

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, AS FOLLOWS:**

**SECTION 1. Purpose of Bonds.** That for the purpose of raising money to modernize, upgrade, equip and furnish District facilities, to provide improved, safe, and technologically advanced academic and athletic facilities, and to become eligible for state matching funds for school facilities including joint-use and career technical education facilities, and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, as described in the ballot measure, the County authorizes the issuance of the Bonds.

**SECTION 2. Certain Definitions.** As used in this Resolution, the terms set forth below shall have the following meanings (except as otherwise provided in the Bond Purchase Contract).

(a) **“Accreted Interest”** means, with respect to the Capital Appreciation Bonds, the Accreted Value thereof minus the Denominational Amount thereof as of the date of calculation.

(b) **“Accreted Value”** means, with respect to the Capital Appreciation Bonds, as of the date of calculation, the Denominational Amount thereof, plus Accreted Interest thereon to such date of calculation, compounded semiannually on each February 1 and August 1, commencing February 1, 2010 (unless otherwise provided in the Bond Purchase Contract), at the stated Accretion Rate thereof, assuming in any such semiannual period that such Accreted Value increases in equal daily amounts on the basis of a 360-day year of twelve 30-day months.

(c) **“Accretion Rate”** means, with respect to any Capital Appreciation Bond, the yield that, when applied to the Denominational Amount of such Capital Appreciation Bond and compounded semiannually on each February 1 and August 1, commencing February 1, 2010 (unless otherwise provided in the Bond Purchase Contract), produces the Maturity Value of such Capital Appreciation Bond on its maturity date. The Accretion Rate may be different from the original Reoffering Yield. The calculation of Accreted Value is governed by the Accretion Rate.

(d) **“Bond Insurer”** means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on or the Accreted Value of the Bonds.

(e) **“Bond Payment Date”** means, with respect to the interest on the Current Interest Bonds, February 1 and August 1 of each year, commencing February 1, 2010, and August 1, 2010 with respect to principal payments on the Current Interest Bonds. With respect to Capital Appreciation Bonds, “Bond Payment Date” means the stated maturity dates thereof (unless otherwise provided in the Bond Purchase Contract).

(f) **“Bond Register”** initially means the registration books kept by the Bond Registrar pursuant to this Resolution.

(g) **“Bond Registrar”** means Wells Fargo Bank, N.A, or any successor thereto.

(h) **“Bonds”** shall have the meaning ascribed thereto in the recitals to this Resolution.

(i) **“Capital Appreciation Bonds”** means the Bonds which do not bear current interest but accrete interest, compounded semiannually and payable at maturity, at their respective Accretion Rates to their respective Maturity Values on their respective maturity dates, as described herein under the definition of “Accreted Value.”

(j) **“Current Interest Bonds”** means the Bonds which pay interest on a semiannual basis on each February 1 and August 1, commencing February 1, 2010, (unless otherwise provided in the Bond Purchase Contract) to maturity.

(k) **“Denominational Amount”** means the initial purchase price of any Capital Appreciation Bond (i.e. the initial purchase price paid by the Underwriter to the District). The Denominational Amount, when compounded semiannually at each February 1 and August 1, commencing February 1, 2010, (unless otherwise provided in the Bond Purchase Contract) at the stated Accretion Rate, will produce the Maturity Value on the maturity date.

(l) **“Depository”** means the securities depository acting as Depository pursuant to Section 3(c) hereof.

(m) **“Treasurer-Tax Collector”** means the Treasurer-Tax Collector of the County or such other officer as may assume the duties of the Treasurer-Tax Collector, and their designee.

(n) **“DTC”** means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Bonds.

(o) **“Information Services”** means (1) Financial Information, Inc.’s “Daily Called Bond Service”, 30 Montgomery Street, 10<sup>th</sup> Floor, Jersey City, NJ 07302, Attention: Editor; (2) Kenny Information Services’ “Called Bond Service,” 65 Broadway 16th Floor, New York, NY 10006; (3) Mergent/FIS, Inc., 5250 77 Center Drive, Suite 150, Charlotte, NC 28217, Attention: Municipal News Reports; (4) S&P’s “Called Bond Record,” 55 Water Street, New York, NY 10041; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or other such services providing information with respect to called bonds as the County or the District may designate in writing to the Bond Registrar.

(p) **“Maturity Value”** means the Accreted Value of any Capital Appreciation Bond on its maturity date.

