



**N O T I C E**

**SPECIAL BOARD MEETING OF THE BELLEVUE UNION SCHOOL**

**DISTRICT BOARD OF TRUSTEES WILL BE HELD ON**

**Tuesday May 7, 2024,**

**5:30 PM CLOSED SESSION, 6:30 PM OPEN SESSION**

**IN PERSON at 3150 EDUCATION DR**

**BELLEVUE UNION SCHOOL DISTRICT**

**3150 EDUCATION DRIVE SANTA ROSA, CA 95407**

**DATED: May 6, 2024**

**Michael Kellison  
SECRETARY TO THE BOARD  
AND DISTRICT SUPERINTENDENT**

**POSTED: May 6, 2024**

**BELLEVUE UNION SCHOOL DISTRICT**  
**Special Board Meeting**  
**3150 Education Drive**  
**Santa Rosa, CA 95407**

**Tuesday, May 7, 2024**

**AGENDA**

1. Open Session 5:30 pm

1.1. Call To Order

1.1.1. Roll Call

1.2. Public Comment on Closed Session Agenda

*The Public is invited to address the Board regarding items that are on the Closed Session Agenda. Speakers are limited to 3 minutes each. Persons wishing to comment should complete the public comment form and give it to the Superintendent prior to the start of the meeting. Because this is the time for the public to comment, it is our time to hear from you. Although the Board will not respond, we want you to know that we are listening to you carefully.*

2. Adjourn To Closed Session

2.1. Closed Session Agenda

2.1.1. Public Employment Performance Evaluation §54957

Title: Superintendent

2.1.2. Public Employment §54957

3. Reconvene to Open Session 6:30 pm

3.1. Flag Salute

3.2. Report on Closed Session

3.3. Consider Agenda Adjustment/Adopt Agenda

4. Public Comment

*At this time, members of the public may express opinions or make statements regarding agenda items and issues pertinent to the District. Action may not be taken on statements or testimony made regarding any item not on the agenda, per Government Code 54954.2. There will be a limit of three minutes placed on each individual making a statement and a total 30 minute time allocation. Persons wishing to comment should complete the public comment form and give it to the Superintendent prior to the start of the public comment.*

*Because this is the time for the public to comment, it is our time to hear from you. Although Government Code Section 54954.2(a) limits the ability of Board Members to respond to public comments we want you to know that we are listening to you carefully.*

5. Action

- 5.1. Consider Approval of Resolution No: 25 The Board Of Trustees Of The Bellevue Union School District Authorizing The Issuance And Sale Of Bellevue Union School District Judgment Obligation Bonds In An Amount Not To Exceed \$5,000,000, Authorizing The Execution And Delivery Of An Indenture And Authorizing A Validation Action And Other Matters Relating Thereto
- 5.2. Consider Approval of Resolution No: 26 Final Action on Resolution and Decision Not to Reemploy Certificated Employees for the 2024-2025 School Year.
- 5.3. Consider Approval of Resolution No: 27 Final Action on Resolution and Decision Not to Reemploy Classified Employees for the 2024-2025 School Year.

6. Planning

May 21, 2024	Special Board Meeting: Facilities Tour	1:45pm	<b>Meadow View ES</b> 2665 Dutton Meadow
May 21, 2024	Regular Board Meeting	5:30pm	<b>BUSD District Office</b> 3150 Education Drive

7. Reconvene to Closed Session as Needed

8. Adjournment

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*Notice*

*The Bellevue Union School District complies with the Americans with Disabilities Act. Should you require special accommodations, or more information about accessibility, please contact the Superintendent's Office by calling (707)542-5197 x2 at least 24 hours prior to the meeting. All efforts will be made for reasonable accommodations.*

*Agenda available in Spanish upon request. Please call (707)542-5197 x2. Orden del día disponible en español si se solicita. Por favor llame al (707)542-5197 x2.*

*District Employees, parents and community members shall treat each other with civility, courtesy and respect.  
Civility Policy (BP 1313)*

## Bellevue Union School District

### Agenda Item for Board Meeting of May 7, 2024

**Agenda Category:** Action

**Agenda Item Title:** Consider Approval of Resolution No: 25 The Board Of Trustees Of The Bellevue Union School District Authorizing The Issuance And Sale Of Bellevue Union School District Judgment Obligation Bonds In An Amount Not To Exceed \$5,000,000, Authorizing The Execution And Delivery Of An Indenture And Authorizing A Validation Action And Other Matters Relating Thereto

**Prepared By:** Michael Kellison, Superintendent

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#### **Background:**

The District is obligated to make payments to certain persons (the “Judgment Obligees”) under the terms of two Stipulated Consent Judgments entered against the District according to the terms of a stipulation for settlement pursuant to California Code of Civil Procedure Section 664.6 (the “Judgments”) in regards to two lawsuits asserting involuntary tort claims filed against the District in the Superior Court of the State of California, County of Sonoma, Case Nos. SCV-269166 and SCV-269516, pursuant to California Government Code Sections 815.2, 815.4 and 815.6 by application of California Code of Civil Procedure Section 340.1 and California Assembly Bill Number 218, chaptered by the California Secretary of State on October 13, 2019. Pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the California Government Code (the “Act”), the District is authorized to issue refunding bonds (the “Bonds”) to refund any evidence of indebtedness of the District. The issuance of the Bonds to refund the District’s obligations to the Judgment Obligees evidenced by the Judgments will allow the District to amortize such obligations over time.

The Bonds will be sold and issued by the District. Isom Advisors, a Division of Urban Futures, Inc. will serve as the District’s municipal advisor for the transaction, and Orrick, Herrington & Sutcliffe LLP will serve as bond for the District. Jones Hall, A Professional Law Corporation, shall serve as the District’s disclosure counsel.

The Resolution authorizes the issuance of the Bonds, approves the form of an Indenture pursuant to which the Bonds will be issued, and authorizes District officers to commence and pursue a validation action under Section 860 of the California Code of Civil Procedure to determine the legality and validity of the Bonds and the Indenture.

#### **Budget Implications:**

The obligations of the District under the Bonds, including the obligation to make all payments of the interest on and the principal of the Bonds when due, like the District's obligations to the Judgment Obligees under the Judgements, will be obligations of the District imposed by law and will be absolute and unconditional, without any right of set-off or counterclaim, and will be payable from all legally available funds of the District. Accordingly, the District's general fund is implicated by this financing and will be the source of repayment of the Bonds. The issuance of the Bonds allows the District to amortize its obligations under the Judgments over time. Good faith estimates of the costs associated with the Bonds are included with the Resolution as Exhibit A.

**Recommended Action:**

Approval of Resolution No: 25 The Board Of Trustees Of The Bellevue Union School District Authorizing The Issuance And Sale Of Bellevue Union School District Judgment Obligation Bonds In An Amount Not To Exceed \$5,000,000, Authorizing The Execution And Delivery Of An Indenture And Authorizing A Validation Action And Other Matters Relating Thereto

**Supporting Documents:**

Resolution No: 25 The Board Of Trustees Of The Bellevue Union School District Authorizing The Issuance And Sale Of Bellevue Union School District Judgment Obligation Bonds In An Amount Not To Exceed \$5,000,000, Authorizing The Execution And Delivery Of An Indenture And Authorizing A Validation Action And Other Matters Relating Thereto

Indenture - Bellevue USD Judgment Obligation Bonds (AB 218) 4128-8254-0110 4

## RESOLUTION NO. 25

### **RESOLUTION OF THE BOARD OF TRUSTEES OF THE BELLEVUE UNION SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF BELLEVUE UNION SCHOOL DISTRICT JUDGMENT OBLIGATION BONDS IN AN AMOUNT NOT TO EXCEED \$5,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE AND AUTHORIZING A VALIDATION ACTION AND OTHER MATTERS RELATING THERETO**

**WHEREAS**, the Bellevue Union School District (the “District”) is obligated to make payments to certain persons (the “Judgment Obligees”) under the terms of two Stipulated Consent Judgments entered against the District according to the terms of a stipulation for settlement pursuant to California Code of Civil Procedure Section 664.6 (the “Judgments”) in regards to two lawsuits asserting involuntary tort claims filed against the District in the Superior Court of the State of California, County of Sonoma, Case Nos. SCV-269166 and SCV-269516, pursuant to California Government Code Sections 815.2, 815.4 and 815.6 by application of California Code of Civil Procedure Section 340.1 and California Assembly Bill Number 218, chaptered by the California Secretary of State on October 13, 2019; and

**WHEREAS**, the amounts payable to the Judgment Obligees pursuant to the Judgments would result in significant, negative impacts to the District’s budget in fiscal year 2023-24 and future fiscal years; and

**WHEREAS**, pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the California Government Code (the “Act”), the District is authorized to issue refunding bonds to refund any evidence of indebtedness of the District; and

**WHEREAS**, the Board of Trustees of the District (the “Board”) has determined that it is in the best interests of the District, necessary in the management of its fiscal affairs, to refund the District’s obligations to the Judgment Obligees evidenced by the Judgments; and

**WHEREAS**, for the purpose of refunding the District’s obligations to the Judgment Obligees evidenced by the Judgments pursuant to the Act, the District desires to issue its Bellevue Union School District Judgment Obligation Bonds, in one or more series and on a tax-exempt and/or taxable basis depending on the requirements of federal tax laws (collectively, the “Bonds”), in an aggregate principal amount not exceeding the sum of (a) the amount payable to the Judgment Obligees pursuant to the Judgments, (b) the costs of issuance of the Bonds (including underwriter’s discount or placement agent’s fee for the Bonds), and (c) any original issue discount on the Bonds; and

**WHEREAS**, in order to provide for the authentication and delivery of the Bonds and to establish and declare the terms and conditions upon which the Bonds are to be issued and secured, the District proposes to enter into an Indenture with a commercial bank trustee (such Indenture, in

the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Indenture”); and

**WHEREAS**, the District has determined that securing the timely payment of the principal of and interest on the Bonds by obtaining a bond insurance policy with respect thereto could be economically advantageous to the District; and

**WHEREAS**, Section 5852.1 of the California Government Code requires that the Board obtain from an underwriter, financial advisor or private lender and disclose, in a meeting open to the public, prior to authorization of the issuance of bonds with a term greater than 13 months, good faith estimates of (a) the true interest cost of such bonds, (b) the sum of all fees and charges paid to third parties with respect to such bonds, (c) the amount of proceeds of such bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of such bonds, and (d) the sum total of all debt service payments on such bonds calculated to the final maturity of such bonds, plus the fees and charges paid to third parties not paid with the proceeds of such; and

**WHEREAS**, in compliance with Section 5852.1 of the California Government Code, the Board has obtained from Isom Advisors, a Division of Urban Futures, Inc., as the District’s municipal advisor, the required good faith estimates, and such estimates are disclosed and set forth in Exhibit A attached hereto and incorporated herein; and

**WHEREAS**, the District has previously adopted a local debt policy (the “Debt Management Policy”) that complies with California Government Code Section 8855(i), and the District’s sale and issuance of the Bonds as contemplated by this Resolution is in compliance with the Debt Management Policy; and

**WHEREAS**, the Board desires to authorize officers of the District to commence and pursue a validation action under Section 860 of the California Code of Civil Procedure to determine the legality and validity of the Judgments, the Bonds, the Indenture, and the other documents and proceedings authorized by this Resolution; and

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

**WHEREAS**, the District has full legal right, power and authority under the Constitution and the laws of the State of California to enter into the transactions hereinafter authorized; and

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

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Bellevue Union School District, as follows:

The foregoing recitals are true and correct and the Board hereby so finds and determines.

**Section 1.** The issuance of the Bonds, on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture, is hereby authorized and approved. The Bonds shall be dated, shall bear interest at the rates, shall mature on the dates, shall be subject to call and redemption, shall be issued in the form and shall be as otherwise provided in the Indenture, as the same shall be completed as provided in this Resolution. The Bonds, in substantially the form set forth in the Indenture submitted to this meeting and made a part hereof as though set forth herein, be and the same are hereby approved. The Bonds may be issued, in one or more series and on a tax-exempt and/or taxable basis depending on the requirements of federal tax laws and may have applicable call features, maturities, authorized denominations, payment dates and other variable items related thereto; provided, however, that (a) the aggregate principal amount of the Bonds (which in no event shall exceed \$5,000,000) shall not exceed the sum of (i) the District's obligations to the Judgment Obligees evidenced by the Judgments, and (ii) the underwriter's discount on the Bonds or placement agent's fee for the Bonds, plus any original issue discount on the Bonds, and plus the costs of issuance (including any bond insurance premium) related to the Bonds; (b) the true interest cost to the District on the Bonds issued shall not exceed 8.00%, (c) the Bonds shall mature not later than 25 years from the date of issuance thereof; and (d) the Bonds issued thereunder shall otherwise conform to the limitations specified herein.

The President of the Board, or such other member of the Board as the President may designate, the Superintendent of the District, the Chief Business Official of the District, including anyone serving as an interim or provisional officer in such positions, or such other officer or employee of the District as the Superintendent may designate (the "Authorized Officers") are, and each of them is, hereby authorized and directed, for and in the name of the District, to execute and deliver the Bonds in the form attached to the Indenture, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Bonds by such Authorized Officer.

**Section 2.** The form of the Indenture, submitted to and on file with the Secretary of the Board, is hereby approved, and Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Indenture in substantially said form with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that any such changes, insertions and omissions shall be consistent with the authority, and limitations thereon, granted to the Authorized Officers in Section 2 hereof.

**Section 3.** The Authorized Officers are each hereby authorized and directed to apply for municipal bond insurance for the Bonds and to obtain such insurance if the present value cost of such insurance is less than the present value of the estimated interest savings with respect to the Bonds. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver a contract for such insurance if such contract is



deemed by the Authorized Officer executing the same to be in the best interests of the District, such determination to be conclusively evidenced by such Authorized Officer's execution and delivery of such contract.

**Section 1.** In connection with the issuance of the Bonds, Isom Advisors, A Division of Urban Futures, Inc., shall serve as the District's municipal advisor, Jones Hall, A Professional Law Corporation, shall serve as the District's disclosure counsel, and Orrick, Herrington & Sutcliffe LLP, shall serve as the District's bond counsel.

