,000,000 or more may request in writing to the Bond Registrar that the Owner be paid interest by wire transfer to the bank and account number on file with the Bond Registrar as of the Record Date.

This bond is one of a series of \$_____ of bonds approved for the purpose of completing the modernization, replacement, renovation, construction, acquisition, equipping, furnishing and otherwise improving certain facilities of the District and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, and the requisite 55% vote of the electors of the District cast at a duly called election held on June 5, 2018, upon the question of issuing bonds in the amount of \$99,000,000, and the resolution of the Governing Board of the District adopted on April 16, 2020 (the "Resolution"). This bond and the issue of which this bond is one are payable as to both principal and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The bonds of this issue are general obligations of the District and do not constitute an obligation of the County except as provided in the Resolution. No part of any fund of the County is pledged or obligated to the payment of the bonds of this issue.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Resolution) and in authorized denominations at the principal office of the Bond Registrar, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Bond Registrar, 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 Bond Registrar, all subject to the terms, limitations and conditions provided in the Resolution. All fees and costs of transfer shall be paid by the transferor. The District and the Bond Registrar 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 Bond Registrar shall be affected by any notice to the contrary.

Neither the District nor the Bond Registrar will be required to transfer or exchange any bonds (a) during the period from the Record Date next preceding any Bond Payment Date to such Bond Payment Date, (b) during the period beginning with the opening of business on the 15th business day next preceding any date of selection of Bonds to be redeemed and ending with the close of business on the day on which the applicable notice of redemption is given, or (c) which have been selected or called for redemption in whole or in part.

The Series B Bonds maturing on or after August 1, 20___, are subject to redemption at the option of the District, from any source of funds, as a whole or in part on any date on or after August 1, 20___, at a redemption price equal to the principal amount of the bonds to be redeemed plus interest accrued thereon to the dates fixed for redemption.

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

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

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

IN WITNESS WHEREOF, the Cabrillo Unified School District, County of San Mateo, 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 Governing Board of the District, and to be countersigned by the manual or facsimile signature of the Secretary of the Governing Board of the District, all as of the date stated above.

CABRILLO UNIFIED SCHOOL DISTRICT

Certified by:

Mary Beth Alexander
Clerk to the Governing Board
Cabrillo Unified School District

Attest by:

Sean McPhetridge, Ed.D.
Secretary to the Governing Board
Cabrillo Unified School District

CERTIFICATE OF AUTHENTICATION

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

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

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:

Commercial bank, trust company
or member of a national
securities exchange.

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

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

DTC LEGEND

Unless this certificate 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 certificate 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.

EXHIBIT B

**BOND PARAMETERS AND
ESTIMATED COSTS OF ISSUANCE**

1. Estimated True Interest Cost of the Series B Bonds: 4.08%

2. Estimated Costs of Issuance, including Underwriter's Discount (the "Finance Charge"):

Underwriter's Discount	\$164,000
Dannis Woliver Kelley Bond Counsel Services/Expenses	40,000
Dannis Woliver Kelley Disclosure Counsel Services/Expenses	16,500
The Bank of NY Mellon Trust Paying & COI Agent Fees	1,500
County of San Mateo Document Review	1,500
Isom Advisors Financial Advisor Fee	65,000
Isom Advisors Financial Advisor NTE Expenses	3,000
Printing Fees	2,000
Moody's Rating Agency Fee	30,500
Contingency/Miscellaneous	<u>15,000</u>
Total:	\$339,000

3. Estimated Amount of Proceeds to be received by the District, less Finance Charge, reserves (if any) and capitalized interest (if any): \$39,825,000

4. Estimated Total Payment Amount (Debt Service to Maturity, including any Finance Charge not paid with proceeds of the Series B Bonds (if any)): \$83,590,000