(q) **“Nominee”** means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 3(c) hereof.

(r) **“Owner”** means any registered owner of the Bonds as identified in the Bond Register.

(s) **“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.

(t) **“Principal”** or **“Principal Amount”** means, with respect to any Current Interest Bond, the principal amount thereof, and with respect to any Capital Appreciation Bond, the Denominational Amount thereof.

(u) **“Record Date”** means the close of business on the 15<sup>th</sup> day of the calendar month preceding each Bond Payment Date.

(v) **“Redemption Notice”** shall have the meaning ascribed thereto in Section 3(b)(iv) hereof.

(w) **“Reoffering Yield”** means, with respect to a Capital Appreciation Bond, the yield that is received by the original investor, based on the initial reoffering price, assuming that such Capital Appreciation Bond is held to maturity. The Reoffering Yield may be different from the Accretion Rate. The calculation of Accreted Value is governed by the Accretion Rate.

(x) **“Securities Depositories”** means The Depository Trust Company, 55 Water Street, 50<sup>th</sup> Floor, New York, New York 10041-0099, Fax (212) 855-7232, 7233, 7234 or 7235; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in writing to the Bond Registrar.

(y) **“Transfer Amount”** means, with respect to any outstanding Current Interest Bond, the Principal Amount thereof, and with respect to any Capital Appreciation Bond, the Maturity Value thereof.

(z) **“United States Obligations”** shall have the meaning ascribed to such term in Section 17 hereof.

(aa) **“Written Request of the County”** means, a written request signed by an officer, official or staff person authorized to sign documents on behalf of the County pursuant to Section 19 hereof.

### **SECTION 3. Terms of the Bonds.**

(a) Denomination, Interest, Dated Dates. The Current Interest Bonds shall be issued as Bonds registered as to both principal and interest, in denominations of \$5,000 each or any integral multiple thereof. The Capital Appreciation Bonds shall be issued as Bonds registered as to both principal and interest, in Denominational Amounts corresponding to \$5,000 Maturity Value or any integral multiple thereof; provided that one Capital Appreciation Bond may be issued in an odd denomination.

Each Current Interest Bond shall be dated the date of delivery (or other such date designated in the Bond Purchase Contract) and shall bear interest 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 Record Date next preceding any Bond Payment 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 January 15, 2010, in which event it shall bear interest from the date of delivery (unless otherwise provided in the Bond Purchase Contract).

Each Capital Appreciation Bond shall be dated, and shall accrete Accreted Interest from, its date of initial issuance. The Capital Appreciation Bonds will not bear interest on a current basis but will accrete interest at their stated Accretion Rate from their respective Denominational Amounts to their respective Maturity Values.

The Current Interest and Capital Appreciation Bonds shall bear interest or accrete interest at a rate or rates such that the average interest rate shall not exceed 12% per annum and shall mature not more than 25 years from the date of the Bonds. Interest shall be payable on the respective Bond Payment Dates.

(b) Redemption.

(i) Optional and Mandatory Redemption. The Current Interest Bonds shall be subject to redemption, at the option of the District, as provided below, or on such other dates and on such terms as designated in the Bond Purchase Contract. The Current Interest Bonds maturing on or before August 1, 2019, are not subject to redemption prior to their fixed maturity dates. The Current Interest Bonds maturing on or after August 1, 2020, are subject to redemption at the option of the District, from any source of funds, as a whole or in part on any Bond Payment date on or after August 1, 2019, at the following Redemption Prices (expressed as percentages of the Principal Amount of the Current Interest Bonds to be redeemed) plus interest accrued thereon to the dates fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
August 1, 2019 and thereafter	100%

The Capital Appreciation Bonds are not subject to optional redemption prior to their fixed maturity dates (unless otherwise provided in the Bond Purchase Contract).

(ii) Mandatory Sinking Fund Redemption. The Current Interest Bonds and the Capital Appreciation Bonds shall be subject to mandatory sinking fund redemption prior to their stated maturity dates from monies in the Debt Service Fund established in Section 11 hereof, as set forth in the Bond Purchase Contract.

(iii) Selection of Bonds for Redemption. Whenever provision is made in this Resolution for the redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the Bond Registrar identified below, upon written instruction, shall select Bonds for redemption from such maturity dates as are selected by the District, and by lot within each such maturity in such manner as the Bond Registrar shall determine; provided, however, that the portion of any Current Interest Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof and the portion of any Capital Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per \$5,000 Maturity Value.