**Section 2.** The Authorized Officers are each hereby authorized and directed, for and in the name of the District, to commence and pursue a validation action under Section 860 of the California Code of Civil Procedure to determine the legality and validity of the Judgments, the Bonds, the Indenture, and the other documents and proceedings authorized by this Resolution. Orrick, Herrington & Sutcliffe LLP is hereby authorized to commence and pursue such validation action on behalf of the District.

**Section 3.** The Authorized Officers are, and each of them is, hereby authorized and directed, jointly and severally, to execute and deliver, for and on behalf of the District, any and all agreements, documents, certificates and instruments, and to do and cause to be done any and all things, which they may deem necessary or advisable in order to consummate the transaction herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, without limitation negotiating the terms of the insurance policy, if any, referred to herein.

**Section 4.** All actions heretofore taken by the officers, employees and agents of the District with respect to the issuance and sale of the Bonds, or in connection with or related to any of the agreements, documents, certificates or instruments referred to herein, are hereby approved, confirmed and ratified.

**Section 5.** With the passage of this Resolution, the District hereby confirms that it has adopted the Debt Management Policy and certifies that such Debt Management Policy complies with California Government Code Section 8855(i), and that the District's financing described in this Resolution and its obligations under the Bonds and the Indenture, as contemplated by this Resolution, is in compliance with the Debt Management Policy, and instructs Orrick, Herrington & Sutcliffe LLP, as Bond Counsel, on behalf of the District, with respect to the Bonds described in this Resolution, (a) to cause notices of the proposed sale and final sale of the Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to California Government Code Section 8855, and (b) to check, on behalf of the District, the "Yes" box relating to such certifications in the notice of proposed sale filed pursuant to California Government Code Section 8855.

**Section 6.** The Board hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

**Section 7.** This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** this day, May 7, 2024.

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President of the Board of Trustees of the  
Bellevue Union School District

ATTEST:

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Secretary of the Board of Trustees of the  
Bellevue Union School District

## EXHIBIT A

### GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the District by Isom Advisors, A Division of Urban Futures, Inc., the District's municipal advisor (the "Municipal Advisor").

***Principal Amount.*** The Municipal Advisor has informed the District that, based on the District's financing plan and based on market conditions prevailing at the time of preparation of such estimate, its good faith estimate of the aggregate principal amount of the Bonds to be sold in a public offering is \$4,750,000 (the "Estimated Principal Amount").

***True Interest Cost of the Bonds.*** The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 6.616691%.

***Finance Charge of the Bonds.*** The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$350,000.

***Amount of Proceeds to be Received.*** The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the District for sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$4,400,000.

***Total Payment Amount.*** The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Bonds, plus the estimated finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$8,519,562.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates for a variety of reasons, including, without limitation, due to (a) the market conditions prevailing on the actual date of the sale of the Bonds being different than the

market conditions prevailing at the time of preparation of the estimates contained herein, (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of preparing the estimates contained herein, (d) the actual interest rates at which the Bonds are sold being different than those estimated for purposes of preparing the estimates contained herein, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the District based on various factors. The actual interest rates borne by the Bonds will depend on market conditions at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market conditions at the time of sale thereof. Market conditions, including, without limitation, interest rates are affected by economic and other factors beyond the control of the District and the Municipal Advisor. The Board of Trustees of the District has approved the issuance of the Bonds with a maximum true interest cost of 8.0%.

**SECRETARY’S CERTIFICATE**

I, Michael Kellison, Secretary of the Board of Trustees of the Bellevue Union School District, County of Sonoma, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District held at the special meeting place thereof on May 7, 2024, and entered in the minutes thereof, of which meeting all of the members of the Board of Trustees had due notice and at which a quorum thereof was present, and that at said meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 24 hours before the meeting at 3150 Education Drive, Santa Rosa, California, a location freely accessible to members of the public, and on the District’s website at <https://www.busd.org/school-board/busd-school-board> and a brief description of the resolution appeared on the agenda.

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in the District administrative office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: \_\_\_\_\_, 2024

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Secretary of the Board of Trustees of the  
Bellevue Union School District

**INDENTURE**

**by and between**

**BELLEVUE UNION SCHOOL DISTRICT**

**and**

**[TRUSTEE],  
AS TRUSTEE**

**Dated as of \_\_\_\_\_ 1, 2024**

**relating to**

**Bellevue Union School District  
Judgment Obligation Bonds, Series 2024**

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## INDENTURE

**THIS INDENTURE** (this “**Indenture**”), dated as of \_\_\_\_\_ 1, 2024, by and between the **BELLEVUE UNION SCHOOL DISTRICT**, a school district duly organized and validly existing under the laws of the State of California (the “**District**”), and [**TRUSTEE**], a national banking association organized and existing under the laws of the United States of America, as trustee (the “**Trustee**”),

### WITNESSETH:

**WHEREAS**, the District is obligated to make payments to certain persons (the “**Judgment Obligees**”) under the terms of two Stipulated Consent Judgments entered against the District according to the terms of a stipulation for settlement pursuant to California Code of Civil Procedure Section 664.6 (the “**Judgments**”) in regards to two lawsuits asserting involuntary tort claims filed against the District in the Superior Court of the State of California, County of Sonoma, Case Nos. SCV-269166 and SCV-269516, pursuant to California Government Code Sections 815.2, 815.4 and 815.6 by application of California Code of Civil Procedure Section 340.1 and California Assembly Bill Number 218, chaptered by the California Secretary of State on October 13, 2019; and

**WHEREAS**, the amounts payable to the Judgment Obligees pursuant to the Judgments would result in significant, negative impacts to the District’s budget in fiscal year 2023-24 and future fiscal years; and

**WHEREAS**, the District is authorized pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the California Government Code (the “**Act**”) to issue refunding bonds for the purpose of refunding any evidence of indebtedness of the District; and

**WHEREAS**, pursuant to the resolution of the Board of Trustees of the District (the “**Board**”) adopted on \_\_\_\_\_, 2024 (the “**Resolution**”), the Board has authorized the issuance of judgment obligation bonds of the District for the purposes of refunding the District’s obligations to the Judgment Obligees evidenced by the Judgments; and

**WHEREAS**, as authorized and in furtherance of the terms of the Resolution, the Board desires to cause the District to issue its Bellevue Union School District Judgment Obligation Bonds, Series 2024 (the “**Series 2024 Bonds**”), in the aggregate principal amount of \$\_\_\_\_\_; and

**WHEREAS**, the District desires to provide for the issuance of additional bonds (the “**Additional Bonds**”) payable on a parity with the Series 2024 Bonds (the Series 2024 Bonds and any such Additional Bonds being collectively referred to as the “**Bonds**”) for the purpose of refunding obligations outstanding under this Indenture; and

**WHEREAS**, the Bonds; including, without limitation, the obligation to pay all amounts due and owing with respect to the Bonds and to pay all interest thereon at the applicable interest

rates set forth in this Indenture, when due, are obligations of the District imposed by law and are absolute and unconditional, without any right of set-off or counterclaim, payable from general funds to be appropriated by the District; and

**WHEREAS**, in order to provide for the execution, authentication and delivery of the Bonds, to establish and declare the conditions and terms upon which the Bonds are to be issued and to secure the payment of the interest thereon and the principal thereof, the District has authorized the execution and delivery of this Indenture; and

**WHEREAS**, the District has determined that all acts and proceedings required by law necessary to make the Bonds, when executed by the District and authenticated and delivered by the Trustee hereunder, valid, binding and legal obligations of the District payable in accordance with their terms, and to constitute this Indenture a valid and binding agreement of the parties hereto for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Indenture has been in all respects duly authorized;

**NOW, THEREFORE, THIS INDENTURE WITNESSETH**, that in order to secure the payment of the interest on and the principal of all Bonds at any time issued and outstanding hereunder according to their tenor, and to secure the performance and observance of all the agreements and covenants herein and therein set forth, and to declare the conditions and terms upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants contained herein and of the purchase and acceptance of the Bonds by the respective registered owners thereof, and for other valuable considerations, the receipt whereof is hereby acknowledged, the District does hereby agree and covenant with the Trustee, for the benefit of the respective registered owners from time to time of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS; EQUAL SECURITY

**Section 1.01. Definitions.** Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Indenture and of any certificate, opinion or other document herein or therein mentioned, have the meanings herein specified.

“**Act**” means Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the California Government Code.

“**Additional Bonds**” means Bonds other than Series 2024 Bonds issued hereunder in accordance with the provisions of Sections 2.10 and 2.11 hereof.

“**Authorized Denominations**” means, with respect to the Bonds, \$5,000 and any integral multiple thereof.

“**Authorized Representative**” means the Superintendent of the District, the District's Chief Business Official or business manager, and any other person authorized by the Board of Trustees of the District to act on behalf of the District under or with respect to this Indenture designated as an Authorized Representative in a Written Certificate of the District filed with the Trustee.

[“**Available Amount**” has the meaning ascribed thereto in Treasury Regulations Section 1.148-6(d)(3)(iii) and, for any Fiscal Year, generally means all amounts (excluding unspent proceeds of the Bonds) that, as of July 1 of such Fiscal Year (a) are available for appropriation by the District or any related person for working capital or normal operating expenditures of the District, and (b) are not subject to a legislative, judicial or contractual requirement that the amount expended be reimbursed to the fund or account of the District from which it was withdrawn, which legislative, judicial or contractual requirements shall have been adopted or entered into for *bona fide* governmental purposes and without any view towards increasing the amounts that could be borrowed on a tax-exempt basis or treated as unavailable by or on behalf of the District or any related person.]

“**Bond Counsel**” means a firm of nationally recognized bond counsel selected by the District and acceptable to the Trustee.

“**Bond Fund**” means the fund by that name established and held by the Trustee pursuant to Section 5.02 hereof.

“**Bonds**” means the Bellevue Union School District Judgment Obligation Bonds issued in accordance with this Indenture and includes the Series 2024 Bonds and any Additional Bonds.

“**Book-Entry Bonds**” means the Bonds of a Series registered in the name of the nominee of DTC, or any successor securities depository for such Series of Bonds, as the registered owner thereof pursuant to the terms and provisions of Section 2.09 hereof.

**“Business Day”** means a day other than (a) Saturday or Sunday, (b) a day on which banking institutions in the city or cities in which the principal corporate trust office of the Trustee is located are authorized or required by law to be closed, or (c) a day on which the New York Stock Exchange is closed.

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

**“Closing Date”** means \_\_\_\_\_, 2024 as the date of closing and delivery of the Series 2024 Bonds.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**[“Continuing Disclosure Certificate”** means the Continuing Disclosure Certificate, dated the Closing Date, of the District, as originally executed and as it may from time to time be amended in accordance with the provisions thereof.]

**“Costs of Issuance”** means all items of expense directly or indirectly payable by or reimbursable to the District relating to the refunding of the Judgments, the authorization, issuance, sale and delivery of the Bonds, and any costs of refunding of Bonds, including but not limited to printing expenses, rating agency fees, bond insurance premiums, filing and recording fees, initial fees, expenses and charges of the Trustee and its counsel (including the Trustee’s first annual administrative fee), fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

**“Costs of Issuance Fund”** means the fund by that name established and held by the Trustee pursuant to Section 3.03 hereof.

**[“Default Rate”** means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time as the prime rate reported in The Wall Street Journal (or the average prime rate if a high and a low prime rate are therein reported) (“Prime Rate”) plus [3]%, and (ii) the then applicable rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Default Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days.]

**[“Direct Purchase Agreement”** means the Direct Purchase Agreement, dated [\_\_\_\_\_], 2024, by and between the District and the Original Purchaser, relating to the Series 2024 Bonds.]

**“District”** means the Bellevue Union School District, a school district duly organized and validly existing under the laws of the State of California.

**“DTC”** means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Bonds, including any such successor appointed pursuant to Section 2.09 hereof.

**“Event of Bankruptcy”** means the filing of a petition in bankruptcy or the commencement of a proceeding under the United States Bankruptcy Code or any other applicable law concerning insolvency, reorganization or bankruptcy by or against the District.

**“Event of Default”** means an event described as such in Section 9.01 hereof.

**“Federal Securities”** means (a) direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), and (b) obligations of any agency, department or instrumentality of the United States of America the timely payment of principal of and interest on which are fully guaranteed by the United States of America.

**“Fiscal Year”** means the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other annual accounting period hereafter designated by the District as its Fiscal Year in accordance with applicable law.

**“Indenture”** means this Indenture, dated as of \_\_\_\_\_ 1, 2024, by and between the District and the Trustee, as originally executed or as it may from time to time be amended or supplemented by any Supplemental Indenture.

**[“Institutional Accredited Investor”** means an “accredited investor” as defined in Section 501(a)(1), (2), (3), (7) or (8) of Regulation D promulgated under the Securities Act; provided, however, that each equity owner of an “accredited investor” as defined in Section 501(a)(8) of Regulation D shall be an “accredited investor” as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D.]

**“Insurance Policy”** means the Municipal Bond Insurance Policy, if any, issued by the applicable Insurer and guaranteeing, in whole or in part, the scheduled payment of principal of and interest on a Series of Bonds when due.

**“Insured Series 2024 Bonds”** shall mean the Series 2024 Bonds maturing on May 1, 20\_\_ through 20\_\_, inclusive.

**“Insurer”** means the issuer or issuers, if any, of a policy or policies of municipal bond insurance obtained by the District to insure the payment of the principal of or interest on a Series of Bonds issued under the Indenture, when due otherwise than by acceleration, and which, in fact, are at any time insuring such Series of Bonds. The Insurer with respect to the Series 2024 Bonds is [Bond Insurer], a New York stock insurance company, or any successor thereto or assignee thereof.

**“Insurer Expenses”** means any and all charges, fees, costs and expenses which the Insurer may reasonably pay or incur in connection with (a) the administration, enforcement, defense or preservation of any rights or security hereunder, (b) the pursuit of any remedies hereunder or otherwise afforded by law or equity, (c) any amendment, waiver or other action with respect to, or related to, this Indenture, whether or not executed or completed, (d) the violation by the District of any law, rule or regulation, or any judgment, order or decree applicable to it, or (e) any litigation or other dispute in connection with this Indenture or the transactions contemplated hereby, other

than amounts resulting from the failure of the Insurer to honor its obligations under the Insurance Policy.

