

BOARD OF SUPERVISORS, COUNTY OF PLACER,
STATE OF CALIFORNIA

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF PLACER PROVIDING FOR THE ISSUANCE OF ROCKLIN
UNIFIED SCHOOL DISTRICT, COUNTY OF PLACER, STATE OF
CALIFORNIA 2008 TAX AND REVENUE ANTICIPATION NOTES IN A
PRINCIPAL AMOUNT NOT TO EXCEED TEN MILLION DOLLARS

WHEREAS, pursuant to Sections 53850 et seq. of the Government Code of the State of California (the "Act") contained in Article 7.6 thereof, entitled "Temporary Borrowing," on or after the first day of any fiscal year (being July 1), a school district may borrow money by issuing notes for any purpose for which the school district is authorized to expend moneys, including but not limited to current expenses, capital expenditures, investment and reinvestment and the discharge of any obligation or indebtedness of the school district; and

WHEREAS, Section 53853 of the Act provides that such notes must be issued in the name of the school district by the board of supervisors of the county, the county superintendent of which has jurisdiction over the school district, as soon as possible following the receipt of a resolution of the governing board of the school district requesting the borrowing; and

WHEREAS, the County Superintendent of the County of Placer (the "County") has jurisdiction over Rocklin Unified School District (the "District"), and this Board of Supervisors of the County (the "County Board") has received a resolution of the Board of Trustees of the District (the "District Board"), being the governing board of the District, dated May 7, 2008, entitled "RESOLUTION OF THE BOARD OF TRUSTEES OF ROCKLIN UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE OF 2008 TAX AND REVENUE ANTICIPATION NOTES FOR SAID DISTRICT AND REQUESTING THE BOARD OF SUPERVISORS OF PLACER COUNTY TO ISSUE SAID NOTES" (the "District Resolution"), attached hereto, which District Resolution requests the borrowing of not to exceed Ten Million Dollars (\$10,000,000) at an interest rate not to exceed seven percent (7%) per annum, through the issuance by the County Board of 2008 Tax and Revenue Anticipation Notes (the "Notes") in the name of the District; and

WHEREAS, pursuant to federal tax restrictions, such Notes are payable not more than thirteen (13) months after their date of delivery which is during the fiscal year succeeding the fiscal year 2008-2009 in which such Notes were issued and pursuant to Section 53854 of the Act, such Notes shall be payable only from revenue received or accrued during the fiscal year 2008-2009 in which issued; and

WHEREAS, pursuant to Section 53856 of the Act, the District may pledge any taxes, income, revenue, cash receipts or other moneys deposited in inactive or term deposits (but excepting certain moneys encumbered for a special purpose); and the District Resolution specifies that certain unrestricted revenues that will be received by the District for the general

fund of the District during or allocable to fiscal year 2008-2009 are pledged for the payment of the Notes; and

WHEREAS, the Notes shall be a general obligation of the District, and to the extent not paid from the taxes, income, revenue, cash receipts and other moneys of the District pledged for the payment thereof shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as required by Section 53857 of the Act; and

WHEREAS, the Notes shall be in denominations of \$5,000, or integral multiples thereof, as permitted by Section 53854 of the Act; shall be issued in the form and executed in the manner prescribed herein, as required by Section 53853 of the Act; and

WHEREAS, the County Board, in reliance on a determination by the District, has found and determined that said Ten Million Dollars (\$10,000,000) maximum principal amount of Notes to be issued in the name of the District by the County Board in fiscal year 2008-2009, when added to the interest payable thereon, does not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, income, revenue (including but not limited to revenue from state and federal governments), cash receipts and other moneys of the District which will be available for the payment of the Notes and interest thereon, as required by Section 53858 of the Act; and

WHEREAS, the Notes will not be outstanding after a period ending thirteen (13) months after the date on which such Notes are issued and will not be issued in an amount greater than the maximum anticipated cash flow deficit to be financed by the anticipated tax or other revenue sources for the period for which such taxes or other revenues are anticipated and during which such Notes are outstanding, all as provided in the Income Tax Regulations of the United States Treasury promulgated under Section 148 of the Internal Revenue Code of 1986, as amended; and

NOW, THEREFORE, the Board of Supervisors of the County of Placer hereby resolves as follows:

Section 1. Recitals. All the recitals in this Resolution above are true and correct and this County Board so finds, determines and represents.