(iv) Notice of Redemption. When redemption is authorized or required pursuant to Section 3(b)(i) and 3(b)(ii) hereof, the Bond Registrar, upon written instruction from the District, shall give notice (a “Redemption Notice”) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Bond Registrar, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the Principal Amount (in the case of Current Interest Bonds) or the Maturity Value (in the case of Capital Appreciation Bonds) of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each 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 Bond or portion thereof being redeemed the Redemption Price thereof, together with the interest accreted to the redemption date in the case of the Capital Appreciation Bonds and the interest accrued to the redemption date in the case of the Current Interest Bonds, and that from and after such date, interest with respect thereto shall cease to accrue or accrete in value.

The Bond Registrar shall take the following actions with respect to such Redemption Notice:

(a) At least 30 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by first class mail, postage prepaid, at their addresses appearing on the Bond Register.

(b) At least thirty two days prior to the redemption date, such Redemption Notice shall be given by (i) first class mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to each of the Securities Depositories.

(c) At least thirty two days prior to the redemption date, such Redemption Notice shall be given by (i) first class mail, postage prepaid, or (ii) overnight delivery service, to one of the Information Services.

(d) As may further be required in accordance with the Continuing Disclosure Certificate of the District.

Neither failure to receive nor failure to publish 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 Bonds. Each check issued or other transfer of funds made by the Bond Registrar for the purpose of redeeming Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(v) Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Bond Registrar shall execute and deliver to the Owner thereof a new Bond or

Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the County and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(vi) Effect of Notice of Redemption. Notice having been given as aforesaid, and the monies for the redemption (including the interest to the applicable date of redemption) having been set aside in the Debt Service Fund, such Bonds shall become due and payable on such redemption date.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in Section 3(b)(i) hereof, together with interest to such redemption date, shall be held by the Bond Registrar so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Bond Registrar for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 3 shall be cancelled upon surrender thereof and be delivered to or upon the order of the County and the District. All or any portion of a Bond purchased by the County or the District shall be cancelled by the Bond Registrar.

(vii) Bonds No Longer Outstanding. When any 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 Bond Registrar, in form satisfactory to it, and sufficient monies shall be held by the Bond Registrar irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, and, in the case of Current Interest Bonds, accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Bond Registrar for cancellation.

(c) Book-Entry System.

(i) Except for any odd denomination of Capital Appreciation Bond, the Bonds shall be initially registered in the name of "Cede & Co.," as nominee of DTC, and shall be initially issued as one Bond for each of the maturities of the Bonds in the Principal Amounts or Maturity Values set forth in Section 3(a) (as the case may be), and DTC is hereby appointed depository for the Bonds, and registered ownership of the Bonds may not thereafter be transferred except as provided in this Section 3(c).

(ii) Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except:

(A) To any successor of Cede & Co., as nominee of DTC, or its nominee, or to any substitute depository designated pursuant to clause (B) of this Section (a "substitute depository"); provided, that any successor of Cede & Co.,

as nominee of DTC or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(B) To any substitute depository not objected to by the Treasurer-Tax Collector, 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 County 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

(C) 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, or (2) a determination by the County to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.

(iii) In the case of any transfer pursuant to clause (A) or clause (B) of subsection (ii) hereof, upon receipt of the Bonds by the Bond Registrar, together with a Written Request of the County to the Bond Registrar, a new Bond for each maturity shall be executed and delivered in the aggregate Principal Amount or Maturity Value of the Current Interest Bonds or the Capital Appreciation Bonds then Outstanding (as the case may be) 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 County. In the case of any transfer pursuant to clause (C) of subsection (ii) hereof, upon receipt of the Outstanding Bonds by the Bond Registrar together with a Written Request of the County, new Current Interest Bonds or Capital Appreciation Bonds shall be executed and delivered in such Principal Amounts or Maturity Values (as the case may be), numbered in the manner determined by the Bond Registrar and registered in the names of such persons as are requested in such Written Request of the County, subject to the limitations of this Section 3(c) and date of receipt of such a Written Request of the County, and thereafter, Bonds shall be transferred pursuant to Section 6 hereof; provided, that the Bond Registrar shall not be required to deliver such new Bonds within a period less than sixty (60) days.