**“Interest Payment Date”** means November 1 and May 1 of each year, commencing, \_\_\_\_\_ 1, 20\_\_ with respect to the Series 2024 Bonds, so long as any Series 2024 Bonds remain Outstanding.

**“Judgment Obligees”** means the Persons to whom the District is obligated to make payments pursuant to the terms of the Judgments as set forth in the [first] WHEREAS clause above.

**“Judgments”** has the meaning set forth in the [first] WHEREAS clause above.

**["Majority Bond Owner”** means the Person in whose name a majority of the aggregate principal amount of the Series 2024 Bonds then outstanding hereunder is registered on the records maintained by the Trustee. Initially, the Majority Bond Owner and the Owner is the Original Purchaser.]

**“Moody’s”** means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns except that if such entity shall no longer perform the functions of a securities rating agency for any reason, the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District and specified to the Trustee in writing.

**“Office of the Trustee”** means the principal corporate trust office of the Trustee in [\_\_\_\_\_], California; provided, however, that for purposes of payment, exchange, transfer, surrender and cancellation of Bonds, such term means the principal corporate trust office of the Trustee in [\_\_\_\_\_], California, or such other office as may be specified to the District by the Trustee in writing.

**“Original Purchaser”** with respect to the Series 2024 Bonds, \_\_\_\_\_, the original purchaser of the Series 2024 Bonds from the District [pursuant to the Direct Purchase Agreement, and any successor entity to such purchaser, including any entity into which such purchaser may be merged or converted or with which it may be consolidated or any entity resulting from any merger, conversion or consolidation to which it shall be a party or any entity to which such purchaser may sell or transfer all or substantially all of its assets, provided such entity shall be a Qualified Institutional Buyer or an Institutional Accredited Investor].

**["Other Replacement Proceeds”** means, for any Fiscal Year, the remainder of (a) the Available Amount for such Fiscal Year, less (b) the Working Capital Reserve for such Fiscal Year, less (c) the amount, if any, expected to be necessary to reduce the operating deficit of the District in such Fiscal Year, calculated pursuant to Treasury Regulations Section 1.148-6(d)(3).]

**“Outstanding,”** when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 12.08 hereof) all Bonds except (a) Bonds theretofore canceled and destroyed by the Trustee or surrendered to the Trustee for cancellation and destruction, (b) Bonds paid or deemed to have been paid within the meaning hereof, and (c) Bonds in lieu of or in substitution for which other Bonds shall have been executed by the District and authenticated and delivered by the Trustee pursuant hereto.



**“Owner”** means, with respect to a Bond, the Person in whose name such Bond is registered on the Registration Books.

**“Participant”** means any entity which is recognized as a participant by DTC in the book-entry system of maintaining records with respect to Book-Entry Bonds.

**[“Participating Underwriter”** has the meaning ascribed thereto in the Continuing Disclosure Certificate.]

**“Permitted Investments”** means any of the following that at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein and are assigned the ratings, if any, required hereby (without regard to ratings subcategories):

1. Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the United States Department of the Treasury) or obligations the timely payment of principal of and interest on which are fully and unconditionally guaranteed by the United States of America.

2. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

a. Farmers Home Administration (FmHA) certificates of beneficial ownership.

b. Federal Housing Administration debentures (FHA).

c. General Services Administration participation certificates.

d. Government National Mortgage Association (GNMA or “Ginnie Mae”) GNMA-guaranteed mortgage-backed bonds and GNMA-guaranteed pass-through obligations (participation certificates).

e. U.S. Maritime Administration guaranteed Title XI financing.

f. U.S. Department of Housing and Urban Development (HUD) project notes and local authority bonds.

3. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

a. Federal Home Loan Bank System senior debt obligations (consolidated debt obligations).

b. Federal Home Loan Mortgage Corporation (FHLMC or “Freddie Mac”) Participation Certificates (Mortgage-backed securities) and senior debt obligations.

c. Federal National Mortgage Association (FNMA or “Fannie Mae”) Mortgage-backed securities and senior debt obligations (excluded are stripped mortgage securities that are valued greater than par on the portion of unpaid principal.)

d. Student Loan Marketing Association (SLMA or “Sallie Mae”) senior debt obligations.

e. Resolution Funding Corp. (REFCORP): Only the interest component of REFCORP strips that have been stripped by request to the Federal Reserve Bank of New York in book-entry form are acceptable.

f. Farm Credit System consolidated system-wide bonds and notes.

4. Money market mutual funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by Standard & Poor’s of “AAAm-G,” “AAAm,” or “AA-m” and if rated by Moody’s, “Aaa,” “Aa1,” or “Aa2,” including funds for which the Trustee or its affiliates provide investment advisory or other management services or serve as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives and retains a fee for services provided to the fund, (ii) the Trustee collects fees for services rendered pursuant to this Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee.

5. Commercial paper rated at the time of purchase “Prime-1” by Moody’s and “A-1+” or better by Standard & Poor’s.

6. Bonds or notes issued by any state or municipality that are rated by Moody’s and Standard & Poor’s in one of the two highest long-term rating categories assigned by such agencies.

7. Federal funds, bank deposits, bank deposit products or bankers’ acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and non-guaranteed obligation rating of “Prime-1” or “A3” or better by Moody’s and “A-1+” by Standard & Poor’s or are fully FDIC-insured, including those of the Trustee and its affiliates.

“**Person**” means an individual, corporation, firm, association, partnership, limited liability company, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

**["Placement Agent"]** means [\_\_\_\_\_], the placement agent for the Series 2024 Bonds.]

**["Purchaser Letter"]** means the Purchaser Letter that is to be executed (a) by the Original Purchaser and delivered to the District, the Trustee and the Placement Agent in connection with the original delivery of the Series 2024 Bonds and (b) by the transferee of a Series 2024 Bond and delivered to the District and the Trustee in connection with the transfer of a Series 2024 Bond, the form of which is attached hereto as Exhibit B.]

**["Qualified Institutional Buyer"]** means a "qualified institutional buyer" within the meaning of Rule 144A promulgated under the Securities Act.]

**"Rebate Fund"** means the fund by that name established and held by the Trustee pursuant to Section 5.03 hereof.

**"Rebate Requirement"** has the meaning ascribed thereto in the Tax Certificate.

**"Record Date"** means the 15th calendar day of the month preceding each Interest Payment Date, whether or not such day is a Business Day.

**"Refunding Fund"** means the fund by that name established and held by the Trustee pursuant to Section 3.04 hereof.

**"Registration Books"** means the records maintained by the Trustee for the registration of ownership and registration of transfer of the Bonds pursuant to Section 2.04 hereof.

**"Representation Letter"** means the Letter of Representations from the District to DTC, or any successor securities depository for the Bonds, in which the District makes certain representations with respect to issues of its securities for deposit by DTC or such successor depository.

**"Resolution"** has the meaning set forth in the [fourth] WHEREAS clause above.

**"S&P"** means S&P Global Ratings, a division of S&P Global Inc., and its successors and assigns, except that if such entity shall no longer perform the functions of a securities rating agency for any reason, the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency selected by the District and specified to the Trustee in writing.

**["Securities Act"]** means the Securities Act of 1933, as amended, and the rules, regulations and published interpretations of the Securities and Exchange Commission promulgated thereunder from time to time.]

**"Series"** means the initial series of Bonds executed, authenticated and delivered on the date of initial issuance of the Bonds and identified pursuant to this Indenture as the Series 2024 Bonds, and any Additional Bonds issued pursuant to a Supplemental Indenture and identified as a separate Series of Bonds.

“**Series 2024 Bonds**” means the Bellevue Union School District Judgment Obligation Bonds, Series 2024, issued hereunder.

“**Series 2024 Insurance Policy**” means the insurance policy issued by the Series 2024 Insurer guaranteeing the scheduled payment of the principal of and interest on the Series 2024 Bonds when due.

“**Series 2024 Insurer**” means [Bond Insurer], a New York stock insurance company, or any successor thereto or assignee thereof.

“**State**” means the State of California.

“**Supplemental Indenture**” means any supplemental indenture amendatory of or supplemental to this Indenture, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

“**Tax Certificate**” means the Tax Certificate executed by the District at the time of issuance of the Series 2024 Bonds, relating to the requirements of Section 148 of the Code, as originally executed and as it may from time to time be amended in accordance with the provisions thereof.

“**Tax-Exempt Bonds**” means, with respect to interest on any obligations of a state or local government [including, without limitation, interest on the Series 2024 Bonds], that such interest is excluded from the gross income of the holders thereof for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Code.

“**Tax-Exempt Obligations**” means obligations the interest on which is not includable in gross income under Section 103 of Code and obligations which are not specified private activity bonds (as defined in Section 57(a)(5)(C) of the Code).

“**Trustee**” means [Trustee] a national banking association organized and existing under the laws of the United States of America, or any successor thereto as Trustee hereunder, appointed as provided herein.

[“**Working Capital Reserve**” means, for any Fiscal Year, an amount equal to 5% of the actual working capital expenditures paid with current revenues of the District during the immediately preceding Fiscal Year.]

“**Written Certificate**” and “**Written Request**” of the District mean, respectively, a written certificate or written request signed in the name of the District by its Authorized Representative. Any such certificate or request may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

**Section 1.02. Equal Security.** In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture shall be deemed to be and shall constitute a contract among the

District, the Trustee and the Owners from time to time of all Bonds authorized, executed, issued and delivered hereunder and then Outstanding to secure the full and final payment of the principal of and interest on all Bonds which may from time to time be authorized, executed, issued and delivered hereunder, subject to the agreements, conditions, covenants and provisions contained herein; and all agreements and covenants set forth herein to be performed by or on behalf of the District shall be for the equal and proportionate benefit, protection and security of all Owners of the Bonds without distinction, preference or priority as to security or otherwise of any Bonds over any other Bonds by reason of the number or date thereof or the time of authorization, sale, execution, issuance or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

**ARTICLE II**  
**THE BONDS**

**Section 2.01. Authorization of Bonds; Bonds Constitute Obligations Imposed by Law.** The District hereby authorizes the issuance of the Bonds under and subject to the terms of this Indenture, the Act and other applicable laws of the State of California for the purpose of satisfying the District’s payment obligations under the Judgments (including, without limitation, the obligation to pay all amounts due and owing with respect to the Bonds and to pay all interest thereon at the applicable interest rates set forth in this Indenture, when due). The Bonds may consist of one or more Series of varying denominations, dates, maturities, interest rates and other provisions, subject to the provisions and conditions contained herein. The Bonds shall be designated generally as the “Bellevue Union School District Judgment Obligation Bonds,” each Series thereof to bear such additional designation as may be necessary or appropriate to distinguish such Series from every other Series of Bonds.

The obligations of the District under the Bonds, including the obligation to make all payments of the interest on and the principal of the Bonds when due are obligations of the District imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The Bonds do not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation, and neither the Bonds nor the obligation of the District to make payment of the interest on or the principal of the Bonds constitutes an indebtedness of the District or the State, or any of its political subdivisions, in contravention of any constitutional or statutory debt limitation or restriction.

**Section 2.02. Terms of Series 2024 Bonds.** (a) The Series 2024 Bonds shall be designated “Bellevue Union School District Judgment Obligation Bonds, Series 2024.” The aggregate principal amount of Series 2024 Bonds that may be issued and Outstanding under this Indenture shall not exceed \$\_\_\_\_\_, except as may be otherwise provided in Section 2.08 hereof.

(b) The Series 2024 Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof, so long as no Series 2024 Bond shall have more than one maturity date. The Series 2024 Bonds shall be dated as of the Closing Date, shall be issued in the aggregate principal amount of \$\_\_\_\_\_, shall mature on May 1 of each year and shall bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) at the rates per annum as follows:

Maturity Date <u>(May 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
20__		
20__		
20__		
20__		

(c) Interest on the Series 2024 Bonds shall be payable from the Interest Payment Date next preceding the date of authentication thereof unless (i) a Series 2024 Bond is authenticated on or before an Interest Payment Date and after the close of business on the preceding Record Date, in which event it shall bear interest from such Interest Payment Date; (ii) a Series 2024 Bond is authenticated on or before the first Record Date, in which event interest thereon shall be payable from the Closing Date; or (iii) interest on any Series 2024 Bond is in default as of the date of authentication thereof, in which event interest thereon shall be payable from the date to which interest has been paid in full or made available for such payment, payable on each Interest Payment Date. Interest shall be paid in lawful money of the United States on each Interest Payment Date to the Persons in whose names the ownership of the Series 2024 Bonds is registered on the Registration Books at the close of business on the immediately preceding Record Date, except as provided below. Except as otherwise provided in the Letter of Representations, interest shall be paid by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Owners at their respective addresses shown on the Registration Books as of the close of business on the preceding Record Date, except that in the case of an Owner of \$1,000,000 or more in aggregate principal amount of Series 2024 Bonds, upon the written request of such Owner to the Trustee, received at least ten days prior to a Record Date, specifying the account or accounts to which such payment shall be made, payment of interest shall be made by wire transfer of immediately available funds on the following Interest Payment Date. Any such request shall remain in effect until revoked or revised by such Owner by an instrument in writing delivered to the Trustee.

(d) The principal of and premium, if any, on the Series 2024 Bonds shall be payable in lawful money of the United States of America [to the Persons in whose names the ownership of the Series 2024 Bonds is registered on the Registration Books or] upon presentation and surrender thereof upon maturity or earlier redemption at the Office of the Trustee.

**[Section \_\_. Limitations on Transfer.** (a) Ownership of a Series 2024 Bond may be transferred (i) only to a Person that is either (A) a Qualified Institutional Buyer that is purchasing

such Series 2024 Bond for not more than one account for lending or investment purposes and not with a view to distributing such Series 2024 Bond, or (B) an Institutional Accredited Investor that is purchasing such Series 2024 Bond for not more than one account for lending or investment purposes and not with a view to distributing such Series 2024 Bond, and (ii) only if such Qualified Institutional Buyer or Institutional Accredited Investor delivers to the District and the Trustee a completed and duly executed Purchaser Letter substantially in the form attached hereto as Exhibit B. The District and the Trustee may rely conclusively upon the information contained in any Purchaser Letter.

