
PITTSBURG UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 19-15

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE PITTSBURG UNIFIED
SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF THE
DISTRICT'S GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES E
(2019), IN AN AMOUNT NOT TO EXCEED \$19,495,000**

Adopted October 23, 2019

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**RESOLUTION OF THE BOARD OF TRUSTEES OF THE PITTSBURG UNIFIED
SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF THE
DISTRICT'S GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES E
(2019), IN AN AMOUNT NOT TO EXCEED \$19,495,000**

RESOLVED, by the Board of Trustees (the "Board") of the Pittsburg Unified School District (the "District"), as follows:

WHEREAS, a duly called municipal election was held in the District on November 6, 2010, and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District to provide safe, modern neighborhood schools with updated computer technology, upgrade energy systems, including solar, reduce cost, improve student learning by acquiring, upgrading, constructing, equipping classrooms, science/computer labs, and school facilities, replace aging roofs, plumbing, heating, ventilation/electrical systems, improve fire alarms, school security and earthquake safety (the "2010 Project"), in the maximum aggregate principal amount of \$100,000,000 (the "Bonds") payable from the levy of an *ad valorem* tax against the taxable property in the District (the "2010 Authorization");

WHEREAS, pursuant to Title 1, Division 1, Part 10, Chapter 2 (commencing with section 15100) of the California Education Code and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code, the District is empowered to issue general obligation bonds;

WHEREAS, the District has previously issued, pursuant to the 2010 Authorization, its \$24,999,952 Pittsburg Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series A (2011), for the purpose of raising moneys for the 2010 Project and other authorized costs;

WHEREAS, the District has also previously issued, pursuant to the 2010 Authorization, its \$25,000,000 Pittsburg Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series B (2012), for the purpose of raising moneys for the 2010 Project and other authorized costs;

WHEREAS, the District has also previously issued, pursuant to the 2010 Authorization, its \$18,003,210.75 Pittsburg Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series C (2012), for the purpose of raising moneys for the 2010 Project and other authorized costs;

WHEREAS, the District has also previously issued, pursuant to the 2010 Authorization, its \$12,500,000 Pittsburg Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series D (2014), for the purpose of raising moneys for the 2010 Project and other authorized costs;

WHEREAS, the District wishes at this time to authorize the issuance and sale of the fifth series of general obligation bonds under the 2010 Authorization in the aggregate principal amount of not to exceed \$19,495,000, its Pittsburg Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series E (2019) (the "2010E Bonds") for the purpose of raising moneys for the 2010 Project and other authorized costs;

WHEREAS, the District has determined that issuing the 2010E Bonds, together with other general obligation bonds of the District, through a joint powers authority would result in lower borrowing costs to the District taxpayers, would best allocate the District's bond authorizations and would best meet the tax rate requirements with respect to each authorization;

WHEREAS, the District has requested that the Pittsburg Unified School District Financing Authority (the "Authority") issue and sell its bonds for the purpose of purchasing the 2010E Bonds and certain other general obligation bonds of the District, such Authority bonds secured solely by and payable from the debt service payments made by the District with respect to the 2010E Bonds and such other general obligation bonds of the District, and the Authority has agreed to issue its Pittsburg Unified School District Financing Authority 2019 General Obligation Revenue Bonds (Pittsburg Unified School District Bond Program) (the "Authority Bonds");

WHEREAS, this Board of Trustees now desires to authorize the issuance of the 2010E Bonds; and

NOW, THEREFORE, it is hereby RESOLVED, by the Board of Trustees of the Pittsburg Unified School District, as follows:

ARTICLE I
DEFINITIONS; AUTHORITY

Section 1.01. Definitions. The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings ascribed to them below, unless the context clearly requires some other meaning.

"Act" means Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code, as is in effect on the date of adoption hereof and as amended hereafter.

"Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

"Authority" means the Pittsburg Unified School District Financing Authority, purchaser of the 2010E Bonds on the Closing Date.

"Authority Bonds" means the Pittsburg Unified School District Financing Authority 2019 General Obligation Revenue Bonds (Pittsburg Unified School District Bond Program), to be secured by the Authority's purchase of the 2010E Bonds and certain other bonds of the District.

"Authorized Investments" means any investments permitted by law to be made with moneys belonging to, or in the custody of, the District, but only to the extent that the same are acquired at Fair Market Value.

"Board" means the Board of Trustees of the District.

"Bond Counsel" means any attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax exempt status of securities issued by public entities.

"Bond Purchase Agreement" means the Bond Purchase Agreement by and between the District and the Authority, for the purchase and sale of the 2010E Bonds.

"Bond Register" means the registration books for the 2010E Bonds maintained by the Paying Agent.

"Closing Date" means the date of delivery of the 2010E Bonds to the Authority.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the 2010E Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the 2010E Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate executed by the District and dated the date of issuance and delivery of the Authority Bonds, as originally executed and as it may be amended from time to time in accordance with the terms 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 2010E 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 and other professional consultant fees, costs of obtaining credit ratings, fees for execution, transportation and safekeeping of the 2010E Bonds and charges and fees in connection with the foregoing.

"County" means Contra Costa County, California.

"Debt Service" means the scheduled amount of interest and amortization of principal payable on the 2010E Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"District Representative" means the President of the Board, the Superintendent, or any other person authorized by resolution of the Board of the District to act on behalf of the District with respect to this Resolution and the 2010E Bonds.

"Fair Market Value" means the price at which a willing buyer would purchase the 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 Code) and, otherwise, the term *"Fair Market Value"* means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the 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 Code, (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, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

"Federal Securities" means United States Treasury Bonds, bills or certificates of indebtedness or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

"Interest Payment Date" means with respect to interest, February 1 and August 1 of each year commencing on February 1, 2020, and with respect to principal, August 1, of each year commencing on August 1 in such year as shall be set forth in the Bond Purchase Agreement.

"Municipal Advisor" means PFM Financial Advisors LLC, as Municipal Advisor to the District in connection with the issuance of the 2010E Bonds.

"Outstanding" means, when used as of any particular time with reference to 2010E Bonds, all 2010E Bonds except:

(a) 2010E Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation;

(b) 2010E Bonds paid or deemed to have been paid within the meaning of Section 9.02 hereof; and

(c) 2010E Bonds in lieu of or in substitution for which other 2010E Bonds shall have been authorized, executed, issued and delivered by the District pursuant to this Resolution.