Section 2. Authorization of Issuance of Notes; Terms Thereof; Paying Agent. The County Board hereby determines to and shall issue in the name of the District, an amount not to exceed Ten Million Dollars (\$10,000,000) principal amount of Notes under the Act, designated "Rocklin Unified School District, County of Placer, State of California, 2008 Tax and Revenue Anticipation Notes"; to be numbered from 1 consecutively upward in order of issuance (if more than one note is issued); to be in the denominations of \$5,000, or integral multiples thereof, as determined by the purchaser of the Notes; to be dated the date of delivery thereof; to mature (without option of prior redemption) not more than thirteen (13) months after such date of delivery; and to bear interest, payable at maturity and computed on a 30-day month/360-day year basis, at the rate or rates determined at the time of sale thereof, but not in excess of 7% percent per annum. Both the principal of and interest on the Notes shall be payable, only upon surrender thereof, in lawful money of the United States of America at the principal office of a paying agent which shall be either the Treasurer-Tax Collector of the County or a financial institution

designated by the District (the "Paying Agent"); provided that if the Notes mature more than twelve (12) months after the date of issuance thereof, an additional interest payment date on or before the one year anniversary of the issuance of the Notes shall be selected, such selection to be conclusively evidenced by the execution of the Notes. For purposes of the Notes, the Paying Agent shall be deemed to be a "fiscal agent" within the meaning of Section 53601 of the Government Code of the State of California. This Board hereby approves the payment of the reasonable fees and expenses of the Paying Agent as they may become due and payable.

Section 3. Form of Notes. The Notes shall be issued in registered form and shall be substantially in the form and substance set forth in Exhibit A attached hereto and by reference incorporated herein, the blanks in said form to be filled in with appropriate words and figures. The Notes may be initially registered in the name of "Cede & Co." as nominee of The Depository Trust Company, and in such event shall be evidenced by one note in the full principal amount of the Notes. The Depository Trust Company, New York, New York is hereby appointed depository for the Notes (the "Depository"). Registered ownership may not thereafter be transferred except as set forth in Section 5 hereof. There shall be simultaneously delivered with the Notes, the legal opinion of Sidley Austin LLP ("Bond Counsel") respecting the validity of the Notes.

Section 4. Transfer and Exchange of Notes. In the event the Notes are not registered in the name of "Cede & Co.," the registration of any Note may, in accordance with its terms, be transferred, upon the registration books kept by the Paying Agent for such purpose, by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Note for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Paying Agent.

Whenever any Note shall be surrendered for registration or transfer, the Paying Agent shall execute and deliver a new Note, for a like aggregate principal amount. The Paying Agent shall require the Note owner requesting such registration or transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The Paying Agent may require the Note owner requesting such registration or transfer to pay such additional reasonable charge as may be necessary to cover customary expenses incurred and fees charged by the Paying Agent with respect to such registration or transfer. The Paying Agent may treat the registered owner of any Note as the absolute owner thereof for all purposes whatsoever in accordance with this resolution, and the Paying Agent shall not be affected by any notice to the contrary.

Subject to the provisions of Section 5 hereof, Notes may be exchanged at the office of the Paying Agent for a like aggregate principal amount of Notes in other authorized denominations. The Paying Agent shall require the payment by the Note owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. The District may require the Note owner requesting such exchange to pay such additional reasonable charge as may be necessary to cover customary expenses incurred and fees charged by the Paying Agent with respect to such exchange.

Section 5. Use of Depository.