(b) No Owner of a Series 2024 Bond shall transfer such Series 2024 Bond to any Person that such Owner does not reasonably believe is either (i) a Qualified Institutional Buyer that is purchasing such Series 2024 Bond for not more than one account for lending or investment purposes and not with a view to distributing such Series 2024 Bond, or (ii) an Institutional Accredited Investor that is purchasing such Series 2024 Bond for not more than one account for lending or investment purposes and not with a view to distributing such Series 2024 Bond. The transferor of ownership of a Series 2024 Bond agrees to provide notice to any proposed transferee of such Series 2024 Bond of the restrictions on transfer described herein.

(c) Each Person to whom ownership of a Series 2024 Bond is transferred pursuant hereto shall be deemed by the acceptance of such ownership to have agreed to be bound by the provisions of this Section.

(d) The Series 2024 Bonds shall bear a legend describing or referencing the restrictions on transferability set forth in subsection (a) of this Section.]

**Section 2.03. Transfer and Exchange of Bonds.** Any Bond may, in accordance with its terms, be transferred upon the Registration Books by the Person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the District shall execute and the Trustee shall authenticate and shall deliver a new Bond or Bonds of the same Series and maturity in a like aggregate principal amount, in any Authorized Denomination. The Trustee shall require the Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

[Alternative provision] [Subject to the provisions of Section 2.0\_, any Series 2024 Bond may, in accordance with its terms, be transferred upon the Registration Books by the Person in whose name it is registered, in person or by such Person's duly authorized attorney, upon (i) surrender of such Series 2024 Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee, (ii) delivery to the District and the Trustee of a completed and duly executed Purchaser Letter substantially in the form attached hereto as Exhibit B, and (iii) for so long as the Series 2024 Bonds are not Book-Entry Bonds, information requested by the Trustee necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Code. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information. Whenever any Series 2024 Bond shall be surrendered to the Trustee for transfer, accompanied by



such executed written instrument of transfer, and such executed Purchaser Letter shall be delivered to the District and the Trustee, the District shall execute and the Trustee shall authenticate and shall deliver a new Series 2024 Bond or new Series 2024 Bonds in a like aggregate principal amount, in any Authorized Denomination. The Trustee shall require the Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.]

The Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount of Bonds of the same Series and maturity in a like aggregate principal amount of other Authorized Denominations. The Trustee 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.

**Section 2.04. Registration Books.** The Trustee will keep or cause to be kept, at the Office of the Trustee, sufficient records for the registration and transfer of ownership of the Bonds, which shall be open to inspection during regular business hours and upon reasonable notice by the District; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such records, the ownership of the Bonds as hereinbefore provided.

**Section 2.05. Form of Series 2024 Bonds.** The Series 2024 Bonds shall be in substantially the form set forth in Exhibit A hereto, with appropriate or necessary insertions, omissions and variations as permitted or required hereby. Only such of the Series 2024 Bonds as shall bear thereon a certificate of authentication substantially in the form set forth in Exhibit A hereto, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of or on behalf of the Trustee shall be conclusive evidence that the Series 2024 Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

**Section 2.06. Execution of Bonds.** The Bonds shall be executed in the name and on behalf of the District with the manual or facsimile signature of the Superintendent or the Chief Business Official of the District, countersigned by the signature of the Clerk or Secretary of the Board of Trustees of the District. The District's seal, or a facsimile thereof, may be reproduced, imprinted or impressed on the Bonds. The Bonds shall then be delivered to the Trustee for authentication by it. In case any of the officers who shall have signed or attested any of the Bonds shall cease to be such officer or officers of the District before the Bonds so signed or attested shall have been authenticated or delivered by the Trustee, or issued by the District, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the District as though those who signed and attested the same had continued to be such officers of the District, and also any Bonds may be signed and attested on behalf of the District by such Persons as at the actual date of execution of such Bonds shall be the proper officers of the District although at the nominal date of such Bonds any such Person shall not have been such officer of the District.

**Section 2.07. Temporary Bonds.** The Bonds may be issued in temporary form exchangeable for definitive Bonds when ready for delivery. Any temporary Bonds may be printed, lithographed or typewritten, shall be of such Authorized Denominations as may be determined by

the District, shall be in fully registered form without coupons and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the District and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the District issues temporary Bonds it shall execute and deliver definitive Bonds as promptly thereafter as practicable, and thereupon the temporary Bonds may be surrendered, for cancellation, at the Office of the Trustee and the Trustee shall authenticate and deliver in exchange for such temporary Bonds a like aggregate principal amount of definitive Bonds of the same maturity in Authorized Denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

**Section 2.08. Bonds Mutilated, Lost, Destroyed or Stolen.** If any Bond shall become mutilated, the District, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be destroyed by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence and indemnity satisfactory to the Trustee shall be given, the District, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in replacement for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured, instead of issuing a replacement Bond, the Trustee may pay the same without surrender thereof). The District may require payment by the Owner of a sum not exceeding the actual cost of preparing each replacement Bond issued under this Section and of the expenses which may be incurred by the District and the Trustee. Any Bond issued under the provisions of this Section in lieu of any 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 Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

**Section 2.09. Book-Entry Bonds.** (a) [Except as provided in subsection (c) of this Section, the registered Owner of all of the Series 2024 Bonds shall be DTC and the Series 2024 Bonds shall be Book-Entry Bonds, registered in the name of Cede & Co., as nominee for DTC. The Series 2024 Bonds shall be initially issued in the form of separate single fully registered Bonds in the amount of each separate stated maturity of the Bonds.]

[The Series 2024 Bonds shall not initially be issued as Book-Entry Bonds. The District may, with the prior written consent of each Owner of not less than 10% of the aggregate principal amount of the Series 2024 Bonds, which consent shall be in such Owner's sole discretion, provide that the Series 2024 Bonds shall be executed and delivered as Book-Entry Bonds and, in such event, the Series 2024 Bonds for each maturity date shall be in the form of a separate single fully registered Series 2024 Bond (which may be typewritten). The District shall provide written notice to the Owners of such event no less than thirty days prior to the execution and delivery of the Series 2024 Bonds as Book-Entry Bonds. The ownership of each Book-Entry Bond shall be registered in the Registration Books in the name of the Cede & Co., as nominee of the DTC.]

Notwithstanding anything to the contrary contained in this Indenture, payment of interest with respect to any Book-Entry Bond registered as of each Record Date in the name of Cede &

Co. shall be made by wire transfer of same-day funds to the account of Cede & Co. on the payment date for the Book-Entry Bonds at the address indicated on the Record Date for Cede & Co. in the Registration Books or as otherwise provided in the Representation Letter.

(b) Upon initial issuance, the ownership of Book-Entry Bonds shall be registered in the Registration Books in the name of Cede & Co., as nominee of DTC. The Trustee and the District may treat DTC (or its nominee) as the sole and exclusive Owner of the Book-Entry Bonds registered in its name for the purposes of payment of the principal or interest with respect to the Book-Entry Bonds, giving any notice permitted or required to be given to Owners of Book-Entry Bonds registered in the name of Cede & Co., as nominee for DTC, under this Indenture, registering the transfer of such Book-Entry Bonds, obtaining any consent or other action to be taken by Owners of such Book-Entry Bonds and for all other purposes whatsoever, and neither the Trustee nor the District shall be affected by any notice to the contrary. Neither the Trustee nor the District shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Book-Entry Bonds under or through DTC or any Participant, or any other person which is not shown on the Registration Books as being an Owner, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal or interest with respect to the Book-Entry Bonds registered in the name of Cede & Co., as nominee for DTC; any notice which is permitted or required to be given to Owners of Book-Entry Bonds under this Indenture; or any consent given or other action taken by DTC as Owner of Book-Entry Bonds. The Trustee shall pay all principal and interest with respect to the Book-Entry Bonds registered in the name of Cede & Co., as nominee for DTC, only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the principal and interest with respect to the Book-Entry Bonds registered in the name of Cede & Co., as nominee for DTC, to the extent of the sum or sums so paid. Except under the conditions of (c) below, no person other than DTC shall receive an executed Book-Entry Bond for each separate stated maturity. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to record dates, the term "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

(c) In the event (i) DTC, including any successor as securities depository for the Book-Entry Bonds, determines not to continue to act as securities depository for the Book-Entry Bonds; or (ii) the District determines that the incumbent securities depository shall no longer so act, and delivers a written certificate to the Trustee to that effect, then the District will discontinue the book-entry system with the incumbent securities depository for such Book-Entry Bonds. If the District determines to replace the incumbent securities depository for the Book-Entry Bonds of a Series with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate fully registered Book-Entry Bond for the aggregate outstanding principal amount of Book-Entry Bonds of each maturity of such Series, registered in the name of such successor or substitute qualified securities depository, or its nominee, or make such other arrangement acceptable to the District, the Trustee and the successor securities depository for the Book-Entry Bonds registered in the name of Cede & Co., as nominee for DTC, as are not inconsistent with the terms of this Indenture. If the District fails to identify another qualified successor securities depository of the Book-Entry Bonds registered in the name of Cede & Co., as nominee for DTC, to replace the incumbent securities depository, then the Book-Entry Bonds shall no longer be restricted to being registered in the Registration Books in the name of

the incumbent securities depository or its nominee, but shall be registered in whatever name or names the incumbent securities depository for the Book-Entry Bonds, or its nominee, shall designate. In such event the Trustee shall authenticate and deliver a sufficient quantity of Book-Entry Bonds as to carry out the transfers and exchanges provided in Sections 2.03, 2.07 and 2.08. All such Book-Entry Bonds shall be in fully registered form in denominations authorized by this Indenture.

(d) Notwithstanding any other provision of this Indenture to the contrary, so long as any Book-Entry Bond is registered in the name of DTC, or its nominee, all payments with respect to the principal and interest with respect to such Book-Entry Bond and all notices with respect to such Book-Entry Bond shall be made and given, respectively, as provided in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Owners of Book-Entry Bonds pursuant to this Indenture by the District or the Trustee with respect to any consent or other action to be taken by Owners, the District or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible.

**Section 2.10. Conditions for the Issuance of Additional Bonds.** (a) The District may at any time issue Additional Bonds on a parity with the Series 2024 Bonds, but only subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any such Additional Bonds:

(b) The District shall be in compliance with all agreements and covenants contained herein.

(c) The issuance of such Additional Bonds shall have been authorized pursuant to the Act and shall have been provided for by a Supplemental Indenture which shall specify the following:

(i) The purpose for which such Additional Bonds are to be issued; provided that such Additional Bonds shall be applied solely for (1) refunding obligations outstanding under this Indenture, and (2) paying costs incidental to or connected with such refunding;

(ii) The principal amount and designation of the Additional Bonds and the denomination or denominations of the Additional Bonds, which shall be Authorized Denominations;

(iii) The date, the maturity date or dates and the dates on which mandatory sinking fund redemptions, if any, are to be made for such Additional Bonds; provided, that (A) the serial Bonds of such Additional Bonds shall be payable as to principal annually on May 1 of each year in which principal falls due, and the term Bonds of such Additional Bonds shall have annual mandatory sinking fund redemptions on May 1, (B) all Additional Bonds of a Series of like maturity shall be identical in all respects, except as to number or denomination, and (C) serial maturities of serial Bonds or mandatory sinking fund redemptions for term Bonds, or any combination thereof, shall be established to provide for the redemption or payment of such Additional Bonds on or before their respective maturity dates;

(iv) The interest payment dates for such Additional Bonds, which shall be Interest Payment Dates;

(v) The redemption premiums, if any, and the redemption terms, if any, for such Additional Bonds; and

(vi) Such other provisions (including the requirements of a book-entry bond registration system, if any) as are necessary or appropriate and not inconsistent herewith.

**Section 2.11. Procedure for the Issuance of Additional Bonds.** At any time after the sale of any Additional Bonds in accordance with the Act, the District shall execute such Additional Bonds for issuance hereunder and shall deliver them to the Trustee, and thereupon such Additional Bonds shall be authenticated and delivered by the Trustee to the purchaser thereof upon the Written Request of the District, but only upon receipt by the Trustee of the following documents or money or securities, all of such documents dated or certified, as the case may be, as of the date of delivery of such Additional Bonds by the Trustee:

(a) An executed copy of the Supplemental Indenture authorizing the issuance of such Additional Bonds;

(b) A Written Request of the District as to the delivery of such Additional Bonds;

(c) An Opinion of Bond Counsel to the effect that (i) the District has executed and delivered the Supplemental Indenture, and the Supplemental Indenture is valid and binding upon the District, and (ii) such Additional Bonds are valid and binding obligations of the District;

(d) A Written Certificate of the District stating that all requirements of Section 2.10 have been complied with and containing any other such statements as may be reasonably necessary to show compliance with the conditions for the issuance of such Additional Bonds contained herein; and

(e) Such further documents, money or securities as are required by the provisions of the Supplemental Indenture providing for the issuance of such Additional Bonds.

## ARTICLE III

### ISSUANCE OF BONDS

**Section 3.01. Issuance of Bonds.** The District may, at any time, execute the Bonds and deliver the same to the Trustee. The Trustee shall authenticate the Bonds and deliver the Bonds to the Original Purchaser upon receipt of a Written Request of the District and upon receipt of the purchase price therefor.

**Section 3.02. Application of Proceeds of the Series 2024 Bonds.** On the Closing Date, the proceeds of the sale of the Series 2024 Bonds shall be paid to the Trustee and said amounts shall be deposited by the Trustee as follows:

(a) The Trustee shall deposit the amount of \$\_\_\_\_\_ in the Costs of Issuance Fund.

(b) The Trustee shall deposit the amount of \$\_\_\_\_\_ in the Refunding Fund, constituting the remainder of said proceeds.

**Section 3.03. Costs of Issuance Fund.** There is hereby established a separate fund to be known as the “Costs of Issuance Fund,” which shall be held by the Trustee in trust. On the Closing Date, the Trustee shall deposit in the Costs of Issuance Fund the amount specified in Section 3.02(a).

The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance upon submission of a Written Request of the District stating (a) the Person to whom payment is to be made, (b) the amount to be paid, (c) the purpose for which the obligation was incurred, (d) that such payment is a proper charge against the Costs of Issuance Fund, and (e) that such amounts have not been the subject of a prior disbursement from the Costs of Issuance Fund; in each case together with a statement or invoice for each amount requested thereunder. On the date that is six months after the Closing Date, any amounts then remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee transferred to the Bond Fund and upon such transfer the Costs of Issuance Fund shall be closed.