"Owner" or "Bondowner" mean the Authority, as registered owner of any Outstanding 2010E Bond.

"Participating Underwriter" shall have the meaning ascribed thereto in the Continuing Disclosure Certificate.

"Paying Agent" means The Bank of New York Mellon Trust Company, N.A., the paying agent appointed by the District and acting as paying agent, registrar and authenticating agent for the 2010E Bonds, or such other paying agent as shall be appointed by the District prior to the delivery of the 2010E Bonds, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 6.01 hereof.

"Paying Agent Agreement" means the Paying Agent/Bond Registrar/Costs of Issuance Agreement, dated the Closing Date, by and between the District and the Paying Agent.

"Principal Office" means the principal corporate trust office of the Paying Agent in Dallas, Texas.

"Record Date" means the 15th day of the month preceding each Interest Payment Date.

"Regulations" means temporary and permanent regulations promulgated under the Code.

"Resolution" means this Resolution, including all amendments hereto and supplements hereof which are duly adopted by the Board from time to time in accordance herewith.

"Securities Depositories" means The Depository Trust Company, 55 Water Street, 50th Floor, New York, NY 10041-0099, Attention: Call Notification Department, Fax (212) 855-7232; 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 to the Paying Agent.

"2010E Bonds" means the Pittsburg Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series E (2019), issued and at any time Outstanding pursuant to this Resolution.

"State" means the State of California.

"Supplemental Resolution" means any resolution supplemental to or amendatory of this Resolution, adopted by the District in accordance with Article VIII hereof.

"Term Bonds" means those 2010E Bonds for which mandatory redemption dates have been established pursuant to the Bond Purchase Agreement.

"Treasurer" means the Contra Costa County Treasurer-Tax Collector.

"Underwriter" means Raymond James & Associates, Inc., as underwriter of the Authority Bonds.

"Written Request of the District" means an instrument in writing signed by the District Representative or by any other officer of the District duly authorized by the District and listed on a Written Request of the District for that purpose.

Section 1.02. Authority for this Resolution. This Resolution is entered into pursuant to the provisions of the Act.

ARTICLE II
THE 2010E BONDS

Section 2.01. Authorization. 2010E Bonds are hereby authorized to be issued by the District under and subject to the terms of the Act and this Resolution. The amount of 2010E Bonds shall be determined on the date of sale thereof in accordance with the Bond Purchase Agreement. This Resolution constitutes a continuing agreement with the Owners of all of the 2010E Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal of and the interest on all 2010E Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The 2010E Bonds shall be designated the "Pittsburg Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series E (2019)."

Section 2.02. Terms of 2010E Bonds.

(a) *Form; Numbering.* The 2010E Bonds shall be issued as fully registered 2010E Bonds, without coupons, in the denomination of \$5,000 each or any integral multiple thereof, but in an amount not to exceed the aggregate principal amount of 2010E Bonds maturing in the year of maturity of the 2010E Bond for which the denomination is specified. 2010E Bonds shall be lettered and numbered as the Paying Agent shall prescribe.

(b) *Date of 2010E Bonds.* The 2010E Bonds shall be dated as of the Closing Date.

(c) *Maturities; Interest.* The 2010E Bonds shall mature (or, alternatively, be subject to mandatory sinking fund redemption as hereinafter provided) and become payable on August 1 in the years and in the amounts set forth in, and subject to the alteration thereof permitted by, the Bond Purchase Agreement. The 2010E Bonds shall bear interest at such rate or rates as shall be determined upon the sale thereof, payable semi-annually on each Interest Payment Date.

Each 2010E Bond shall bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is registered and authenticated as of an Interest Payment Date, in which event it shall bear interest from such date, or (ii) it is registered and authenticated prior to an Interest Payment Date and after the close of business on the fifteenth day of the month preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is registered and authenticated prior to January 15, 2020, in which event it shall bear interest from the date described in paragraph (b) of this Section 2.02; *provided, however*, that if at the time of authentication of a 2010E Bond, interest is in default thereon, such 2010E Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the 2010E Bonds shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

(e) *Payment.* Interest on the 2010E Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of the Paying Agent mailed via first-class mail to the Owner thereof at such Owner's address as it appears on the Bond Register on each Record Date or at such other address as the Owner may have filed with the Paying Agent for that purpose; provided however, that payment of interest may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of 2010E Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written

wire instructions to the Paying Agent at least five (5) days before the applicable Record Date. Principal of the 2010E Bonds is payable in lawful money of the United States of America at the Principal Office.

Section 2.03. Redemption.

(a) *Optional Redemption.* The 2010E Bonds will be subject to redemption prior to maturity to the extent specified in the Bond Purchase Agreement.

(b) *Mandatory Sinking Fund Redemption.* In the event and to the extent specified in the Bond Purchase Agreement, any maturity of 2010E Bonds may be designated as "Term Bonds" and shall be subject to mandatory sinking fund redemption. If some but not all of such Term Bonds have been redeemed pursuant to the preceding subsection (a) of this Section 2.03, the aggregate principal amount of such Term Bonds to be redeemed in each year pursuant to this subsection (b) shall be reduced on a *pro rata* basis in integral multiples of \$5,000, as shall be designated pursuant to written notice filed by the District with the Paying Agent.

(c) *Notice of Redemption.* The Paying Agent on behalf and at the expense of the District shall mail (by first class mail) notice of any redemption to: (i) the respective Owners of any 2010E Bonds designated for redemption, at least thirty (30) but not more than sixty (60) days prior to the redemption date, at their respective addresses appearing on the Bond Register, and (ii) the Securities Depositories and to one or more Information Services, at least thirty (30) but not more than sixty (60) days prior to the redemption; *provided, however*, that neither failure to receive any such notice so mailed nor any defect therein shall affect the validity of the proceedings for the redemption of such 2010E Bonds or the cessation of the accrual of interest thereon. Such notice shall state the date of the notice, the redemption date, the redemption place and the redemption price and shall designate the CUSIP numbers, the 2010E Bond numbers and the maturity or maturities (in the event of redemption of all of the 2010E Bonds of such maturity or maturities in whole) of the 2010E Bonds to be redeemed, and shall require that such 2010E Bonds be then surrendered at the Principal Office for redemption at the redemption price, giving notice also that further interest on such 2010E Bonds will not accrue from and after the redemption date.