(iv) The County and the Bond Registrar shall be entitled to treat the person in whose name any Bond is registered as the owner thereof for all purposes of the Resolution and applicable laws, notwithstanding any notice to the contrary received by the Treasurer-Tax Collector or the County; and the County and the Bond Registrar shall have no responsibility for transmitting payments to, communication with, notifying, or otherwise dealing with any beneficial owners of the Bonds. Neither the County nor the Bond Registrar 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 holder of any Bonds.

(v) So long as the Outstanding Bonds are registered in the name of Cede & Co. or its registered assigns, the County and the Treasurer-Tax Collector shall cooperate with Cede & Co., as sole Owner of the Bonds, or its registered assigns in effecting payment of the

principal of an interest on the 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 4. Sale of Bonds; Bond Purchase Contract.** The Bond Purchase Contract submitted to and on file with the office of the Treasurer-Tax Collector of the County providing for the sale by this Board of Supervisors and the purchase by the Underwriter of the Bonds at a purchase price to be set forth therein is hereby approved; provided, that (i) the true interest cost for the Bonds shall not be in excess of 8.00%; (ii) the maximum interest rate on the Bonds shall not be in excess of 8.00% per annum; (iii) the underwriter's discount shall not be in excess of 1.7% of the aggregate principal amount of the Bonds; and (iv) the Bonds shall otherwise conform to the limitations specified herein.

The Bond Purchase Contract shall recite the aggregate principal amount of the Bonds, the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual interest payment dates thereof, and the terms of optional and mandatory sinking fund redemption thereof.

The Treasurer-Tax Collector, or his designee is hereby authorized and directed to accept the offer of the Underwriter when the offer is satisfactory to the Treasurer-Tax Collector, or his designee, and to execute and deliver the Bond Purchase Contract on behalf of the County in substantially the form now on file with the office of the Treasurer-Tax Collector of the County, with such changes therein as shall be approved by the authorized officer of the County executing the same, and such execution shall constitute conclusive evidence of the Treasurer-Tax Collector's approval and this Board of Supervisors' approval of any change therein from the form of such Bond Purchase Contract.

**SECTION 5. Execution of Bonds.** The Bonds shall be signed by the Chair of the Board of Supervisors and the Treasurer-Tax Collector by their manual or facsimile signatures and countersigned by the manual or facsimile signature of and the seal of the County affixed thereto by the Clerk of the Board of Supervisors, all in their official capacities. No 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 Bond is signed by the Bond Registrar as authenticating agent. Authentication by the Bond Registrar shall be conclusive evidence that the 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 6. Bond Registrar; Transfer and Exchange.** This Board does hereby appoint Wells Fargo Bank, N.A., or such other financial institution as designated in the Official Statement, to act as the initial authenticating agent, bond registrar, transfer agent and paying agent for the Bonds.

So long as any of the Bonds remain outstanding, the District will cause the Bond Registrar to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in this Section. Subject to the provisions of Section 8 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all purposes of this Resolution.



Payment of or on account of the principal or Accreted Value of and interest on any Bond shall be made only to or upon the order of that person; neither the District, the County nor the Bond Registrar 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 Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of like tenor, maturity and Transfer Amount upon presentation and surrender at the principal office of the Bond Registrar, 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 Bond Registrar. A Bond may be transferred on the Bond Register only upon presentation and surrender of the Bond at the principal office of the Bond Registrar together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar. Upon exchange or transfer, the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date. Current Interest Bonds and Capital Appreciation Bonds may not be exchanged for one another.

If manual signatures on behalf of the County are required in connection with an exchange or transfer, the Bond Registrar shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by officers of the County authorized to sign the Bonds by this Resolution. In all cases of exchanged or transferred Bonds, the County shall sign and the Bond Registrar shall authenticate and deliver 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 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 Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Bond Registrar for payment, retirement, exchange, replacement or transfer shall be cancelled by the Bond Registrar. The District and the County may at any time deliver to the Bond Registrar for cancellation any previously authenticated and delivered Bonds that the District and the County may have acquired in any manner whatsoever, and those Bonds shall be promptly cancelled by the Bond Registrar. Written reports of the surrender and cancellation of Bonds shall be made to the District and the County by the Bond Registrar at least twice each calendar year. The cancelled Bonds shall be retained for a period of time and then returned to the District or destroyed by the Bond Registrar as directed by the District.

Neither the District, the County 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.