Upon the issuance of Additional Bonds, the Trustee shall also establish and maintain, a Costs of Issuance Fund for each Series of Additional Bonds.

**Section 3.04. Refunding Fund.** There is hereby established a separate fund to be known as the “Refunding Fund,” which shall be held by the Trustee in trust. On the Closing Date, the Trustee shall deposit in the Refunding Fund the amount specified in Section 3.02(b). On the Closing Date, the District shall deliver to the Trustee a Written Request of the District stating (a) that the amount in the Refunding Fund shall be paid to the Judgment Obligees, and (b) instructions as to how such payment or payments are to be made, including the names and, if necessary for payment, the addresses of the Judgment Obligees to be so paid and, if applicable, the bank account number or numbers to which such payment or payments are to be made. The Trustee shall make such payment or payments on the Closing Date and, after such payment or payments have been made, the Refunding Fund shall be closed.

**ARTICLE IV**

**REDEMPTION OF BONDS**

**Section 4.01. Optional Redemption of Series 2024 Bonds.** The Series 2024 Bonds maturing on or after May 1, 20\_\_ are subject to redemption prior to their respective stated maturities at the written direction of the District, from any moneys deposited by the District, as a whole or in part on any date (in such maturities as are designated in writing by the District to the Trustee) on or after May 1, 20\_\_, at a redemption price of 100% of the principal amount of Series 2024 Bonds called for redemption, together with accrued interest to the date fixed for redemption.

The District shall give the Trustee written notice of its intention to redeem Series 2024 Bonds pursuant to this Section not less than 45 days prior to the applicable redemption date, unless a later date is agreed to by the Trustee in its reasonable discretion or as directed by the Owners of not less than a majority of the Outstanding Series 2024 Bonds.

**Section 4.02. Mandatory Sinking Fund Redemption of Series 2024 Bonds.** (i) The Series 2024 Bonds maturing on May 1, 20\_\_ shall be subject to mandatory sinking fund redemption, in part, on May 1 in each year, commencing May 1, 20\_\_, at a redemption price equal to the principal amount of the Series 2024 Bonds to be redeemed, without premium, plus accrued interest thereon to the date of redemption, in the aggregate respective principal amounts in the respective years as follows:

Sinking Fund Redemption Date (May 1)	Principal Amount to be Redeemed
	\$

If some but not all of the Series 2024 Bonds are redeemed pursuant to Section 4.01, the principal amount of the Series 2024 Bonds to be redeemed pursuant to this Section 4.02 on any subsequent May 1 shall be reduced by the aggregate principal amount of the Series 2024 Bonds so redeemed pursuant to Section 4.01, such reduction to be allocated among redemption dates as nearly as practicable on a *pro rata* basis in amounts of \$5,000 or integral multiples thereof, as determined by the Trustee, notice of which determination shall be given by the Trustee to the District.

(ii) The Series 2024 Bonds maturing on May 1, 20\_\_ shall be subject to mandatory sinking fund redemption, in part, on May 1 in each year, commencing May 1, 20\_\_, at a redemption price equal to the principal amount of the Series 2024 Bonds to be redeemed, without premium, plus accrued interest thereon to the date of redemption, in the aggregate respective principal amounts in the respective years as follows:

Sinking Fund Redemption Date (May 1)	Principal Amount to be Redeemed
	\$

If some but not all of the Series 2024 Bonds are redeemed pursuant to Section 4.01, the principal amount of the Series 2024 Bonds to be redeemed pursuant to this Section 4.02 on any subsequent May 1 shall be reduced by the aggregate principal amount of the Series 2024 Bonds so redeemed pursuant to Section 4.01, such reduction to be allocated among redemption dates as nearly as practicable on a *pro rata* basis in amounts of \$5,000 or integral multiples thereof, as determined by the Trustee, notice of which determination shall be given by the Trustee to the District.

**Section 4.03. Selection of Bonds for Redemption and Series 2024 Bonds for Redemption.** [Whenever provision is made in this Indenture for the redemption of less than all of the Bonds of the same Series, the Trustee shall select Bonds of such Series to be redeemed from all Bonds of such Series not previously called for redemption (a) with respect to any optional redemption of Bonds, as directed in a Written Certificate of the District and by lot in any manner that the Trustee in its sole discretion shall deem appropriate, and (b) with respect to any other redemption of Additional Bonds, among maturities as provided in the Supplemental Indenture pursuant to which such Additional Bonds are issued, and by lot among Bonds of the same Series with the same maturity in any manner which the Trustee in its sole discretion shall deem appropriate. The Trustee shall promptly notify the District in writing of the numbers of the Bonds so selected for redemption on such date. For purposes of such selection, any Bond may be redeemed in part in Authorized Denominations.]

Whenever provision is made in this Indenture for the redemption of less than all of the Series 2024 Bonds, the Trustee shall select the Series 2024 Bonds to be redeemed from all Series 2024 Bonds not previously called for redemption by lot in any manner that the Trustee in its sole discretion shall deem appropriate. For purposes of such selection, all Series 2024 Bonds shall be deemed to be comprised of separate Authorized Denominations and such separate denominations shall be treated as separate Series 2024 Bonds which may be separately redeemed.

**Section 4.04. Partial Redemption of Bonds.** Upon surrender of any Bonds redeemed in part only, the District shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the District, a new Bond or Bonds of the same Series in Authorized Denominations equal in aggregate principal amount representing the unredeemed portion of the Bonds surrendered.

**Section 4.05. Notice of Redemption.** The Trustee on behalf and at the expense of the District shall mail (by first class mail) notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books at least 20 but not more than 60 days prior to the date fixed for redemption. 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, if any, the Series, the Bond numbers of the Bonds to be redeemed, and, if all of the Outstanding Bonds are being redeemed on such redemption date, shall require that such Bonds be then surrendered at the Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the date fixed for redemption. Neither the failure to receive any notice so mailed, nor any defect in such notice, shall affect the validity of the proceedings for the redemption of the Bonds or the cessation of accrual of interest thereon from and after the date fixed for redemption.

With respect to any notice of any optional redemption of Bonds of a Series, unless at the time such notice is given the Bonds to be redeemed shall be deemed to have been paid within the meaning of Section 10.02 hereof, such notice shall state that such redemption is conditional upon receipt by the Trustee, on or prior to the date fixed for such redemption, of moneys that, together with other available amounts held by the Trustee, are sufficient to pay the redemption price of, and accrued interest on, the Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect and the District shall not be required to redeem such Bonds. In the event a notice of redemption of Bonds contains such a condition and such moneys are not so received, the redemption of Bonds as described in the conditional notice of redemption shall not be made and the Trustee shall, within a reasonable time after the date on which such redemption was to occur, give notice to the Persons and in the manner in which the notice of redemption was given, that such moneys were not so received and that there shall be no redemption of Bonds pursuant to such notice of redemption.

**Section 4.06. Effect of Notice of Redemption.** Notice having been mailed as aforesaid, and moneys for the redemption (including the interest to the applicable redemption date) of the Bonds to be redeemed having been deposited in the Bond Fund, such Bonds shall become due and payable on said date, and said Bonds shall be paid at the redemption price thereof, together with interest accrued and unpaid to said date.

If, on said redemption date, moneys for the redemption of all the Bonds to be redeemed, together with interest to said date, shall be held by the Trustee so as to be available therefor on such date, and, if notice of redemption thereof shall have been mailed as aforesaid and not canceled, then, from and after said date, interest on said Bonds shall cease to accrue and become payable. All moneys held by or on behalf of the Trustee for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions hereof shall be canceled upon surrender thereof and the Trustee shall deliver a certificate of destruction to the District.

## ARTICLE V

### SECURITY FOR BONDS; FLOW OF FUNDS; INVESTMENTS

**Section 5.01. Pledge.** Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, the District hereby pledges and grants a lien on and a security interest in all of the amounts held in the Bond Fund as security for the payment of the principal of and interest on the Bonds in accordance with their terms, the provisions of this Indenture and the Act. Said pledge shall constitute a first lien on such assets. The District expressly reserves the right to issue or incur other obligations for any of its corporate purposes.

**Section 5.02. Bond Fund.** (a) The Trustee shall establish, maintain and hold in trust a special fund designated the “Bond Fund.”

(b) The District agrees and covenants that not later than two days prior to each Interest Payment Date, it will transfer to the Trustee an amount which, together with the amount then on deposit in the Bond Fund, will equal the amount of the principal of and interest on the Bonds becoming due on such on the following Interest Payment Date. The Trustee shall, upon receipt, deposit such amount in the Bond Fund.

(c) On or before each Interest Payment Date, the Trustee shall withdraw from the Bond Fund for payment to the Owners of the Bonds the principal, if any, of and interest then due and payable on the Bonds. If there are insufficient funds in the Bond Fund to pay the principal, if any, of and interest on the Bonds, the Trustee shall apply the available funds first to the payment of interest on the Bonds, then to the payment of principal of the Bonds.

**Section 5.03. Rebate Fund.** (a) The Trustee shall establish and maintain a special fund designated the “Rebate Fund.” There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Certificate, as specified in a Written Request of the District. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement, for payment to the United States of America. Notwithstanding defeasance of the Bonds pursuant to Article IX hereof or anything to the contrary contained herein, all amounts required to be deposited into or on deposit in the Rebate Fund shall be governed exclusively by this Section and by the Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with such provisions if it follows the written directions of the District, and shall have no liability or responsibility to enforce compliance by the District with the terms of the Tax Certificate.

(b) Any funds remaining in the Rebate Fund after payment in full of all of the Bonds and after payment of any amounts described in this Section, shall be withdrawn by the Trustee and shall be transferred to the District to be expended for any lawful purpose of the District.

**Section 5.04. Investment of Moneys.** Except as otherwise provided herein, all moneys in any of the funds or accounts established pursuant to this Indenture shall be invested by the Trustee solely in Permitted Investments, as directed in a Written Request of the District received

no later than two Business Days prior to the making of such investment. Moneys in all funds and accounts shall be invested in Permitted Investments maturing not later than the date on which the District estimates that such moneys will be required for the purposes specified in this Indenture. Absent timely written direction from the District, the Trustee shall invest any funds held by it in Permitted Investments described in clause [4] of the definition thereof.

Subject to the provisions of Section 6.08, all interest, profits and other income received from the investment of moneys in any fund or account established pursuant to this Indenture shall be retained therein.

Permitted Investments acquired as an investment of moneys in any fund established under this Indenture shall be credited to such fund. All investments of amounts deposited in any fund or account created by or pursuant to this Indenture shall be acquired, disposed of, and valued at fair market value.

Permitted Investments held in the Bond Fund shall be subject to the pledge, lien, and security interest described herein.

The Trustee or an affiliate thereof may act as principal or agent in the making or disposing of any investment and shall be entitled to its reasonable and customary fee therefor. Upon the Written Request of the District, the Trustee shall sell or present for redemption any Permitted Investments so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investments is credited, and the Trustee shall not be liable or responsible for any loss resulting from any investment made or sold pursuant to this Section. For purposes of investment, the Trustee may commingle moneys in any of the funds and accounts established hereunder.

**ARTICLE VI**  
**COVENANTS**

**Section 6.01. Punctual Payment and Performance.** The District shall punctually pay the interest on and principal of every Bond issued in accordance with this Indenture in strict conformity with the terms hereof and of the Bonds, and shall faithfully observe and perform all the agreements and covenants required to be observed or performed by the District contained herein and in the Bonds.

**Section 6.02. Extension of Payment of Bonds.** The District shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any Event of Default hereunder, to the benefits hereof, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended; provided, that nothing in this Section shall be deemed to limit the right of the District to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

**Section 6.03. Additional Obligations.** The District expressly reserves the right to issue or incur other obligations for any of its corporate purposes.

**Section 6.04. Power to Issue Bonds.** The District is duly authorized to issue the Bonds and to enter into this Indenture. The Bonds and the provisions of this Indenture are and will be the legal, valid and binding obligations of the District in accordance with their terms. The Bonds constitute obligations imposed by law.

**Section 6.05. Prosecution and Defense of Suits.** The District shall defend against every suit, action or proceeding at any time brought against the District upon any claim to the extent involving the failure of the District to fulfill its obligations hereunder; provided, however, that the Trustee or any Owner at its election may appear in and defend any such suit, action or proceeding.

**Section 6.06. Other Replacement Proceeds.** [The District shall, no later than [August] 1 of each year, calculate and determine the amount, if any, of Other Replacement Proceeds for such Fiscal Year. If Other Replacement Proceeds exist for a Fiscal Year, such Other Replacement Proceeds shall be invested in Tax-Exempt Obligations until such Other Replacement Proceeds are spent.]

**Section 6.07. District Annual Budgets.** The District covenants to take such action as may be necessary to include all payments due hereunder as a separate line item in its annual budgets and to make necessary annual appropriations for all such payments. The covenants on the part of the District herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the District to take such action and do such things as are required by law in the performance of the official duty of such

officials to enable the District to carry out and perform the covenants and agreements in this Indenture agreed to be carried out and performed by the District.

**Section 6.08. Tax Covenants.** (a) [The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of interest on the Series 2024 Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District shall comply with the requirements of Section 6.06 hereof and the Tax Certificate, which is incorporated herein as if fully set forth herein. Except as set forth in the Tax Certificate, this covenant shall survive payment in full or defeasance of the Series 2024 Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Trustee in any of the funds or accounts established hereunder, the District shall so instruct the Trustee in writing, and the Trustee shall act in accordance with such instructions.

(c) Notwithstanding any provisions of this Section, if the District shall provide to the Trustee an opinion of Bond Counsel to the effect that any specified action required under this Section or Section 6.06 hereof is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Series 2024 Bonds, the Trustee may conclusively rely on such opinion in complying with the requirements of this Section, Section 6.06 hereof and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.]