Notwithstanding the foregoing, in the case of any optional redemption of the 2010E Bonds, the notice of redemption shall state that the redemption is conditioned upon receipt by the Paying Agent of sufficient moneys to redeem the 2010E Bonds on the scheduled redemption date, and that the optional redemption shall not occur if, by no later than the scheduled redemption date, sufficient moneys to redeem the 2010E Bonds have not been deposited with the Paying Agent. In the event that the Paying Agent does not receive sufficient funds by the scheduled optional redemption date to so redeem the 2010E Bonds to be optionally redeemed, the Paying Agent shall send written notice to the Owners, to the Securities Depositories and to one or more of the Information Services to the effect that the redemption did not occur as anticipated, and the 2010E Bonds for which notice of optional redemption was given shall remain Outstanding for all purposes.

(d) *Selection of 2010E Bonds for Redemption.* Whenever provision is made for the redemption of 2010E Bonds of more than one maturity, the 2010E Bonds to be redeemed shall be selected by the District evidenced by a Written Request of the District filed with the Paying Agent or, absent such selection by the District, on a *pro rata* basis among the maturities subject to redemption; and in each case, the Paying Agent shall select the 2010E Bonds to be redeemed within any maturity by lot in any manner which the Paying Agent in its sole discretion shall deem appropriate and fair. For purposes of such selection, all 2010E Bonds shall be deemed to

be comprised of separate \$5,000 portions and such portions shall be treated as separate 2010E Bonds which may be separately redeemed.

(e) *Partial Redemption of 2010E Bonds.* In the event only a portion of any 2010E Bond is called for redemption, then upon surrender of such 2010E Bond the District shall execute and the Paying Agent shall authenticate and deliver to the Owner thereof, at the expense of the District, a new 2010E Bond or 2010E Bonds of the same maturity date, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the 2010E Bond to be redeemed. 2010E Bonds need not be presented for mandatory sinking fund redemptions.

(f) *Effect of Redemption.* From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the 2010E Bonds so called for redemption shall have been duly provided, such 2010E Bonds so called shall cease to be entitled to any benefit under this Resolution other than the right to receive payment of the redemption price, and no interest shall accrue thereon from and after the redemption date specified in such notice. All 2010E Bonds redeemed pursuant to this Section 2.03 shall be canceled and shall be destroyed by the Paying Agent.

Section 2.04. Form of 2010E Bonds. The 2010E Bonds, the form of the Paying Agent's certificate of authentication and registration and the form of assignment to appear thereon shall be substantially in the forms, respectively, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Resolution, as are set forth in Exhibit A attached hereto.

Section 2.05. Execution of 2010E Bonds. The 2010E Bonds shall be executed on behalf of the District by the facsimile signatures of the President of the Board and its Clerk who are in office on the date of adoption of this Resolution or at any time thereafter. If any officer whose signature appears on any 2010E Bond ceases to be such officer before delivery of the 2010E Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the 2010E Bonds to the purchaser. Any 2010E Bond may be signed and attested on behalf of the District by such persons as at the actual date of the execution of such 2010E Bond shall be the proper officers of the District although at the nominal date of such 2010E Bond any such person shall not have been such officer of the District.

Only such 2010E Bonds as shall bear thereon a certificate of authentication and registration in the form set forth in Exhibit A attached hereto, executed and dated by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Paying Agent shall be conclusive evidence that the 2010E Bonds so registered have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Resolution.

Section 2.06. Transfer of 2010E Bonds. Any 2010E Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.08 hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such 2010E Bond for cancellation at the Principal Office, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The Paying Agent shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any 2010E Bond or 2010E Bonds shall be surrendered for transfer, the District shall execute and the Paying Agent shall authenticate and deliver a new 2010E Bond or 2010E Bonds, for like aggregate principal amount.

No transfers of 2010E Bonds shall be required to be made (a) fifteen days prior to the date established by the Paying Agent for selection of 2010E Bonds for redemption or (b) with respect to a 2010E Bond after such 2010E Bond has been selected for redemption.

Section 2.07. Exchange of 2010E Bonds. 2010E Bonds may be exchanged at the Principal Office for a like aggregate principal amount of 2010E Bonds of authorized denominations and of the same maturity. The Paying Agent shall 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 exchanges of 2010E Bonds shall be required to be made (a) fifteen days prior to the date established by the Paying Agent for selection of 2010E Bonds for redemption or (b) with respect to a 2010E Bond after such 2010E Bond has been selected for redemption.

Section 2.08. 2010E Bond Register. The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the 2010E Bonds, which shall at all times be open to inspection by the District upon reasonable notice; 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 said books, 2010E Bonds as herein before provided.

Section 2.09. Temporary 2010E Bonds. The 2010E Bonds may be initially issued in temporary form exchangeable for definitive 2010E Bonds when ready for delivery. The temporary 2010E Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the District, and may contain such reference to any of the provisions of this Resolution as may be appropriate. Every temporary 2010E Bond shall be executed by the District upon the same conditions and in substantially the same manner as the definitive 2010E Bonds. If the District issues temporary 2010E Bonds it will execute and furnish definitive 2010E Bonds without delay, and thereupon the temporary 2010E Bonds may be surrendered, for cancellation, in exchange therefor at the Principal Office and the Paying Agent shall deliver in exchange for such temporary 2010E Bonds an equal aggregate principal amount of definitive 2010E Bonds of authorized denominations. Until so exchanged, the temporary 2010E Bonds shall be entitled to the same benefits pursuant to this Resolution as definitive 2010E Bonds executed and delivered hereunder.

Section 2.10. 2010E Bonds Mutilated, Lost, Destroyed or Stolen. If any 2010E Bond shall become mutilated the District, at the expense of the Owner of said 2010E Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new 2010E Bond of like maturity and principal amount in exchange and substitution for the 2010E Bond so mutilated, but only upon surrender to the Paying Agent of the 2010E Bond so mutilated. Every mutilated 2010E Bond so surrendered to the Paying Agent shall be canceled by it and delivered to, or upon the order of, the District. If any 2010E Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the District and, if such evidence be satisfactory to the District and indemnity satisfactory to it shall be given, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new 2010E Bond of like maturity and principal amount in lieu of and in substitution for the 2010E Bond so lost, destroyed or stolen. The District may require payment of a sum not exceeding the actual cost of preparing each new 2010E Bond issued under this Section and of the expenses which may be incurred by the District and the Paying Agent in the premises. Any

2010E Bond issued under the provisions of this Section 2.10 in lieu of any 2010E Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the 2010E Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution with all other 2010E Bonds issued pursuant to this Resolution.