**SECTION 7. No Liability of the County.** Notwithstanding anything stated to the contrary in this Resolution, the Bonds are not a debt of the County, including its Board, officers, officials, agents and employees, and the County, including its Board, officers, officials, agents and employees, has no obligation to repay the Bonds. Neither the County, the Board, or any officer, official, agent or employee of the County, have any obligation or liability hereunder or in connection with the transactions contemplated herein. The Bonds, including the interest thereon, are payable solely from *ad valorem* taxes levied as described in Section 12. The County has no responsibility and assumes no liability whatsoever arising from the expenditure of the proceeds of the Bonds by the District.

**SECTION 8. Payment.** Payment of interest on any Current Interest Bond on any Bond Payment Date shall be made to the person appearing on the registration books of the Bond Registrar as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by check mailed to such Owner on the Bond Payment Date at his or her address as it appears on the Bond Register or at such other address as he or she may have filed with the Bond Registrar for that purpose on or before the Record Date. The Owner of Current Interest Bonds in an aggregate Principal Amount of \$1,000,000 or more may request in writing to the Bond Registrar that such Owner be paid interest on such Current Interest Bonds by wire transfer to the bank and account number on file with the Bond Registrar as of the Record Date. The principal, and redemption premiums, if any, payable on the Current Interest Bonds and the Accreted Value and redemption premiums, if any, on the Capital Appreciation Bonds shall be payable upon maturity or redemption upon surrender at the principal office of the Bond Registrar. The interest, Accreted Value, principal and redemption premiums, if any, on the Bonds shall be payable in lawful money of the United States of America. The Bond Registrar is hereby authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The Bonds are general obligations of the District and do not constitute an obligation of the County except as provided in this Resolution. No part of any fund of the County is pledged or obligated to the payment of the Bonds.

**SECTION 9. Form of Bonds.** The Current Interest Bonds and the Capital Appreciation Bonds shall be in substantially the forms attached hereto as Exhibit A, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution and to the Bond Purchase Contract as authorized herein.

**SECTION 10. Delivery of Bonds.** The proper officials of the County shall cause the Bonds to be prepared and, following their sale, shall have the Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the original purchaser upon payment of the purchase price therefor.

**SECTION 11. Deposit of Proceeds of Bonds.** The proceeds from the sale of the Bonds, to the extent of the Denominational Amount and the Principal Amount thereof, shall be paid to the County to the credit of the fund hereby created and established and to be known as the “2009 Series A John Swett Unified School District General Obligation Bond Building Fund” (the “Building Fund”) of the District, shall be kept separate and distinct from all other District and County funds, and those proceeds shall be used solely for the purpose for which the Bonds are being issued and such proceeds shall be applied solely to such authorized purposes. The accrued interest and any purchase premium received by the County from the sale of the Bonds

shall be kept separate and apart in funds hereby created and established and to be designated as the “2009 Series A John Swett Unified School District General Obligation Bond Debt Service Fund” (the “Debt Service Fund”) and used only for payments of principal and interest on the Bonds. Any excess proceeds of the Bonds deposited in the Building Fund and not needed for the authorized purposes set forth herein for which the Bonds are being issued, shall be transferred to the Debt Service Fund and applied to the payment of principal and interest on the Bonds. If, after payment in full of the Bonds, there remain excess monies, such amounts shall be transferred to the general fund of the District in accordance with Section 12 hereof.

Moneys held in the Building Fund shall be invested by the County in any one or more investments generally permitted to school districts under the laws of the State of California, consistent with the investment policy of the County and this Resolution (the “Permitted Investments”). The Permitted Investments shall specifically include: (a) the County Pooled Investment Fund maintained by the County Treasurer; and, (b) at the request of the District, (i) the Local Agency Investment maintained by the Treasurer of the State of California; (ii) other investments permitted under Section 53601 of the California Government Code; and (iii) investment agreements with financial institutions with senior unsecured credit ratings at least “AA-” or “Aa3” from one or more nationally recognized statistical rating organizations then rating the Bonds. In regard to any investments requested by the District specified in clauses (b)(i), (b)(ii) or (b)(iii) above, the County may decline the request of the District upon any reasonable basis, including specifically, any concerns of the County regarding the legality, structure or appropriateness of the investment vehicle generally or the process for the bidding or execution of the investment.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the fund or account from which such investment was made, and shall be expended for the purposes thereof. The District covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Resolution, or otherwise containing proceeds of the Bonds, shall be acquired and disposed of at the Fair Market Value thereof. For purposes of this Section 11, the term “Fair Market Value” shall mean, with respect to any investment, the price at which a willing buyer would purchase such investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Tax Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as described above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, or (iii) the investment is a United States Treasury Security - State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

Except as required below to satisfy the requirements of Section 148(f) of the Internal Revenue Code of 1986, as amended (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 by the County

to pay principal and interest on the Bonds when due, and interest earned on the investment of monies held in the Building Fund shall be retained in the Building Fund.