(1) If the Notes are initially registered as provided in Section 3 hereof, registered ownership of the Notes, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section 5 (a "substitute depository"); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company or a substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the Paying Agent, upon (1) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for The Depository Trust Company (or its successor) because The Depository Trust Company or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of The Depository Trust Company or its successor (or substitute depository or its successor) from its functions as depository, or (2) a determination by the County to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

(2) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (1) of this Section 5, upon receipt of the outstanding Notes by the Paying Agent, together with a request of the County, on behalf of the District, to the Paying Agent, a new Note shall be executed and delivered in the aggregate principal amount of the Notes registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such request of the County. In the case of any transfer pursuant to clause (iii) of subsection (1) of this Section 5, upon receipt of the outstanding Notes by the Paying Agent together with a request of the County to the Paying Agent, new Notes shall be executed and delivered in such denominations numbered in the manner determined by the Paying Agent and registered in the names of such persons as are requested in such a request of the County; provided, the Paying Agent shall not be required to deliver such new Notes within a period less than sixty (60) days from the date of receipt of such a request of the County. Thereafter, Notes shall be transferred pursuant to Section 4 hereof.

(3) The County and the Paying Agent shall be entitled to treat the person in whose name any Note is registered as the owner thereof for all purposes of this resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the County; and the County and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Notes and neither the County nor the Paying Agent will have any responsibility or

obligations, legal or otherwise, to the beneficial owners or to any other party, including The Depository Trust Company or its successor (or substitute depository or its successor), except for the Owner of any Notes.

(4) So long as the outstanding Notes are registered in the name of Cede & Co. or its registered assigns, the County and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Notes 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 6. Deposit of Note Proceeds. Proceeds from the sale of the Notes shall be deposited in the general fund of the District or a fund held by the Paying Agent on behalf of the District. Moneys in such funds may be invested as authorized by Section 8 herein.

Section 7. Payment of Notes.

(A) Source of Payment. The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other moneys which are received by the District during fiscal year 2008-2009 and which are available therefor. The Notes shall be a general obligation of the District, and to the extent the Notes are not paid from the Pledged Revenues defined below, the Notes shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as provided herein and by law.

(B) Pledged Revenues. As security for the payment of the principal of and interest on the Notes, the District has pledged an amount equal to fifty percent (50%) of the principal amount of the Notes from the unrestricted revenues received by the District in the month ending January 31, 2009; an amount equal to fifty percent (50%) of the principal amount of the Notes from the unrestricted revenues received by the District in the month ending April 30, 2009; plus an amount sufficient to pay interest on the Notes and any deficiency in the amount required to be deposited during any prior month, from unrestricted revenues received by the District in the month ending May 31, 2009 (such pledged amounts being herein called the "Pledged Revenues"). The term "unrestricted revenues" shall mean taxes, income, revenue, cash receipts, and other moneys of the District as provided in Section 53856 of the Act, which are intended as receipts for the general fund of the District and which are generally available for the payment of current expenses and other obligations of the District.

The principal of the Notes and the interest thereon shall be a first lien and charge against and shall be payable from the first moneys received by the District from such Pledged Revenues, as provided by law.

In the event that there are insufficient unrestricted revenues received by the District to permit the deposit into the Repayment Fund, as hereinafter defined, of the full amount of Pledged Revenues to be deposited from unrestricted revenues in a month, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the repayment of the Notes and the interest thereon.

(C) Deposit of Pledged Revenues in Repayment Fund. The Pledged Revenues shall be deposited with and held by the Paying Agent in a special fund designated as the "Rocklin

Unified School District, County of Placer, State of California, 2008 Tax and Revenue Anticipation Notes Repayment Fund” (herein called the “Repayment Fund”) and applied as directed in this Resolution. Any moneys placed in the Rcpayment Fund shall be for the benefit of the holders of the Notes, and until the Notes and all interest thereon are paid or until provision has been made for the payment of the Notes at maturity with interest to maturity, the moneys in the Repayment Fund shall be applied only for the purposes for which the Repayment Fund is created.