ARTICLE III

ISSUE OF 2010E BONDS; APPLICATION OF 2010E BOND PROCEEDS; SECURITY FOR THE 2010E BONDS

Section 3.01. Issuance, Award and Delivery of 2010E Bonds. At any time after the execution of this Resolution the District may issue and deliver 2010E Bonds in any principal amount, not to exceed \$19,495,000.

The District Representatives shall be, and are hereby, directed to cause the 2010E Bonds to be printed, signed and delivered to the Authority on receipt of the purchase price therefor and upon performance of the conditions contained in the Bond Purchase Agreement.

The Paying Agent is hereby authorized to deliver the 2010E Bonds to the Authority, upon receipt of a Written Request of the District.

Section 3.02. Funds and Accounts.

(a) *Building Fund.* The fund, known as the "Pittsburg Unified School District, General Obligation Bonds, Election of 2010, Series E (2019) Building Fund" (the "Building Fund"), is hereby established and maintained by the Treasurer for the 2010E Bonds. Moneys deposited therein from the proceeds of the 2010E Bonds shall be used solely for the purpose for which the 2010E Bonds are being issued and shall be applied solely to authorized purposes which relate to the acquisition or improvement of real property and for the payment of Costs of Issuance of the 2010E Bonds if insufficient moneys are available therefor in the Costs of Issuance Fund. The interest earned on the moneys deposited to the Building Fund shall be retained in the Building Fund and used for the purposes thereof. At the written request of the District filed with the Treasurer, any amounts remaining on deposit in the Building Fund and not needed for the purposes of the 2010E Bonds shall be withdrawn from the Building Fund and transferred to the Interest and Sinking Fund, to be applied to the payment of Debt Service. By receipt of a copy of this resolution, the Treasurer is hereby requested to establish and maintain the Building Fund. The Treasurer is not responsible for the use of funds disbursed from the Building Fund.

(b) *Interest and Sinking Fund.* A fund, to be known as the "Pittsburg Unified School District, General Obligation Bonds, Election of 2010, Interest and Sinking Fund" (the "Interest and Sinking Fund"), shall be created and established within the County Treasury. Moneys deposited therein shall be used only for payment of principal and interest on all general obligation bonds of the District. Notwithstanding the foregoing provisions of this Section 3.02(b), any excess proceeds of the 2010E Bonds not needed for the authorized purposes set forth herein for which the 2010E Bonds are being issued shall be used to pay other general obligation bonds of the District or, if there are no other general obligation bonds of the District outstanding. The interest earned on the moneys deposited to the Interest and Sinking Fund shall be retained in the Interest and Sinking Fund and used for the purposes thereof.

(c) *Costs of Issuance Fund.* A fund, to be known as the "Pittsburg Unified School District, General Obligation Bonds, Election of 2010, Series E (2019) Costs of Issuance Fund" (the "Costs of Issuance Fund"), is hereby created and established with the Paying Agent, acting as costs of issuance custodian (the "Custodian") for the 2010E Bonds. Moneys deposited therein shall be used solely for the payment of costs of issuance of the 2010E Bonds, as provided in the Paying Agent Agreement.

(d) *Investment of Moneys in the Building Fund and the Interest and Sinking Fund.* Moneys held in the Building Fund and the Interest and Sinking Fund shall be invested at the Treasurer's discretion, unless otherwise directed in writing by the District, pursuant to law and the investment policy of the Treasurer. In addition, at the written direction of the District, all or any portion of the moneys in the Building Fund may be invested (i) in the Local Agency Investment Fund in the treasury of the State, or (ii) in investment agreements which comply with the requirements of each rating agency then rating the 2010E Bonds necessary in order to maintain the current rating on the 2010E Bonds, provided that the Treasurer shall be a signatory to any such investment agreement. Consent by the Treasurer to a request by the District to use any investments requested by the District specified in clause (d)(ii) shall in no way imply any endorsement by the Treasurer of such investment and the Treasurer assumes no liability for the results of such investment or of the provider thereof.

Section 3.03. Application of Proceeds of Sale of 2010E Bonds. On the Closing Date, the proceeds of sale of the 2010E Bonds shall be paid by the Authority as follows:

(a) to the Treasurer, an amount equal to the premium received by the District, if any, on the 2010E Bonds, for deposit in the Interest and Sinking Fund;

(b) to the Custodian, an amount equal to the amounts required for the payment of Costs of Issuance, for deposit in the Costs of Issuance Fund; and

(c) the remaining proceeds of the 2010E Bonds shall be transferred to the Treasurer for deposit in the Building Fund.

Section 3.04. Security for the 2010E Bonds; Pledged Revenues. There shall be levied by the County on all the taxable property in the District, in addition to all other taxes, a continuing direct and *ad valorem* tax annually during the period the 2010E Bonds are outstanding in an amount sufficient to pay the principal of and interest on the 2010E Bonds when due, which moneys when collected will be placed in the Interest and Sinking Fund of the District, which fund is irrevocably pledged for the payment of the principal of and interest on the 2010E Bonds when and as the same fall due (the "Pledged Revenues").

It is the intention of the District that (i) for purposes of 11 U.S.C. §902(2)(E), the Pledged Revenues constitute "taxes specifically levied to finance one or more projects or systems" of the District and are not "general property, sales or income taxes . . . levied to finance the general purposes of" the District, and (ii) the pledge of the Pledged Revenues constitutes a pledge of "special revenues" for purposes of 11 U.S.C. §§901 *et seq.*, and that a petition filed by the District under 11 U.S.C. §§901 *et seq.*, will not operate as a stay under 11 U.S.C. §362 of the application of such Pledged Revenues to payment when due of principal of and interest on the 2010E Bonds. The District will not take any action inconsistent with its agreement and statement of intention hereunder and will not deny that the pledge of the Pledged Revenues constitutes a pledge of special revenues for purposes of 11 U.S.C. §§901 *et seq.*

The moneys in the Interest and Sinking Fund, to the extent necessary to pay the principal of and interest on the 2010E Bonds as the same become due and payable, shall be transferred by the Treasurer to the Paying Agent as necessary to pay the principal of and interest on the 2010E 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 2010E Bonds in addition to

the statutory lien that exists (as described below), and the 2010E Bonds were issued to finance one or more capital project authorized by the voters of the District and not to finance the general purposes of the District.