**Section 6.09. Continuing Disclosure.** [The District shall comply with and carry out all of the provisions of the Continuing Disclosure Certificate relating to the Series 2024 Bonds. Notwithstanding any other provision of this Indenture, failure of the District to comply with such Continuing Disclosure Certificate shall not constitute an Event of Default hereunder; provided, however, that the Trustee, at the written direction of any Participating Underwriter or the holders of at least 25% of the aggregate principal amount of Outstanding Series 2024 Bonds, shall, upon receipt of indemnification reasonably satisfactory to the Trustee, or any holder or Beneficial Owner of the Series 2024 Bonds may, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.]

[**Section 6.09. Financial Statements; Annual Budget; Additional Reporting.** To the extent not already provided by the District to the Municipal Securities Rulemaking Board (“MSRB”) (or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)) through the Electronic Municipal Market Access (“EMMA”) website of the MSRB, the District shall provide to the Majority Bond Owner: (a) within 270 days after the end of each Fiscal Year of the District, audited financial statements of the District for such fiscal year; (b) within 30 days after the adoption thereof, the adopted annual operating budget for the upcoming Fiscal Year; and (c) such other financial reports as the Majority Bond Owner may reasonably request.]

**Section 6.10. Further Assurances.** Whenever and so often as reasonably requested to do so by the Trustee or any Owner, the District shall promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments, and

promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the Owners all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them hereby.

**[Section 6.11. Sovereign Immunity.** To the extent the District has or hereafter may acquire under any applicable law any right to immunity from set-off or legal proceedings on the grounds of sovereignty, the District hereby waives, to the extent permitted by law, such rights to immunity for itself in respect of its obligations arising under or related to the Series 2024 Bonds or this Indenture.]

## ARTICLE VII

### THE TRUSTEE

**Section 7.01. Duties and Liabilities of Trustee.** (a) *Duties of Trustee Generally.* The Trustee shall, prior to an Event of Default, and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are expressly and specifically set forth in this Indenture. The Trustee shall, during the existence of any Event of Default which has not been cured, exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) *Removal of Trustee.* The District may upon 30 days' prior written notice remove the Trustee at any time unless an Event of Default shall have occurred and then be continuing, and the District shall remove the Trustee if at any time requested to do so by the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy) or by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or if at any time the Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Trustee and thereupon shall appoint a successor Trustee by an instrument in writing.

(c) *Resignation of Trustee.* The Trustee may at any time resign by giving written notice of such resignation by first class mail, postage prepaid, to the District, and to the Owners at the respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the District shall promptly appoint a successor Trustee by an instrument in writing. The Trustee shall not be relieved of its duties until such successor Trustee has accepted appointment.

(d) *Appointment of Successor Trustee.* Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee; provided, however, that under any circumstances the successor Trustee shall be qualified as provided in subsection (e) of this Section. If no qualified successor Trustee shall have been appointed and have accepted appointment within 45 days following giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of himself and all other Owners) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing and delivering to the District and to its predecessor Trustee a written acceptance thereof, and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the District or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more

fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the District shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the District shall mail or cause the successor Trustee to mail, by first class mail postage prepaid, a notice of the succession of such Trustee to the trusts hereunder to the Owners at the addresses shown on the Registration Books. If the District fails to mail such notice within 15 days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the District.

(e) *Qualifications of Trustee.* The Trustee shall be a trust company or bank having the powers of a trust company, having (or if such bank or trust company is a member of a bank holding company system, its parent bank holding company shall have) a combined capital and surplus of at least [\$75,000,000], and subject to supervision or examination by federal or state agency. 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 agency above referred to, then for the purpose of this subsection 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.

In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

**Section 7.02. Merger or Consolidation.** Any bank or trust company into which the Trustee may be merged or converted or with which it may be consolidated or any bank or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank or trust company shall be eligible under subsection (e) of Section 7.01 shall be the successor to such Trustee, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

**Section 7.03. Liability of Trustee.** (a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the District, and the Trustee shall not assume responsibility for the correctness of the same, or make any representations as to the validity or sufficiency of this Indenture or of the Bonds or shall incur any responsibility in respect thereof, other than as expressly stated herein in connection with the respective duties or obligations herein or in the Bonds assigned to or imposed upon it. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of any Bonds, or in respect of the security afforded by this Indenture and the Trustee shall incur no responsibility in respect thereof. The Trustee shall be under no responsibility or duty with respect to (i) the issuance of the Bonds for value, (ii) the application of the proceeds thereof except to the extent that such proceeds are received by it in its capacity as Trustee, or (iii) the application of any moneys paid to the



District or others in accordance with this Indenture except as the application of any moneys paid to it in its capacity as Trustee. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture. The Trustee and its officers and employees may become the Owner of Bonds with the same rights it would have if it were not Trustee, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bond Owners, whether or not such committee shall represent the Owners of a majority in aggregate principal amount of the Bonds then Outstanding.

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

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(d) No provision of this Indenture shall require the Trustee to risk or expend its own funds in the performance of its rights and duties hereunder.

**Section 7.04. Right to Rely on Documents.** The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bonds or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be 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; provided, however, the Trustee shall in no event delay any payment with respect to the Bonds in anticipation of any such opinion.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee 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 be deemed to be conclusively proved and established by a Written Certificate of the District, and such Written Certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such Written Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

**Section 7.05. Accounting Records and Reports; Preservation and Inspection of Documents.** The Trustee will keep or cause to be kept proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocation and application of all money on deposit in the accounts and funds

established hereunder, which such books shall be available for inspection by the District at reasonable hours and under reasonable conditions.

All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject during business hours and upon 24 hours' notice to the inspection of the District, the Owners and their agents and representatives duly authorized in writing.

**Section 7.06. Compensation and Indemnification.** The District shall pay to the Trustee from time to time all reasonable compensation for all services rendered under this Indenture, and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Indenture. The District further agrees, to the extent permitted by law, to indemnify, defend and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder and under any related documents, including the enforcement of any remedies and the defense of any suit, and which are not due to its negligence or its willful misconduct. The duty of the District to indemnify and compensate the Trustee shall survive the termination and discharge of this Indenture and the resignation or removal of the Trustee.

## ARTICLE VIII

### SUPPLEMENTAL INDENTURES

**Section 8.01. Modifications and Amendments Permitted.** (a) This Indenture and the rights and obligations of the District, the Owners of the Bonds and the Trustee may be modified or amended from time to time and at any time by a Supplemental Indenture, which the District and the Trustee may enter into with the written consent of the Owners of a majority in aggregate principal amount of all Bonds then Outstanding, which shall have been filed with the Trustee. No such modification or amendment shall (i) extend the fixed maturity of any Bonds, or reduce the amount of principal thereof, or reduce the interest rate borne thereby, or extend or accelerate the time of payment thereof, without the consent of the Owner of each Bond so affected, or (ii) reduce the aforesaid percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, without the consent of the Owners of all of the Bonds then Outstanding. It shall not be necessary for the consent of the Owners to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof.

(b) This Indenture and the rights and obligations of the District, the Trustee and the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which the District and the Trustee may enter into without the consent of any Bond Owners for any one or more of the following purposes:

(i) to add to the covenants and agreements of the District contained in this Indenture, other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the District;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision contained in this Indenture;

(iii) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(iv) to provide for the issuance of one or more Series of Additional Bonds, and to provide the terms and conditions under which such Series of Additional Bonds may be issued, subject to and in accordance with the provisions of Section 2.10 and Section 2.11 hereof;

(v) to modify, amend or supplement this Indenture in such manner as to cause interest on Tax-Exempt Bonds to be excludable from gross income for purposes of federal income taxation by the United States of America; and

(vi) in any other respect whatsoever as the District may deem necessary or desirable and consistent with the Act, provided that such modification or amendment does not materially adversely affect the interests of the Owners hereunder.

(c) Promptly after the execution by the District and the Trustee of any Supplemental Indenture, the Trustee shall mail a notice (the form of which shall be furnished to the Trustee by the District), by first class mail postage prepaid, setting forth in general terms the substance of such Supplemental Indenture, to the Owners of the Bonds at the respective addresses shown on the Registration Books, and to the Insurer, if any. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

**Section 8.02. Effect of Supplemental Indenture.** Upon the execution and delivery of any Supplemental Indenture pursuant to this Article, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the District, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

**Section 8.03. Endorsement of Bonds; Preparation of New Bonds.** Bonds delivered after the execution of any Supplemental Indenture pursuant to this Article may, and if the District so determines shall, bear a notation by endorsement or otherwise in form approved by the District and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand of the Owner of any Bonds Outstanding at the time of such execution and presentation of his Bonds for the purpose at the Office of the Trustee a suitable notation shall be made on such Bonds. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the District and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the District and authenticated by the Trustee, and, in that case, upon demand of the Owner of any Bond Outstanding at the time of such effective date, and presentation of such Bond for such purpose at the Office of the Trustee, such a new Bond in equal principal amount of the same Series, interest rate and maturity shall be exchanged for such Owner's Bond so surrendered.

**Section 8.04. Amendment of Particular Bonds.** The provisions of this Article shall not prevent any Bond Owner from accepting any amendment as to the particular Bonds held by such Owner.

## ARTICLE IX

### EVENTS OF DEFAULT AND REMEDIES

**Section 9.01. Events of Default.** If any of the following events occur, they shall constitute Events of Default hereunder, namely:

(a) If default shall be made by the District in the due and punctual payment of the interest on any Bond when and as the same shall become due and payable;

(b) If default shall be made by the District in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable at maturity;

(c) If default shall be made by the District in the performance of any of the other agreements or covenants required herein to be performed by the District, and such default shall have continued for a period of 30 days after the District shall have been given notice in writing of such default by the Trustee, the Insurer or the Owners of not less than 5% in aggregate principal amount of the Outstanding Bonds, specifying such default and requiring the same to be remedied; provided, however, if in the reasonable opinion of the District the failure stated in the notice can be corrected, but not within such 30 day period, such failure shall not constitute an Event of Default if corrective action is instituted by the District within such 30 day period and the District shall thereafter diligently and in good faith cure such failure in a reasonable period of time; provided, further, however, that such period shall not be extended beyond 60 days without the consent of the Insurer; or

(d) If an Event of Bankruptcy shall occur, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody control of the District or of the whole or any substantial part of its property.

**Section 9.02. Remedies for Events of Default.** If an Event of Default occurs and is continuing, the Trustee may and, upon the written direction of the Owners of not less than 25% in aggregate principal amount of the Outstanding Bonds, shall, with the consent of the Insurer, by written notice to the District, declare immediately due and payable the principal of all Outstanding Bonds and the accrued interest thereon, whereupon the same shall become immediately due and payable without any further action or notice; provided, however, that if at any time after such acceleration and before any judgment or decree for the payment of money with respect thereto has been entered all amounts payable to the Trustee hereunder on the Bonds subject to acceleration under this paragraph (except interest on or principal of the Bonds which are due solely by reason of such acceleration) shall have been paid or provided for by deposit with the Trustee and all existing Events of Default shall have been cured or waived, then the Owners of not less than 25% in aggregate principal amount of the Outstanding Bonds may, with the consent of the Insurer, annul such acceleration and its consequences by written notice to the District and the Trustee, which annulment shall be binding upon the District, the Trustee and all of the Owners, but no such annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

**Section 9.03. Application of Funds Upon Acceleration.** All money in the Bond Fund upon the date of the declaration of acceleration by the Trustee as provided in Section 9.02 hereof and all amounts thereafter received by the Trustee hereunder shall be applied by the Trustee in the following order--

(a) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Owners and payment of reasonable fees, charges and expenses of the Trustee (including reasonable fees and disbursements of its counsel) incurred in and about the performance of its powers and duties under this Indenture;

(b) To the payment of the principal of and interest then due with respect to the Bonds (upon presentation of the Bonds to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) subject to the provisions of this Indenture, as follows:

*First:* To the payment to the Persons entitled thereto of all installments of interest then due in the order of the maturity of such installments and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the Persons entitled thereto, without any discrimination or preference; and

*Second:* To the payment to the Persons entitled thereto of the unpaid principal of any Bonds which shall have become due, whether at maturity, with interest on the overdue principal at the rate borne by the respective Bonds on the date of maturity, and, if the amount available shall not be sufficient to pay in full all the Bonds, together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the Persons entitled thereto, without any discrimination or preference.

(c) To the payment of Insurer Expenses.

(d) Any remaining funds shall be transferred by the Trustee to the District.

**Section 9.04. Power of Trustee to Enforce.** All rights of action under this Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of the Owners of such Bonds, subject to the provisions of this Indenture.

**Section 9.05. Bond Owners Direction of Proceedings.** Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, and upon indemnification of the Trustee to its reasonable satisfaction, to direct the method of conducting all remedial proceedings taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such

direction which in the opinion of the Trustee would be unjustly prejudicial to Owners not parties to such direction.

**Section 9.06. Limitation on Bond Owners' Right to Sue.** No Owner of any Bonds shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture, the Act or any other applicable law with respect to such Bonds, unless (a) such Owner shall have given to the Trustee written notice of the occurrence of an Event of Default, (b) the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name, (c) such Owner or said Owners shall have tendered to the Trustee indemnity against the costs, expenses and liabilities to be incurred in compliance with such request, and (d) the Trustee shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder or under law; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or the rights of any other Owners of Bonds, or to enforce any right under the Bonds, this Indenture, the Act or other applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Owners of the Outstanding Bonds, subject to the provisions of this Indenture.

**Section 9.07. Absolute Obligation.** Nothing in any provision of this Indenture or in the Bonds contained shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the principal of and interest on the Bonds to the respective Owners of the Bonds at their respective dates of maturity, as herein provided, or affect or impair the right of such Owners, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

**Section 9.08. Termination of Proceedings.** In case any proceedings taken by the Trustee or any one or more Owners on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Owners, then in every such case the District, the Trustee and the Owners, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of the District, the Trustee and the Owners shall continue as though no such proceedings had been taken.

**Section 9.09. Remedies Not Exclusive.** No remedy herein conferred upon or reserved to the Trustee or to the Owners of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

**Section 9.10. No Waiver of Default.** No delay or omission of the Trustee or of any Owner to exercise any right or power arising upon the occurrence of 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 given by this Indenture to the Trustee or to the Owners may be exercised from time to time and as often as may be deemed expedient.