(D) Disbursement and Investment of Moneys in Repayment Fund. From the date this Resolution takes effect, all Pledged Revenues shall, when received, be deposited in the Repayment Fund. After such date as the amount of Pledged Revenues deposited in the Repayment Fund shall be sufficient to pay in full the principal of and interest on the Notes, when due, any moneys in excess of such amount remaining in or accruing to the Repayment Fund shall be transferred to the general fund of the District upon the request of the District. On the maturity date of the Notes, the moneys in the Repayment Fund shall be used, to the extent necessary, to pay the principal of and interest on the Notes.

Moneys in the Repayment Fund, shall be invested as authorized by Section 8 herein; provided that no such investments shall have a maturity date later than the maturity date of the Notes.

Section 8. Authorization to Invest in Investment Agreement and LAIF. Subject to federal tax restrictions, moneys in the funds created hereunder shall be invested in the County Treasurer’s Investment Pool administered by the Treasurer, pursuant to law and the investment policy of the County, unless otherwise directed in writing by the District, with the consent of the Treasurer. Pursuant to Section 53601(1) of the Government Code of the State of California, the following are hereby designated as additional authorized investments for the proceeds of the Notes and for the moneys in the Repayment Fund: (i) a guaranteed investment agreement meeting the requirements of each rating agency then rating the Notes necessary to maintain the current rating on the Notes and (ii) the Local Agency Investment Fund administered by the State of California.

Section 9. Execution of Notes. The Treasurer-Tax Collector of the County (the “Treasurer”) and the County Chairperson (the “Chairperson”) are hereby authorized to sign the Notes manually or by facsimile signature and the Clerk of the County Board (the “Clerk”) is hereby authorized to countersign the Notes manually or by facsimile signature, and said Clerk is hereby authorized to affix the seal of the County thereto by facsimile impression thereof, and said officers are hereby authorized to cause the blank spaces thereof to be filled in as may be appropriate. The Notes shall not be valid, unless and until the authenticating agent selected by the District and the Treasurer shall have manually authenticated the Notes.

Section 10. Sale of Notes. The Notes shall be sold to the purchaser at a negotiated sale through a competitive process conducted by Capitol Public Finance Group, LLC (the “Financial Advisor”). The form of Contract of Purchase for the Notes (the “Contract of Purchase”), substantially in the form presented to this meeting, is hereby approved. The Chairperson or the Treasurer, or an authorized designee thereof, is hereby requested to execute and deliver the Contract of Purchase, and the appropriate officials of the District are hereby requested to

acknowledge such Contract of Purchase, if necessary, but with such changes therein, deletions therefrom and modifications thereto as the Chairperson or Treasurer may approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that the maximum interest rate on the Notes shall not exceed seven percent (7%) per annum and that the discount not exceed 1% of the par amount of the Notes. The Chairperson and the Treasurer are further authorized to determine the maximum principal amount of Notes to be specified in the Contract of Purchase for sale by the County Board, up to Ten Million Dollars (\$10,000,000) and to enter into and execute the Contract of Purchase with the purchaser, if the conditions set forth in this Resolution are satisfied.

Section 11. Authorization of Preliminary Official Statement and Official Statement. The Financial Advisor is hereby authorized to prepare a Preliminary Official Statement and an Official Statement relating to the Notes, to be used in connection with the offering and sale of the Notes. The Financial Advisor is hereby authorized to cause the distribution of said Preliminary Official Statement and Official Statement. The appropriate officials of the District are hereby authorized to approve and execute the final Official Statement, such approval to be conclusively evidenced by execution and delivery thereof.