Additionally, in accordance with section 53515(a) of the Government Code, the 2010E Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax for the payment of bonds authorized by the voters of the District. 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 2010E 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.

ARTICLE IV

SALE OF BONDS; APPROVAL OF PAYING AGENT AGREEMENT; APPROBVAL OF OFFICIAL STATMENT

Section 4.01. Sale of the 2010E Bonds and the Authority Bonds. The 2010E Bonds shall be sold to the Authority pursuant to the terms of the Bond Purchase Agreement, in the form attached hereto as Exhibit B, at the par amount thereof. The District Representatives, or any assignee thereof, are hereby authorized and directed to execute and deliver, for and on behalf of the District, a Bond Purchase Agreement in said form, together with such changes, insertions and deletions as may be approved by the official executing such documents, the approval thereof to be conclusively evidenced by the execution and delivery by the District of the Bond Purchase Agreement.

The Board hereby approves the sale of the Authority Bonds by the Authority by negotiation with the Underwriter, pursuant to a bond purchase agreement (the "Authority Bond Purchase Agreement"), in the form attached hereto as Exhibit C. District Representatives, or any assignee thereof, are hereby authorized and directed to approve, for and on behalf of the District, an Authority Bond Purchase Agreement in said form, together with such changes, insertions and deletions as may be approved by the official executing such documents, the approval thereof to be conclusively evidenced by the execution and delivery by the District of the Authority Bond Purchase Agreement, upon the submission of an offer by the Underwriter to purchase the Authority Bonds, which offer is acceptable to the District and consistent with the requirements of this Resolution. The Authority Bonds shall be issued in a principal amount not to exceed \$32,000,000.

Section 4.02. Approval of Paying Agent Agreement. The Paying Agent Agreement, in the form attached hereto as Exhibit D, together with any additions thereto or changes therein deemed necessary or advisable by a District Representative, is hereby approved by the Board. Any District Representative is hereby authorized and directed to execute the Paying Agent Agreement for and in the name and on behalf of the District. The Board hereby authorizes the delivery and performance of the Paying Agent Agreement.

Section 4.03. Official Statement. The Board hereby approves a preliminary official statement describing the Authority Bonds, the 2010E Bonds and certain other general obligation bonds of the District (the "Preliminary Official Statement") in the form on file with the Clerk of the Board, together with any changes therein or additions thereto deemed advisable by a District Representative. The Board authorizes and directs the District Representatives, on behalf of the District, to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") the Preliminary Official Statement prior to its distribution to prospective purchasers of the Authority Bonds.

The Underwriter, on behalf of the District, is authorized and directed to cause the Preliminary Official Statement to be distributed to perspective underwriters, who in turn may distribute copies of the Preliminary Official Statement to persons who may be interested in purchasing the Authority Bonds therein offered for sale.

Any District Representative is authorized and directed to cause the Preliminary Official Statement to be brought into the form of a final official statement (the "Final Official Statement") and to execute the Final Official Statement, dated as of the date of the sale of the 2010E Bonds, and a statement that the facts contained in the Preliminary Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the

purpose of such statement) were, at the time of its date, true and correct in all material respects and that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the 2010E Bonds, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the Authority Bonds, and does not, as of the date of delivery of the Authority Bonds, contain any untrue statement of a material fact or omit to state material facts required to be stated where necessary to make any statement made therein not misleading in light of the circumstances under which it was made. The District Representatives shall take such further actions prior to the signing of the Final Official Statement as are deemed necessary or appropriate to verify the accuracy thereof. The execution of the Final Official Statement, which shall include such changes and additions thereto deemed advisable by the District Representatives, and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Final Official Statement by the District.

The Final Official Statement, when prepared, is approved for distribution in connection with the offering and sale of the Authority Bonds.

Section 4.04. Official Action. All actions heretofore taken by the officers and agents of the District with respect to the sale and issuance of the 2010E Bonds are hereby approved, and the District Representatives, and any and all other officers of the District are hereby authorized and directed for and in the name and on behalf of the District, to do any and all things and take any and all actions relating to the execution and delivery of any and all certificates, requisitions, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the 2010E Bonds in accordance with this Resolution.

The Board hereby appoints PFM Financial Advisors LLC as Municipal Advisor, and Quint & Thimmig LLP, as Bond Counsel and Disclosure Counsel with respect to the issuance of the 2010E Bonds. The District Representatives are hereby authorized to enter into any new agreements and/or amend any existing agreements with members of the financing team as appropriate provided such agreements describe the desired scope of services and specify a cost that is consistent with not-to-exceed cost estimates presented to this Board in connection with this resolution. A form of each applicable proposed agreement is on file with the Superintendent and available for review.

ARTICLE V

OTHER COVENANTS OF THE DISTRICT

Section 5.01. Punctual Payment. The District will punctually pay, or cause to be paid, the principal of and interest on the 2010E Bonds, in strict conformity with the terms of the 2010E Bonds and of this Resolution, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Resolution and of the 2010E Bonds. Nothing herein contained shall prevent the District from making advances of its own moneys, howsoever derived, to any of the uses or purposes permitted by law.

Section 5.02. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the District will not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the 2010E Bonds and will not, directly or indirectly, approve any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the District, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Resolution, except subject to the prior payment in full of the principal of all of the 2010E Bonds then Outstanding and of all claims for interest which shall not have so extended or funded.

Section 5.03. Protection of Security and Rights of Bondowners. The District will preserve and protect the security of the 2010E Bonds and the rights of the Bondowners, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the 2010E Bonds by the District, the 2010E Bonds shall be incontestable by the District.

Section 5.04. Further Assurances. The District will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution, and for the better assuring and confirming unto the Owners of the 2010E Bonds of the rights and benefits provided in this Resolution.

Section 5.05. Tax Covenants.

(a) *Private Activity Bond Limitation*. The District shall assure that the proceeds of the Authority Bonds are not so used as to cause the Authority Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

(b) *Federal Guarantee Prohibition*. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Authority Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(c) *Rebate Requirement*. The District shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Authority Bonds.