## ARTICLE X

### DEFEASANCE

**Section 10.01. Discharge of Indenture.** If the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Outstanding Bonds the principal thereof and the interest thereon at the times and in the manner stipulated herein and therein, then all agreements, covenants and other obligations of the District to the Owners of such Bonds hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the District all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the District all money or securities held by it pursuant hereto which are not required for the payment of the principal of and interest on such Bonds.

Subject to the provisions of the above paragraph, when any of the Bonds shall have been paid and if, at the time of such payment, the District shall have kept, performed and observed all of the covenants and promises in such Bonds and in this Indenture required or contemplated to be kept, performed and observed by the District or on its part on or prior to that time, then this Indenture shall be considered to have been discharged in respect of such Bonds and such Bonds shall cease to be entitled to the lien of this Indenture and such lien and all covenants, agreements and other obligations of the District hereunder shall cease, terminate become void and be completely discharged as to such Bonds.

Notwithstanding the satisfaction and discharge of this Indenture or the discharge of this Indenture in respect of any Bonds of one or more Series, those provisions of this Indenture relating to the maturity of the Bonds of such Series, interest payments and dates thereof, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, and the duties of the Trustee in connection with all of the foregoing, shall remain in effect and shall be binding upon the Trustee and the Owners of the Bonds and the Trustee shall continue to be obligated to hold in trust any moneys or investments then held by the Trustee for the payment of the principal of and interest on the Bonds, to pay to the Owners of Bonds the funds so held by the Trustee as and when such payment becomes due.

**Section 10.02. Bonds Deemed To Have Been Paid.** If moneys shall have been set aside and held by the Trustee for the payment of any Bonds and the interest thereon at the maturity thereof, such Bonds shall be deemed to have been paid within the meaning and with the effect provided in Section 10.01. Any Outstanding Bonds shall prior to the maturity date thereof be deemed to have been paid within the meaning of and with the effect expressed in Section 10.01 if (a) there shall have been deposited with the Trustee either (i) money in an amount which shall be sufficient, or (ii) Federal Securities that are not subject to redemption other than at the option of the holder thereof, the interest on and principal of which when paid will provide money which, together with the money, if any deposited with the Trustee at the same time, shall be sufficient to pay when due the interest to become due on such Bonds on and prior to the maturity date thereof and the principal of such Bonds, which sufficiency shall be verified in a report of an independent firm of nationally recognized certified public accountants, and (b) in the event such Bonds are not by their terms subject to payment within the next succeeding 60 days, the District shall have given

the Trustee in form satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the owners of such Bonds that the deposit required by clause (a) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section and stating the maturity date upon which money is to be available for the payment of the principal of such Bonds.

To accomplish the discharge of liability in respect of the Bonds described in the preceding paragraph, the District shall cause to be delivered (a) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the Insurer of such Bonds to be paid or discharged verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or payment date (“Verification”), (b) an escrow agreement (which shall be acceptable in form and substance to the Insurer of such Bonds to be paid or discharged), and (c) an opinion of Bond Counsel to the effect that the Bonds are no longer “Outstanding” under this Indenture; each Verification and defeasance opinion shall be acceptable in form and substance to the District and the Insurer of such Bonds to be paid or discharged, and shall be addressed to the District, the Trustee and the Insurer of such Bonds to be paid or discharged. In the event a forward purchase agreement is to be employed in the refunding, such agreement shall be subject to the approval of the Insurer of such Bonds to be paid or discharged and shall be accompanied by such opinions of counsel as may be required by the Insurer of such Bonds to be paid or discharged. The Insurer of such Bonds to be paid or discharged shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow. Bonds shall remain Outstanding hereunder unless and until they are in fact paid and retired or the criteria in this paragraph are met.

**Section 10.03. Payment of Bonds After Discharge of Indenture.** Notwithstanding any provisions of this Indenture, to the extent permitted by law, any moneys held by the Trustee in trust for the payment of the principal of or interest on, any Bonds and remaining unclaimed for two years after the date of deposit of such moneys, shall be repaid to the District free from the trusts created by this Indenture, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the District as aforesaid, the Trustee may (at the cost of the District) first mail, by first class mail postage prepaid, to the Owners of Bonds which have not yet been paid, at the respective addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the 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.

## ARTICLE XI

### INSURANCE POLICY PROVISIONS

**Section 11.01. Series 2024 Insurer To Be Deemed Owner; Rights of the Series 2024 Insurer; Payments by the Series 2024 Insurer; Notices.** [EXEMPLAR PROVISIONS SUBJECT TO REVIEW BY SERIES 2024 INSURER] (a) Notwithstanding any provision of this Indenture to the contrary, so long as the Series 2024 Insurer is not in default in its payment obligations under the Series 2024 Insurance Policy, the provisions of this [Article XI] shall govern and the Series 2024 Insurer shall at all times be deemed the sole and exclusive Owner of the Outstanding Insured 2024 Bonds for the purposes of all approvals, consents, waivers, institution of any action, and the direction of all remedies, including but not limited to approval of or consent to any amendment of or supplement to this Indenture which requires (i) the consent or approval of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding pursuant to this Indenture, or (ii) the consent or approval of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding pursuant to this Indenture; provided, however, that the Series 2024 Insurer shall not be deemed to be the sole and exclusive Owner of the Outstanding Insured 2024 Bonds with respect to any amendment or supplement to this Indenture which seeks to amend or supplement this Indenture for the purposes set forth in clauses (i) or (ii) of Section 8.01(a) hereof, and provided, further, that the Series 2024 Insurer shall not be deemed the sole and exclusive Owner of the Outstanding Insured 2024 Bonds with respect to any amendment or supplement to this Indenture, and shall not have the right to direct or consent to District, Trustee or Owner action as provided herein, if:

(i) the Series 2024 Insurer shall be in payment default under the Series 2024 Insurance Policy;

(ii) any material provision of the Series 2024 Insurance Policy shall be held to be invalid by a final, non-appealable order of a court of competent jurisdiction, or the validity or enforceability thereof shall be contested by the Series 2024 Insurer; or

(iii) a proceeding shall have been instituted in a court having jurisdiction in the premises seeking an order for relief, rehabilitation, reorganization, conservation, liquidation or dissolution in respect of the Series 2024 Insurer under Article 16 of the Insurance Law of the State of New York or any successor provision thereto and such proceeding is not terminated for a period of 90 consecutive days or such court enters an order granting the relief sought in such proceeding.

(b) To the extent that the Series 2024 Insurer makes payment of any principal of or interest on a Insured 2024 Bond, it shall be fully subrogated to all of the Owner's rights thereunder in accordance with the terms of the Series 2024 Insurance Policy to the extent of such payment, including the Owner's rights to payment thereof.

(c) In the event that the principal of or interest on a Insured 2024 Bond shall be paid by the Series 2024 Insurer pursuant to the terms of the Series 2024 Insurance Policy (i) such Insured 2024 Bond shall continue to be "outstanding" under this Indenture, and (ii) the Series 2024

Insurer shall be fully subrogated to all of the rights of the Owner thereof in accordance with the terms and conditions of subsection (b) of this Section and the Series 2024 Insurance Policy.

(d) This Indenture shall not be discharged unless and until all amounts due to the Series 2024 Insurer have been paid in full or duly provided for.

(e) The rights granted under this Indenture to the Series 2024 Insurer to request, consent to or direct any action are rights granted to the Series 2024 Insurer in consideration of its issuance of the Series 2024 Insurance Policy. Any exercise by the Series 2024 Insurer of such rights is merely an exercise of the Series 2024 Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit of or on behalf of the Owners, nor does such action evidence any position of the Series 2024 Insurer, positive or negative, as to whether Owner consent is required in addition to consent of the Series 2024 Insurer.

(f) Notwithstanding anything to the contrary otherwise set forth in this Indenture, and to the extent permitted by law, in the event amounts paid under the Series 2024 Insurance Policy are applied to claims for payment of principal of or interest on the Insured 2024 Bonds, interest on the principal of and interest on such Insured 2024 Bonds shall accrue and be payable from the date of such payment at the Default Rate.

(g) Any amendment, supplement, modification to, or waiver of, the terms of this Indenture that requires the consent of Owners or adversely affects the rights and interests of the Bond Insurer shall be subject to the prior written consent of the Bond Insurer. Copies of any modification, amendment or supplement to this Indenture shall be sent to Moody's and S&P at least ten days prior to the effective date thereof.

(h) [Each of the District and the Trustee covenant and agree to take such action as is necessary from time to time to preserve the priority of the pledge of amounts held in the Bond Fund under applicable law.]

(i) In determining whether any amendment, consent or other action to be taken, or any failure to act, under this Indenture would adversely affect the security for the Bonds or the rights of the Owners, the Trustee shall consider the effect of any such amendment, consent, action or inaction as if there were no Series 2024 Insurance Policy.

**Section 11.02. Deposits to Series 2024 Policy Payments Account; Payments Under the Series 2024 Insurance Policy. [EXEMPLAR PROVISIONS SUBJECT TO REVIEW BY SERIES 2024 INSURER]** (a) So long as the Series 2024 Insurance Policy shall be in full force and effect, the District and the Trustee hereby agree to comply with the provisions of this Section.

(b) If, on the third Business Day prior to the related scheduled Interest Payment Date there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the Series 2024 Bonds due on such Interest Payment Date, the Trustee shall give notice to the Series 2024 Insurer and to its designated agent (if any) (the "Series 2024 Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Series 2024 Bonds due on such Interest

Payment Date, the Trustee shall make a claim under the Series 2024 Insurance Policy and give notice to the Series 2024 Insurer and the Series 2024 Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured 2024 Bonds and the amount required to pay principal of the Insured 2024 Bonds, confirmed in writing to the Series 2024 Insurer and the Series 2024 Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Series 2024 Insurance Policy.

(c) The Trustee shall designate any portion of payment of principal on Insured 2024 Bonds paid by the Series 2024 Insurer, whether by virtue of maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured 2024 Bonds registered to the then current Owner, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Series 2024 Insurer, registered in the name of the Series 2024 Insurer, in a principal amount equal to the amount of principal so paid (without regard to Authorized Denominations); provided, however, that the Trustee's failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the District on any Insured 2024 Bond or the subrogation rights of the Series 2024 Insurer.

(d) Upon payment of a claim under the Series 2024 Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of Insured 2024 Bonds referred to herein as the "Series 2024 Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Series 2024 Insurance Policy in trust on behalf of Owners of Insured 2024 Bonds and shall deposit any such amount in the Series 2024 Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of Insured 2024 Bonds in the same manner as principal and interest payments are to be made with respect to the Insured 2024 Bonds under the provisions hereof regarding payment of Insured 2024 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Funds held in the Series 2024 Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Series 2024 Policy Payments Account following an Interest Payment Date shall promptly be remitted to the Series 2024 Insurer.

(e) The Trustee shall keep a complete and accurate record of all funds deposited by the Series 2024 Insurer into the Series 2024 Policy Payments Account and the allocation of such funds to payment of interest on and principal paid in respect of any Insured 2024 Bond. The Series 2024 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(f) The District shall, to the extent permitted by law pay or reimburse the Series 2024 Insurer any and all Series 2024 Insurer Expenses.

(g) The Series 2024 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture.

(h) The Series 2024 Insurer shall be entitled to pay principal of or interest on the Insured 2024 Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Series 2024 Insurance Policy) and any amounts due on the Insured 2024 Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the Series 2024 Insurer has received a Notice of Nonpayment (as such term is defined in the Series 2024 Insurance Policy) or a claim upon the Series 2024 Insurance Policy.

**Section 11.03. Reporting Requirements. [EXEMPLAR PROVISIONS SUBJECT TO REVIEW BY SERIES 2024 INSURER]** The Series 2024 Insurer shall be provided with the following information:

(a) Annual audited financial statements of the District on or before the later of (i) [150] days after the end of the District's Fiscal Year and (ii) 30 days after the statements become available (in each case together with a certification of the District that it is not aware of any default or Event of Default under this Indenture) and the District's annual budget within 30 days after the approval thereof, together with such other information, data or reports as the Series 2024 Insurer reasonably request from time to time;

(b) Notice of any default known to the Trustee or the District within five Business Days after knowledge thereof;

(c) Prior notice of the advance refunding of any of the Insured 2024 Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(d) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto;

(e) Notice of the commencement of any proceeding by or against the District commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(f) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2024 Bonds;

(g) A full original transcript of all proceedings relating to the execution of any amendment or supplement to this Indenture or the respective Continuing Disclosure Certificate; and

(h) All reports, notices and correspondence to be delivered under the terms of this Indenture or the respective Continuing Disclosure Certificate.

## ARTICLE XII

### MISCELLANEOUS

**Section 12.01. Benefits of the Indenture Limited; Third-Party Beneficiary.**

Nothing contained herein, expressed or implied, is intended or shall be construed to confer upon, or to give or grant to any Person or entity other than the Trustee, the District, the Owners and the Insurer any right and remedy or claim under or by reason hereof, and any covenant, condition or stipulation hereof, and all covenants, stipulations, promises, and agreements contained in this Indenture by and on behalf of the District shall be for the sole and exclusive benefit of the Trustee, the Owners and the Insurer. The Insurer shall be a third-party beneficiary of this Indenture.

**Section 12.02. Successor Is Deemed Included In All References To Predecessor.**

Whenever herein either the District or any officer or employee thereof or the Trustee is named or referred to, such reference shall be deemed to include the successor or assigns thereof, and all agreements and covenants required hereby to be performed by or on behalf of the District or any officer or employee thereof or the Trustee shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

**Section 12.03. Destruction of Bonds.** Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the District of any Bonds, the Trustee shall, in lieu of such cancellation and delivery, destroy such Bonds.

**Section 12.04. Waiver of Notice; Requirement of Mailed Notice.** Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the Person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Whenever in this Indenture any notice shall be required to be given by mail, such requirement shall be deemed given and satisfied 72 hours after such notice is deposited with the United States mail, postage prepaid, by first class mail.

**Section 12.05. Severability of Invalid Provisions.** If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The District hereby declares that it would have entered into this Indenture and each and every other Section, subsection, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, subsections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.