Section 12. Tax Covenants. The District has covenanted that it will make no use of the proceeds of the Notes or any other amounts that would cause the Notes to be "arbitrage bonds" under Section 148 of the Code; and, to that end, the District has agreed to comply with all requirements of said Section 148 of the Code and the Treasury Regulations promulgated thereunder, including restrictions on the use and investment of proceeds of the Notes and certain other amounts and the rebate of a portion of the investment earnings on proceeds of the Notes and certain other amounts, if required, to the United States. The District has further covenanted to do and perform all acts and things within its power and authority necessary to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code. In furtherance of the aforementioned covenants, the District has agreed to comply with the Tax Certificate to be executed by the District on the date of issuance and delivery of the Notes (the "Tax Certificate"). The Paying Agent, by acceptance of its duties hereunder, agrees to comply with any instructions received from the District that the District indicates must be followed in order to comply with the Tax Certificate. The District has covenanted that it will take no action that would cause the interest on the Notes to be included in gross income for federal income tax purposes, nor will it refrain from taking action required to maintain the exclusion of interest on the Notes from gross income for federal income tax purposes.

Section 13. Ratification of Action. All actions heretofore taken by the officers and agents of the County Board with respect to the sale and issuance of the Notes are hereby approved, confirmed and ratified, and the officers of the County Board are hereby authorized and directed, for and in the name and on behalf of the County Board, to do any and all things and take any and all actions and execute and deliver any and all certificates, 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 Notes in accordance with this Resolution and resolutions heretofore adopted by the County and District Boards.

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Section 14. Further Actions Authorized. It is hereby covenanted that the County, and its appropriate officials, have duly taken all proceedings necessary to be taken by them, and will take any additional proceedings necessary to be taken by them, for the levy, collection and enforcement of the secured property taxes pledged under the District Resolution in accordance with the law and for carrying out the provisions of the District Resolution and of this Resolution.

PASSED AND ADOPTED by the Board of Supervisors of the County of Placer this 8th day of July, 2008, by the following vote:

AYES:

NOES:

ABSENT:

COUNTY OF PLACER

By _____
Chairperson of the
Board of Supervisors

ATTEST:

Clerk of the
Board of Supervisors

defined below, the Notes shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as provided herein and by law.

As security for the payment of the principal of and interest on the Notes, the District has pledged an amount equal to fifty percent (50%) of the principal amount of the Notes from the unrestricted revenues received by the District in the month ending January 31, 2009; an amount equal to fifty percent (50%) of the principal amount of the Notes from the unrestricted revenues received by the District in the month ending April 30, 2009; plus an amount sufficient to pay interest on the Notes and any deficiency in the amount required to be deposited during any prior month, from unrestricted revenues received by the District in the month ending May 31, 2009 (such pledged amounts being herein called the "Pledged Revenues"). The term "unrestricted revenues" shall mean taxes, income, revenue, cash receipts, and other moneys of the District as provided in Section 53856 of the Act, which are intended as receipts for the general fund of the District and which are generally available for the payment of current expenses and other obligations of the District.

The principal of the Notes and the interest thereon shall be a first lien and charge against and shall be payable from the first moneys received by the District from such Pledged Revenues, as provided by law.

This Note is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the [principal corporate trust] office of the Paying Agent in [_____, California], but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Note. Upon such transfer a new Note or Notes of authorized denominations and for the same aggregate principal amount will be issued to the transferees in exchange herefor.

The County, the District and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

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.

IN WITNESS WHEREOF, the County of Placer has caused this Note to be executed by the Chairperson of its Board of Supervisors and by its Treasurer-Tax Collector by facsimile signature and countersigned by the Clerk of its Board of Supervisors by facsimile signature and has caused a facsimile of its official seal to be printed hereon this _____ day of _____, 2008.

COUNTY OF PLACER

By: _____
Chairperson, Board of Supervisors

By: _____
Treasurer-Tax Collector

(SEAL)
Countersigned:

By: _____
Clerk of the
Board of Supervisors

PAYING AGENT'S CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This is one of the Notes described in the within-mentioned Resolution and authenticated by the manual signature of the [Paying Agent], as Paying Agent, and registered on _____, 2008.

[PAYING AGENT], as Paying Agent

By _____
Authorized Signatory

ASSIGNMENT

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

Dated: _____

Signature Guaranteed by:

NOTE: Signature(s) must be guaranteed by an eligible guarantor institution.

NOTE: The signature to the assignment must correspond to the name as it appears upon the face of this Note in every particular, without any alteration or change whatsoever.