(d) *No Arbitrage*. The District shall not take, or permit or suffer to be taken, any action with respect to the proceeds of the Authority Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of

issuance of the Authority Bonds would have caused the Authority Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

(e) *Maintenance of Tax-Exemption.* The District shall take all actions necessary to assure the exclusion of interest on the Authority Bonds from the gross income of the Owners of the Authority Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Authority Bonds.

Section 5.06. Acquisition, Disposition and Valuation of Investments.

(a) Except as otherwise provided in subsection (b) of this Section 5.06, the District covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Resolution, or otherwise containing gross proceeds of the 2010E Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Resolution or the Code) at Fair Market Value.

(b) Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code shall be valued at their present value (within the meaning of section 148 of the Code).

Section 5.07. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, substantially in the form attached hereto as Exhibit E. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, any holder or beneficial owner of the Authority Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate of specific performance by court order.

Section 5.08. Representations and Warranties of the District. The District makes the following representations and warranties to the Authority:

(a) *Organization/Authority.* The District is a unified school district duly organized and in good standing under the laws of the State and has full legal right, power and authority to enter adopt this Resolution, the Bond Purchase Agreement and the Paying Agent Agreement (collectively, the "Financing Documents") and to carry out and consummate all transactions contemplated hereby and by the other Financing Documents and by proper corporate action has duly authorized the execution, delivery and performance of the Financing Documents.

(b) *Execution/Delivery.* The Financing Documents have been duly authorized, executed and delivered by the District.

(c) *Enforceability.* This Resolution and the 2010E Bonds, when assigned to the Trustee pursuant to the Indenture, will constitute the legal, valid and binding agreements of the District enforceable against the District by the Trustee in accordance with their terms for the benefit of the Holders of the Bonds, and any rights of the Authority and obligations of the District not so assigned to the Trustee constitute the legal, valid, and binding agreements of the District enforceable against the District by the Authority in accordance with their terms; except in each case as enforcement may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally, by the application of equitable principles regardless of whether enforcement is sought in a proceeding at law or in equity and by public policy.

(d) *No Conflicts.* The execution and delivery of the Financing Documents, the consummation of the transactions herein and therein contemplated and the fulfillment of or

compliance with the terms and conditions hereof and thereof, will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which the District is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the District, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Financing Documents, the security for the 2010E Bonds or the financial condition, assets, properties or operations of the District.

(e) *No Other Consents.* No consent or approval of any trustee or holder of any indebtedness of the District or any guarantor of indebtedness of or other provider of credit or liquidity to the District, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority (except with respect to any state securities or "blue sky" laws) is necessary in connection with the execution and delivery of the Financing Documents, or the consummation of any transaction herein or therein contemplated, or the fulfillment of or compliance with the terms and conditions hereof or thereof, except as have been obtained or made and as are in full force and effect.

(f) *No Litigation.* There is no action, suit, proceeding, inquiry or investigation, before or by any court or federal, state, municipal or other governmental authority, pending, or to the knowledge of the District, after reasonable investigation, threatened, against or affecting the District or the assets, properties or operations of the District which, if determined adversely to the District or its interests, would have a material adverse effect upon the consummation of the transactions contemplated by or the validity of the Financing Documents, the security for the 2010E Bonds, or upon the financial condition, assets, properties or operations of the District.

(g) *Disclosures Accurate.* No written information, exhibit or report furnished to the Authority by the District in connection with the purchase of the 2010E Bonds by the Authority, and no official statement or other offering document in connection with the issuance of the Authority Bonds pursuant to the Indenture, as of its date or as of the date hereof, contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(h) *No Defaults.* The District is not in default (and no event has occurred and is continuing which with the giving of notice or the passage of time or both could constitute a default) (1) under the Financing Documents, or (2) with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default could reasonably be expected to have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Financing Documents or the Indenture, or the security for the 2010E Bonds.

(i) *All Necessary Approvals.* All material certificates, approvals, permits and authorizations of applicable local governmental agencies, and agencies of the State and the federal government have been or will be obtained with respect to the issuance of the 2010E Bonds.

(j) *No Reliance on Authority for Advice.* The District acknowledges, represents and warrants that it understands the nature and structure of the transactions relating to the financing of the Project and the issuance of the 2010E Bonds; that it is familiar with the

provisions of all of the documents and instruments relating to such financing to which the District is a party or of which it is a beneficiary, including the Indenture; that it understands the risks inherent in such transactions; and that it has not relied on the Authority for any guidance or expertise in analyzing the financial or other consequences of the transactions contemplated by the Financing Documents and the Indenture or otherwise relied on the Authority for any advice.

Section 5.09. Indemnification. To the fullest extent permitted by law, the District agrees to indemnify, hold harmless and defend the Authority, the County the Trustee, and each of its respective past, present and future officers, members, directors, officials, employees, attorneys and agents (collectively, the "Indemnified Parties"), against any and all losses, damages, claims, actions, liabilities, costs and expenses of any conceivable nature, kind or character (including, without limitation, reasonable attorneys' fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) to which the Indemnified Parties, or any of them, may become subject under or any statutory law (including federal or state securities laws) or at common law or otherwise, arising out of or based upon or in any way relating to:

(a) the Authority Bonds, 2010E Bonds or the Indenture, or the execution or amendment hereof or thereof or in connection with transactions contemplated hereby or thereby, including the issuance, sale or resale of the Authority Bonds;

(b) any act or omission of the District or any of its agents, contractors, servants, employees, tenants) or licensees in connection with the Project or the Facilities, the operation of the Project, or the condition, environmental or otherwise, occupancy, use, possession, conduct or management of work done in or about, or from the planning, design, acquisition, installation or construction of, the Project or any part thereof;

(c) any lien or charge upon payments by the District to the Authority and the Trustee hereunder, or any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions and other charges imposed on the Authority or the Trustee in respect of any portion of the Project;

(d) the defeasance and/or redemption, in whole or in part, of the 2010E Bonds or the Authority Bonds;

(e) any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact contained in any offering statement or disclosure or continuing disclosure document for the Authority Bonds or any of the documents relating to the 2010E Bonds, or any omission or alleged omission from any offering statement or disclosure or continuing disclosure document for the Authority Bonds of any material fact necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(f) any declaration of taxability of interest on the Authority Bonds, or any regulatory audit or inquiry regarding whether interest on the Authority Bonds is taxable; or