**SECTION 12. Security for the Bonds.** There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due, which monies when collected will be placed in the Debt Service Fund, which fund is irrevocably pledged for the payment of the principal of and interest on the Bonds when and as the same fall due; provided, however, that when all of the principal and interest on all of the Bonds have been paid, any balance then remaining in said fund shall be transferred to the general fund of the District as permitted and provided for in Section 15234 of the State Education Code.

**SECTION 13. Arbitrage Covenant.** The District will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed under that Section or any predecessor section.

**SECTION 14. Conditions Precedent.** This Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligation bonds of the District have been performed and have been met, or will at the time of delivery of the 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 Bonds.

**SECTION 15. Authorization of Preliminary Official Statement and Official Statement.** The Underwriter is hereby authorized to prepare a Preliminary Official Statement and an Official Statement relating to the Bonds. The Underwriter is hereby authorized to cause the distribution of said Preliminary Official Statements and Official Statements. The Superintendent or the Business Manager, respectively, of the District is hereby authorized to deem the Preliminary Official Statement final, approve and execute the final Official Statement, such approval to be conclusively evidenced by execution and delivery thereof.

**SECTION 16. Insurance.** In the event that bond insurance is purchased for the Bonds, and to the extent that the Bond Insurer makes payment of the principal, interest or Accreted Interest on the Bonds, it shall become the owner of such Bonds with the right to payment of principal, interest or Accreted Interest on the 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 that were past due interest components, the Bond Registrar shall note the Bond Insurer's rights as subrogee on the Bond Register 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 Bonds, and (ii) in the case of subrogation as to claims for past due principal or Accreted Interest, the Bond Registrar shall note the Bond Insurer as subrogee on the Bond Register upon surrender of the Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

**SECTION 17. Defeasance.** All or any portion of any of the outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with the County an amount of cash which together with amounts then on deposit in the Debt Service Fund is sufficient to pay all of the Bonds outstanding and designated for defeasance, including all principal and interest and redemption premium, if any; or

(b) United States Obligations: by irrevocably depositing with the County, noncallable United States Obligations together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and monies then on deposit in the Debt Service Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge all of the Bonds outstanding and designated for defeasance (including all principal and Accreted Value thereof and interest and redemption premiums, if any, thereon) at or before their maturity date;

then, notwithstanding that any such designated Bonds shall not have been surrendered for payment, all obligations of the District and the County with respect to all of such designated outstanding Bonds shall cease and terminate, except only the obligation of the County and the Bond Registrar 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 Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, United States Obligations shall mean:

- (i) Direct and general obligations of the United States of America (including state and local government series), or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) 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 wherein (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) 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 (c) 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 "AAA" by Standard & Poor's or "Aaa" by Moody's Investors Service; and
- (ii) Non-callable obligations of government sponsored agencies that are rated "AAA," by Standard & Poor's or "Aaa" by Moody's Investors Service but are not backed by the full faith and credit of the U.S. Government. These

include the following: (a) Federal Home Loan Mortgage Corp. (FHLMC) Debt Obligations; (b) Farm Credit System (Formerly: Federal Land Banks, Intermediate Credit Banks, and Banks for Cooperatives) Consolidated Systemwide bonds and notes; (c) Federal Home Loan Banks (FHL Banks) Consolidated debt obligations; (d) Federal National Mortgage Association (FNMA) Debt Obligations; and (e) Resolution Funding Corp. (REFCORP) Debt Obligations.

**SECTION 18. Rebate Fund.**

(a) If necessary, at the time and manner described in subsection (b) hereof, there shall be created and established a special fund designated the “2009 Series A John Swett Unified School District 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 Internal Revenue Code of 1986, as amended (the “Code”) and the Treasury Regulations promulgated thereunder (the “Rebate Regulations”). Such amount shall be free and clear of any lien hereunder and shall be governed by this Section and Section 14 hereof. The County shall be deemed conclusively to have complied with the Rebate Requirement if it follows the written requests of the District, and shall have no independent responsibility to, or liability resulting from its failure to, enforce compliance by the District with the Rebate Requirement.