(g) the Trustee's acceptance or administration of the trust of the Indenture, or the exercise or performance of any of its powers or duties thereunder or under any of the documents relating to the Authority Bonds to which it is a party;

except (A) in the case of the foregoing indemnification of the Trustee or any of its respective officers, members, directors, officials, employees, attorneys and agents, to the extent such damages are caused by the negligence or willful misconduct of such Indemnified Party; or (B) in

the case of the foregoing indemnification of the Authority or any of its officers, members, directors, officials, employees, attorneys and agents, to the extent such damages are caused by the willful misconduct of such Indemnified Party. In the event that any action or proceeding is brought against any Indemnified Party with respect to which indemnity may be sought hereunder, the District, upon written notice from the Indemnified Party, shall assume the investigation and defense thereof, including the employment of counsel selected by the Indemnified Party, and shall assume the payment of all expenses related thereto, with full power to litigate, compromise or settle the same in its sole discretion; provided that the Indemnified Party shall have the right to review and approve or disapprove any such compromise or settlement. Each Indemnified Party shall have the right to employ separate counsel in any such action or proceeding and participate in the investigation and defense thereof, and the District shall pay the reasonable fees and expenses of such separate counsel; provided, however, that such Indemnified Party may only employ separate counsel at the expense of the District if in the judgment of such Indemnified Party a conflict of interest exists by reason of common representation or if all parties commonly represented do not agree as to the action (or inaction) of counsel.

ARTICLE VI
THE PAYING AGENT

Section 6.01. Appointment of Paying Agent. The Bank of New York Mellon Trust Company, N.A. is hereby appointed Paying Agent for the 2010E Bonds. The Paying Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Resolution, and, even during the continuance of an Event of Default, no implied covenants or obligations shall be read into this Resolution against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the District a certificate to that effect.

The District may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company doing business in the State, having a combined capital (exclusive of borrowed capital) and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 6.01 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Paying Agent may at any time resign by giving written notice to the District and the Bondowners of such resignation. Upon receiving notice of such resignation, the District shall promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent.

Section 6.02. Paying Agent May Hold 2010E Bonds. The Paying Agent may become the owner of any of the 2010E Bonds in its own or any other capacity with the same rights it would have if it were not Paying Agent.

Section 6.03. Liability of Agents. The recitals of facts, covenants and agreements herein and in the 2010E Bonds contained shall be taken as statements, covenants and agreements of the District, and the Paying Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Resolution or of the 2010E Bonds, nor shall incur any responsibility in respect thereof, other than as set forth in this Resolution. The Paying Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

In the absence of bad faith, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Paying Agent and conforming to the requirements of this Resolution; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Paying Agent, the Paying Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Resolution.

The Paying Agent shall not be liable for any error of judgment made in good faith by a responsible officer unless it shall be proved that the Paying Agent was negligent in ascertaining the pertinent facts.

No provision of this Resolution shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Paying Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Paying Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

Section 6.04. Notice to Agents. The Paying Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Paying Agent may consult with counsel, who may be of counsel to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Resolution the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate of the District, and such certificate shall be full warrant to the Paying Agent for any action taken or suffered under the provisions of this Resolution upon the faith thereof, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 6.05. Compensation, Indemnification.

(a) The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution. Any District Representative is hereby authorized to execute an agreement or agreements with the Paying Agent in connection with such fees and expenses. The District further agrees to indemnify and save the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

(b) The District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees ("Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject related to the proceedings for sale, award, issuance and delivery of the 2010E Bonds in accordance therewith and herewith. 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.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF BONDOWNERS

Section 7.01. Events of Default. The following events ("Events of Default") shall be events of default hereunder:

(a) if default shall be made in the due and punctual payment of the principal of on any 2010E Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made in the due and punctual payment of any installment of interest on any 2010E Bond when and as such interest installment shall become due and payable;

(c) if default shall be made by the District in the observance of any of the covenants, agreements or conditions on its part in this Resolution or in the 2010E Bonds contained, and such default shall have continued for a period of thirty (30) days after written notice thereof to the District; or

(d) if the District shall file a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, seeking reorganization of the District under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property.

Section 7.02. Remedies of Bondowners. Any Bondowner shall have the right, for the equal benefit and protection of all Bondowners similarly situated:

(a) by mandamus, suit, action or proceeding, to compel the District and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Resolution and in the 2010E Bonds, and to require the carrying out of any or all such covenants and agreements of the District and the fulfillment of all duties imposed upon it;

(b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Bondowners' rights; or

(c) upon the happening of any Event of Default, by suit, action or proceeding in any court of competent jurisdiction, to require the District and its members and employees to account as if it and they were the trustees of an express trust.

Section 7.03. Non-Waiver. Nothing in this Article VII or in any other provision of this Resolution, or in the 2010E Bonds, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the principal of and interest on the 2010E Bonds to the respective Owners of the 2010E Bonds at the respective dates of maturity, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of such Owners to institute suit to enforce such payment by virtue of the contract embodied in the 2010E Bonds.

A waiver of any default by any Bondowner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner of any of the 2010E Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Bondowners by this Article VI may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners of the 2010E Bonds.

If a suit, action or proceeding to enforce any right or exercise any remedy be abandoned or determined adversely to the Bondowners, the District and the Bondowners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 7.04. Remedies Not Exclusive. No remedy herein conferred upon the Owners of 2010E Bonds shall be exclusive of any other remedy and that each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereafter conferred on the Bondowners.

ARTICLE VIII

SUPPLEMENTAL RESOLUTIONS

Section 8.01. Supplemental Resolutions Effective Without Consent of the Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the District may be adopted, which, without the requirement of consent of the Owners of the 2010E Bonds, shall be fully effective in accordance with its terms:

(a) to add to the covenants and agreements of the District in this Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(b) to add to the limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(c) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;

(d) to cure any ambiguity, supply and omission, or cure or correct any defect or inconsistent provision in this Resolution; or

(e) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the 2010E Bonds.

Section 8.02. Supplemental Resolutions Effective With Consent to the Owners. Any modification or amendment of this Resolution and of the rights and obligations of the District and of the Owners of the 2010E Bonds, in any particular, may be made by a Supplemental Resolution, with the written consent of the Owners of at least two-thirds in aggregate principal amount of the 2010E Bonds Outstanding at the time such consent is given. No such modification or amendment shall permit a change in the terms of maturity of the principal of any Outstanding 2010E Bonds or of any interest payable thereon or a reduction in the principal amount thereof or in the rate of interest thereon, or shall reduce the percentage of 2010E Bonds the consent of the Owners of which is required to effect any such modification or amendment, or shall change any of the provisions in Section 7.01 hereof relating to Events of Default, or shall reduce the amount of moneys pledged for the repayment of the 2010E Bonds without the consent of all the Owners of such 2010E Bonds, or shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto.

ARTICLE IX
MISCELLANEOUS

Section 9.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, is intended to give to any person other than the District, the Paying Agent and the Owners of the 2010E Bonds, any right, remedy, claim under or by reason of this Resolution. Any covenants, stipulations, promises or agreements in this Resolution contained by and on behalf of the District shall be for the sole and exclusive benefit of the Owners of the 2010E Bonds.

Section 9.02. Defeasance.

(a) *Discharge of Resolution.* 2010E Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable hereunder by the District:

(i) by paying or causing to be paid the principal or redemption price of and interest on 2010E Bonds Outstanding, as and when the same become due and payable;

(ii) by depositing, in trust with an escrow holder, at or before maturity, money or securities in the necessary amount (as provided in Section 9.02(c) to pay or redeem 2010E Bonds Outstanding; or

(iii) by delivering to the Paying Agent, for cancellation by it, 2010E Bonds Outstanding.

If the District shall pay all 2010E Bonds Outstanding, and shall pay or cause to be paid all other sums payable hereunder by the District, then and in that case, at the election of the District (evidenced by a certificate of a District Representative, filed with the Paying Agent, signifying the intention of the District to discharge all such indebtedness and this Resolution), and notwithstanding that any 2010E Bonds shall not have been surrendered for payment, this Resolution and all covenants, agreements and other obligations of the District under this Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 9.02(b). In such event, upon request of the District, the Paying Agent shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and shall execute and deliver to the District all such instruments as may be necessary to evidence such discharge and satisfaction, and the Paying Agent shall pay over, transfer, assign or deliver to the District all moneys or securities or other property held by it pursuant to this Resolution which are not required for the payment or redemption of 2010E Bonds not theretofore surrendered for such payment or redemption.

(b) *Discharge of Liability on 2010E Bonds.* Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 9.02(c) to pay or redeem any Outstanding 2010E Bond (whether upon or prior to its maturity or the redemption date of such 2010E Bond), provided that, if such 2010E Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Section 2.03 provided or provision satisfactory to the Paying Agent shall have been made for the giving of such notice, then all liability of the District in respect of such 2010E Bond shall cease and be completely discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal of and interest on such 2010E Bond by the District, and the District shall remain liable for such payment, but only out of such money or securities deposited in trust with an escrow holder as

aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) shall apply in all events.

The District may at any time surrender to the Paying Agent for cancellation by it any 2010E Bonds previously issued and delivered, which the District may have acquired in any manner whatsoever, and such 2010E Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

(c) *Deposit of Money or Securities with Paying Agent.* Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust with an escrow holder money or securities in the necessary amount to pay or redeem any 2010E Bonds, the money or securities so to be deposited or held may include money or securities held by the Paying Agent in the funds and accounts established pursuant to this Resolution and shall be:

(i) lawful money of the United States of America in an amount equal to the principal amount of such 2010E Bonds and all unpaid interest thereon to maturity, except that, in the case of 2010E Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Section 2.03 provided or provision satisfactory to the Paying Agent shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or redemption price of such 2010E Bonds and all unpaid interest thereon to the redemption date; or

(ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the 2010E Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of 2010E Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Section 2.03 provided or provision satisfactory to the Paying Agent shall have been made for the giving of such notice;

provided, in each case, that the Paying Agent shall have been irrevocably instructed (by the terms of this Resolution or by request of the District) to apply such money to the payment of such principal or redemption price and interest with respect to such 2010E Bonds.

(d) *Payment of 2010E Bonds After Discharge of Resolution.* Notwithstanding any provisions of this Resolution, any moneys held in trust with an escrow holder for the payment of the principal or redemption price of, or interest on, any 2010E Bonds and remaining unclaimed for one year after the principal of all of the 2010E Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Resolution), if such moneys were so held at such date, or one year after the date of deposit of such moneys if deposited after said date when all of the 2010E Bonds became due and payable, shall, upon request of the District, be repaid to the District free from the trusts created by this Resolution, and all liability of the escrow holder with respect to such moneys shall thereupon cease; *provided, however,* that before the repayment of such moneys to the District as aforesaid, the Paying Agent may (at the cost of the District) first mail to the Owners of all 2010E Bonds which have not been paid at the addresses shown on the registration books maintained by the Paying Agent a notice in such form as may be deemed appropriate by the Paying Agent, with respect to the 2010E Bonds so payable and not presented and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof.

Section 9.03. Execution of Documents and Proof of Ownership by Bondowners. Any request, declaration or other instrument which this Resolution may require or permit to be executed by Bondowners may be in one or more instruments of similar tenor, and shall be executed by Bondowners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Bondowner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered 2010E Bonds and the amount, maturity, number and date of holding the same shall be proved by the registry books.

Any request, declaration or other instrument or writing of the Owner of any 2010E Bond shall bind all future Owners of such 2010E Bond in respect of anything done or suffered to be done by the District or the Paying Agent in good faith and in accordance therewith.

Section 9.04. Waiver of Personal Liability. No boardmember, officer, agent or employee of the District shall be individually or personally liable for the payment of the principal of or interest on the 2010E Bonds; but nothing herein contained shall relieve any such boardmember, officer, agent or employee from the performance of any official duty provided by law.

Section 9.05. Destruction of Canceled 2010E Bonds. Whenever in this Resolution provision is made for the surrender to the District of any 2010E Bonds which have been paid or canceled pursuant to the provisions of this Resolution, a certificate of destruction duly executed by the Paying Agent shall be deemed to be the equivalent of the surrender of such canceled 2010E Bonds and the District shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such 2010E Bonds therein referred to.

Section 9.06. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The District hereby declares that it would have adopted this Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the 2010E Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Resolution may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the District is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the District hereunder shall be assumed by and vest in the District in trust for the benefit of the Bondowners.

Section 9.07. Effective Date of Resolution. This Resolution shall take effect from and after the date of its passage and adoption.

THE FOREGOING RESOLUTION is approved and adopted by the Board of Trustees of the Pittsburgh Unified School District this 23rd day of October, 2019.



President of the Board

ATTEST:



Clerk of the Board