(b) Within 45 days of the end of every fifth Bond Year (as such term is defined in the tax certificate of the District with respect to the Bonds (the “Tax Certificate”)), (1) the District shall calculate or cause to be calculated with respect to the 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) upon the District’s written direction, the County shall deposit to the Rebate Fund from deposits from the District or from amounts 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. The County 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) 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” within the meaning of this subsection (b), with respect to all or a portion of the proceeds of the 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, whichever is applicable, and otherwise qualify for the exception of 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 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.”

(c) Any funds remaining in the Rebate Fund after redemption or payment of all the Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the County, including accrued interest and payment of any applicable fees to the County, shall be withdrawn by the County and remitted to the District.

(d) Upon the written request of the District, but 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 County 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 Rebate 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 end of such Bond Year (and any income attributable to rebatable arbitrage determined to be due and payable) in accordance with Section 1.148-3 of the Rebate Regulations.

(e) 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 direct the County in a written request of the District to deposit an amount received from the District 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 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.

(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, upon written instructions from the District, the County shall withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) The District shall retain records of all determinations made hereunder until six years after the retirement of the last obligations of the Bonds.

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

**SECTION 19. Continuing Disclosure.** The District has covenanted and agreed that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate to be executed by the District and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof. Any Bond holder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its Continuing Disclosure Certificate obligations.

**SECTION 20. Other Actions.** Officers of this Board of Supervisors and County 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 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.

**SECTION 21. Indemnification of County.** The County acknowledges and relies upon the fact that the District has represented that it shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees (“Indemnified Parties”), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of this resolution, or related to the proceedings for sale, award, issuance and delivery of the Bonds in accordance herewith and with the District’s resolution and that the District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions

**SECTION 22. Limited Responsibility for Official Statement.** Neither the Board of Supervisors nor any officer of the County has prepared or reviewed the Official Statement of the District describing the Bonds, and this Board of Supervisors and the various officers of the County take no responsibility for the contents or distribution thereof; provided, however, that solely with respect to a section contained or to be contained therein describing the County’s investment policy, current portfolio holdings, and valuation procedures, as they may relate to funds of the District held by the County Treasurer, the County Treasurer is hereby authorized and directed to prepare and review such information for inclusion in the District’s Official Statement and in a Preliminary Official Statement, and to certify in writing prior to or upon the issuance of the Bonds that the information contained in such section does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading.

**SECTION 23. Resolution to Treasurer-Tax Collector.** The Clerk of this Board of Supervisors is hereby directed to provide a certified copy of this Resolution to the Treasurer-Tax Collector immediately following its adoption.



**SECTION 24. Effective Date.** This Resolution shall take effect immediately upon its passage.

The foregoing resolution was passed by the Board of Supervisors by the following vote on August \_\_, 2009:

AYES:

NOES:

ABSENT OR ABSTAIN:

\_\_\_\_\_  
CHAIRMAN, Board of Supervisors  
Contra Costa County, California

ATTEST:

\_\_\_\_\_  
, County Administrative Officer  
and Clerk, Contra Costa County Board of Supervisors  
County of Contra Costa, State of California

**EXHIBIT A—BOND FORMS**

**(Form of Capital Appreciation Bond)**

**REGISTERED  
NO.**

**REGISTERED  
\$**

**JOHN SWETT UNIFIED SCHOOL DISTRICT  
(COUNTY OF CONTRA COSTA, CALIFORNIA)  
2009 GENERAL OBLIGATION BOND (ELECTION OF 2008, SERIES A)  
CAPITAL APPRECIATION BOND**

**ACCRETION  
RATE:**

\_\_\_% per annum

**MATURITY DATE:**

August 1, \_\_\_

**DATED:**

September \_\_,  
2009

**CUSIP NO:**

**REGISTERED OWNER: CEDE & CO.**

**DENOMINATIONAL AMOUNT:**

**MATURITY VALUE:**

The John Swett Unified School District (the "District") in Contra Costa County, California, for value received, promises to pay to the Registered Owner named above, or registered assigns, the Maturity Value on the Maturity Date, each as stated above, and interest thereon due and payable on the Maturity Date and compounded semiannually on each February 1 and August 1, commencing February 1, 2010, from the Date of Issuance at the Accretion Rate specified above on the Maturity Date, assuming that the sum of such compounded interest and the Denomination Amount hereof increases in equal daily amounts on the basis of a 360-day year consisting of twelve 30-day months (interest, together with the Denomination Amount hereof, being herein called the "Accreted Value"). Accreted Value is 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 Wells Fargo Bank, N.A. Accreted Value is payable upon presentation and surrender of this bond at the corporate trust office of the Bond Registrar in San Francisco, California.

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, qualifying for State matching funds, 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 November 4, 2008, upon the question of issuing bonds in the amount of \$20,000,000 and the

resolution of the Board of Education of the District adopted on August 12, 2009 (the “District Resolution”), and the resolution of the Contra Costa County (the “County”) Board of Supervisors adopted on August \_\_, 2009 (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.

The bonds of this issue are comprised of Capital Appreciation Bonds, of which this bond is a part, in the Denominational Amount of \$\_\_\_\_\_ and the Maturity Value of \$\_\_\_\_\_, and of Current Interest Bonds in the principal amount of \$\_\_\_\_\_.

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, the County 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, the County nor the Bond Registrar shall be affected by any notice to the contrary.

Neither the District, the County 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 Capital Appreciation Bonds are not subject to redemption prior to their fixed maturity dates.

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 County, 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 John Swett Unified School District, County of Contra Costa, 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 Chair of the Board of Supervisors of the County and the Treasurer-Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

[SEAL]  
CALIFORNIA

COUNTY OF CONTRA COSTA,

By: \_\_\_\_\_  
Chair, Board of Supervisors

By: \_\_\_\_\_  
Treasurer-Tax Collector or Designee

**COUNTERSIGNED:**

By: \_\_\_\_\_  
Clerk, Board of Supervisors

**CERTIFICATE OF AUTHENTICATION**

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

\_\_\_\_\_  
WELLS FARGO BANK, 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.

**(Form of Current Interest Bond)**

**REGISTERED  
NO.**

**REGISTERED  
\$**

**JOHN SWETT UNIFIED SCHOOL DISTRICT  
(COUNTY OF CONTRA COSTA, CALIFORNIA)  
2009 GENERAL OBLIGATION BOND  
(ELECTION OF 2008, SERIES A)  
CURRENT INTEREST BOND**

**INTEREST RATE:      MATURITY DATE:      DATED:      CUSIP NO:**  
\_\_\_\_% per annum      August 1, \_\_\_\_      September \_\_, 2009

**REGISTERED OWNER: CEDE & CO.**

**PRINCIPAL AMOUNT:**

The John Swett Unified School District (the "District") in Contra Costa 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, 2010. 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 January 15, 2010, 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 Wells Fargo Bank, N.A. Principal is payable upon presentation and surrender of this bond at the corporate trust office of the Bond Registrar in San Francisco, 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 Current Interest 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, qualifying for State matching funds, 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

November 4, 2008 upon the question of issuing bonds in the amount of \$20,000,000, and the resolution of the Board of Education of the District adopted on August 12, 2009 (the “District Resolution”), and the resolution of the Contra Costa County (the “County”) Board of Supervisors adopted on August \_\_, 2009 (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.

The bonds of this issue are comprised of \$\_\_\_\_\_ principal amount of Current Interest Bonds, of which this bond is a part, and of \$\_\_\_\_\_ Denominational Amount of Capital Appreciation Bonds.

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, the County 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, the County nor the Bond Registrar shall be affected by any notice to the contrary.

Neither the District, the County 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 Current Interest Bonds maturing on or after August 1, 2020, are subject to redemption at the option of the District, from any source of funds, as a whole or in part on any Bond Payment date on or after August 1, 2019 at the following Redemption Prices (expressed as percentages of the Principal Amount of the bonds to be redeemed) plus interest accrued thereon to the dates fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
August 1, 2019, and thereafter	100%

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 County, 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**, County of Contra Costa, 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 Chair of the Board of Supervisors of the County and the Treasurer-Tax Collector (or his designee) of the County, and to be countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors of the County, and has caused the seal of the County to be affixed hereto, all as of the date stated above.

[SEAL]

**COUNTY OF CONTRA COSTA,  
CALIFORNIA**

By: \_\_\_\_\_  
Chair, Board of Supervisors

By: \_\_\_\_\_  
Treasurer-Tax Collector or Designee

**COUNTERSIGNED:**

By: \_\_\_\_\_  
Clerk, Board of Supervisors

**CERTIFICATE OF AUTHENTICATION**



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

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WELLS FARGO BANK, 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:

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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: \_\_\_\_\_

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### 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.