**Section 12.06. Notices.** Any written notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the District:

Bellevue Union School District  
3150 Education Drive  
Santa Rosa, CA 95407  
Attention: Chief Business Official

If to the Trustee:

[Trustee]

Attention: Corporate Trust Department

If to the Series 2024 Insurer:

[Bond Insurer]

Attention: Managing Director – Surveillance  
Re: Policy No. \_\_\_\_\_

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, telegram or telecopier, upon the sender's receipt of an appropriate answerback or other written acknowledgment, (c) if given by mail, postage prepaid, by first class mail, 72 hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified in this Section.

[In each case in which notice or other communication refers to an event of default or with respect to which failure on the part of the Series 2024 Insurer to respond shall be deemed to constitute consent or acceptance, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel of the Series 2024 Insurer and shall be marked to indicate "URGENT MATERIAL ENCLOSED."]

**Section 12.07. Evidence of Rights of Bond Owners.** Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Owners may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Owners in Person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any Person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and the District if made in the manner provided in this Section.



The fact and date of the execution by any Person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the Person signing such request, consent or other instrument 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.

The ownership of Bonds shall be proved by the Registration Books.

Any request, consent, or other instrument or writing of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the District in accordance therewith or reliance thereon.

**Section 12.08. Disqualified Bonds.** In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are known by the Trustee to be owned or held by or for the account of the District, or by any other obligor on the Bonds, or by any Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the District or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination.

**Section 12.09. Money Held for Particular Bonds.** The money held by the Trustee for the payment of the interest or principal due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto, subject, however, to the provisions of Section 10.03 hereof but without any liability for interest thereon.

**Section 12.10. Funds and Accounts.** Any fund or account required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with prudent corporate trust industry standards to the extent practicable, and with due regard for the requirements hereof and for the protection of the security of the Bonds and the rights of every Owner thereof. The Trustee may establish any such additional funds or accounts as it deems necessary to perform its obligations hereunder.

**Section 12.11. Payment on Non-Business Days.** In the event any payment is required to be made hereunder on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day with the same effect as if made on such non-Business Day.

**Section 12.12. Waiver of Personal Liability.** No member, officer, agent or employee of the District shall be individually or personally liable for the payment of the principal or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

**Section 12.13. Interpretation.** Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

**[Section 12.\_\_. Waiver of Jury Trial.** Each of the District and the Trustee hereby irrevocably waives to the fullest extent permitted by law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Indenture, the Series 2024 Bonds or the transactions contemplated hereby or thereby involving or affecting the Original Purchaser or the rights or interests of the Original Purchaser, including the rights and interests of the Original Purchaser as an Owner. The District further agrees that, in the event of litigation, it will not personally or through its agents or attorneys seek to repudiate the validity of this Section, and it acknowledges that it freely and voluntarily entered into this agreement to waive trial by jury as provided herein in order to induce the Original Purchaser to purchase the Series 2024 Bonds. If and to the extent that the foregoing waiver of the right to a jury trial is unenforceable for any reason in such forum, the District and the Trustee hereby consent to the adjudication of any and all claims pursuant to judicial reference as provided in California Code of Civil Procedure Section 638, and the judicial referee shall be empowered to hear and determine any and all issues in such reference whether fact or law. The District and the Trustee represent that each has reviewed this waiver and consent and each knowingly and voluntarily waives its jury trial rights and consents to judicial reference following the opportunity to consult with legal counsel of its choice on such matters. The referee shall be a retired California state court judge or an attorney licensed to practice law in the State of California with at least ten years’ experience practicing commercial law. In the event of litigation, a copy of this Indenture may be filed as a written consent to a trial by the court or to judicial reference under California Code of Civil Procedure Section 638 as provided herein.]

**[Section 12.\_\_. Third-Party Beneficiary.** The Original Purchaser is a third-party beneficiary of this Indenture.]

**[Section 12.\_\_. Reimbursement of Original Purchaser.** The District hereby agrees, to the extent permitted by law, to pay or reimburse the Original Purchaser any and all reasonable charges, fees, costs and expenses which the Original Purchaser may reasonably pay or incur in connection with the following: (i) the administration, enforcement, defense, or preservation of any rights or security hereunder; (ii) the pursuit of any remedies hereunder, or otherwise afforded by law or equity; (iii) any amendment, waiver, or other action with respect to or related to this Indenture whether or not executed or completed; or (iv) any litigation or other dispute in connection with this Indenture.]

**Section 12.14. Execution in Several Counterparts.** This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

**Section 12.15. Electronic Signatures.** Each of the parties hereto agrees that the transaction consisting of this Indenture may be conducted by electronic means. Each party agrees and acknowledges that it is such party's intent (i) that, by signing this Indenture using an electronic signature, it is signing, adopting and accepting this Indenture, and (ii) that signing this Indenture using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Indenture on paper. Each party acknowledges, if execution is so conducted by electronic means, that it is being provided with an electronic or paper copy of this Indenture in a usable format.

**Section 12.16. Governing Law.** This Indenture shall be governed by and construed in accordance with the laws of the State.

**IN WITNESS WHEREOF**, the District has caused this Indenture to be signed in its name by one of its duly authorized officers, and the Trustee, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its name by one of its duly authorized officers, all as of the day and year first above written.

**BELLEVUE UNION SCHOOL  
DISTRICT**

By: \_\_\_\_\_  
Chief Business Official

**[TRUSTEE], AS TRUSTEE**

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**  
**FORM OF BOND**

No. \_\_\_\_\_

\$ \_\_\_\_\_

**BELLEVUE UNION SCHOOL DISTRICT**  
**JUDGMENT OBLIGATION BOND, SERIES 2024**

<b>INTEREST RATE</b> ____%	<b>MATURITY DATE</b> May 1, 20__	<b>DATED DATE</b> _____, 20__	<b>CUSIP</b> _____
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**REGISTERED OWNER:**

**PRINCIPAL AMOUNT:**

**[THIS SERIES 2024 BOND IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND MAY ONLY BE TRANSFERRED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 2.0\_ OF THE INDENTURE. NO TRANSFER, SALE OR OTHER DISPOSITION OF THIS SERIES 2024 BOND MAY BE MADE EXCEPT TO A PERSON THAT IS A QUALIFIED INSTITUTIONAL BUYER OR AN INSTITUTIONAL ACCREDITED INVESTOR.]**

The BELLEVUE UNION SCHOOL DISTRICT (the “District”), for value received, hereby promises to pay to the Registered Owner identified above or registered assigns (the “Registered Owner”), on the Maturity Date identified above, the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Rate of Interest identified above in like lawful money from the date hereof, payable semiannually on November 1 and May 1 in each year, commencing \_\_\_\_\_ 1, 20\_\_ (the “Interest Payment Dates”), until payment of such Principal Amount in full. This Bond is issued pursuant to an Indenture, dated as of \_\_\_\_\_ 1, 2024 (the “Indenture”), by and between the District and [Trustee], as trustee. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Indenture.

This Bond shall bear interest from the Interest Payment Date next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the fifteenth calendar day of the month preceding such Interest Payment Date, whether or not such day is a business day, in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to \_\_\_\_\_ 15, 20\_\_, in which event it shall bear interest from the Dated Date identified above; provided, however, that if, at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest hereon has previously been paid or duly provided for). The Principal Amount hereof is payable upon surrender hereof upon maturity at the principal corporate trust office of [Trustee], as trustee, or any successor trustee under the Indenture (the “Trustee”), in [\_\_\_\_\_], California; provided, however, that for purposes of payment, exchange, transfer, surrender and cancellation of Bonds, such term means the principal corporate trust office of the Trustee in [\_\_\_\_\_], California, or such other office as may be

specified to the District by the Trustee in writing (the “Office of the Trustee”). Except as otherwise provided in the Letter of Representations, interest hereon is payable by check of the Trustee, mailed by first class mail on each Interest Payment Date to the Registered Owner hereof at the address of the Registered Owner as it appears on the Registration Books of the Trustee as of the close of business on the fifteenth calendar day of the month preceding such Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the District designated as the “[Bellevue Union School District Judgment Obligation Bonds, Series 2024]” (the “Series 2024 Bonds”) in the aggregate principal amount of \$\_\_\_\_\_ all of which Bonds are of like tenor and date (except for such variations as may be required to designate varying numbers, denominations, maturities or interest rates), and is issued under and pursuant to the provisions of Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the California Government Code and all laws amendatory thereof or supplemental thereto (the “Act”) and under and pursuant to the provisions of the Indenture (copies of which are on file at the Office of the Trustee).

The Series 2024 Bonds are being issued for the purpose of satisfying the District’s payment obligations under the Judgments as defined in the Indenture. The Series 2024 Bonds are obligations imposed by law payable from funds to be appropriated by the District. Reference is hereby made to the Act and to the Indenture and any and all amendments thereof for a description of the terms on which the Series 2024 Bonds are issued, for the rights of the Owners of the Series 2024 Bonds, for the security for payment of the Series 2024 Bonds, for the remedies upon default and limitations thereon and for the provisions for the amendment of the Indenture (with or without consent of the Owners of the Series 2024 Bonds); and all the terms of the Indenture are hereby incorporated herein and constitute a contract between the District and the Registered Owner of this Series 2024 Bond, to all the provisions of which the Registered Owner of this Series 2024 Bond, by acceptance hereof, agrees and consents.

The obligations of the District under the Bonds, including the obligation to make all payments of the interest on and the principal of the Bonds when due are obligations of the District imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The Bonds do not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation, and neither the Bonds nor the obligation of the District to make payment of the interest on or the principal of the Bonds constitutes an indebtedness of the District or the State of California, or any of its political subdivisions, in contravention of any constitutional or statutory debt limitation or restriction.

[The Series 2024 Bonds are subject to redemption at the times, in the manner, at the redemption prices and upon notice as specified in the Indenture.]

If an Event of Default, as that term is defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture; provided, that the Indenture provides that in certain events such declaration and its consequences may be rescinded under the circumstances as provided therein.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 or any integral multiple thereof. Subject to the limitations and upon payment of the charges, if any, provided in the Indenture, Bonds may be exchanged at the Office of the Trustee for a new Bond or Bonds of the same Series and maturity in a like aggregate principal amount, in any Authorized Denomination.

[This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond or Bonds, of the same Series and maturity in an Authorized Denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange herefor. The District and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the District and the Trustee shall not be affected by any notice to the contrary.]

[Ownership of a Series 2024 Bond may be transferred (a) only to a Person that is either (i) a Qualified Institutional Buyer that is purchasing such Series 2024 Bond for not more than one account for lending or investment purposes and not with a view to distributing such Series 2024 Bond, or (ii) an Institutional Accredited Investor that is purchasing such Series 2024 Bond for not more than one account for lending or investment purposes and not with a view to distributing such Series 2024 Bond, and (b) only if such Qualified Institutional Buyer or Institutional Accredited Investor delivers to the District and the Trustee a completed and duly executed Purchaser Letter substantially in the form attached as Exhibit B to the Indenture. No Owner of a Series 2024 Bond shall transfer such Series 2024 Bond to any Person that such Owner does not reasonably believe is either (a) a Qualified Institutional Buyer that is purchasing such Series 2024 Bond for not more than one account for lending or investment purposes and not with a view to distributing such Series 2024 Bond, or (b) an Institutional Accredited Investor that is purchasing such Series 2024 Bond for not more than one account for lending or investment purposes and not with a view to distributing such Series 2024 Bond. The transferor of ownership of a Series 2024 Bond agrees to provide notice to any proposed transferee of such Series 2024 Bond of the restrictions on transfer described in the Indenture.]

The Indenture and the rights and obligations of the District, the owners of the Bonds and the Trustee may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Indenture; provided that no such modification or amendment shall (a) extend the fixed maturity of any Bonds, or reduce the amount of principal thereof, or reduce the interest rate borne thereby, or extend or accelerate the time of payment thereof, without the consent of the owner of each Bond so affected, or (b) reduce the percentage of Bonds the consent of the owners of which is required to effect any such amendment or modification, without the consent of the owners of all outstanding Bonds.

The Indenture contains provisions permitting the District to make provision for the payment of interest on, and the principal of any of the Bond so that such Bonds shall no longer be deemed to be outstanding under the terms of the Indenture.

This Bond shall not be entitled to any benefit, protection or security under the Indenture or become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been executed and dated by an authorized signatory of the Trustee.

[Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Trustee for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof Cede & Co., has an interest herein.]

It is hereby certified that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law.



**IN WITNESS WHEREOF**, the Bellevue Union School District has caused this Bond to be executed in its name and on its behalf by the signature of the [Superintendent][Chief Business Official] of the District and to be countersigned by the signature of the Executive Officer of the Board of Trustees of Bellevue Union School District, who has impressed the seal of the District hereon, all as of the Dated Date identified above.

**BELLEVUE UNION SCHOOL  
DISTRICT**

By: \_\_\_\_\_  
Chief Business Official

[SEAL]

Countersigned:

\_\_\_\_\_  
Executive Officer of the Board of  
Education of Bellevue Union  
School District

**CERTIFICATE OF AUTHENTICATION**

This is one of the Bonds described in the within-mentioned Indenture and registered on the Registration Books.

Date: \_\_\_\_\_

**[TRUSTEE], AS TRUSTEE**

By: \_\_\_\_\_  
Authorized Officer

## **STATEMENT OF INSURANCE**

[[Bond Insurer] (“[BOND INSURER]”), New York, New York, has delivered its municipal bond insurance policy with respect to the scheduled payments due of principal of and interest on this Bond to [Trustee], [\_\_\_\_\_], California, or its successor, as trustee for the Bonds (the “Trustee”). Said Policy is on file and available for inspection at the Office of the Trustee and a copy thereof may be obtained from [BOND INSURER] or the Trustee.]

**ASSIGNMENT**

For value received the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ whose address and social security or other tax identifying number is \_\_\_\_\_, the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Note: Signature(s) must be guaranteed by an eligible guarantor.

\_\_\_\_\_  
Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

**[EXHIBIT B  
FORM OF PURCHASER LETTER]**

Bellevue Union School District  
3150 Education Drive  
Santa Rosa, CA 95407  
Attention: Chief Business Official

[Trustee]

Attention: Corporate Trust Department

[\_\_\_\_\_], the Placement Agent for the Series 2024 Bonds

Attention:

Re: Bellevue Union School District Judgment Obligation Bonds, Series 2024

Ladies and Gentlemen:

The undersigned (the “Purchaser”) understands that Bellevue Union School District (the “District”) has, pursuant to the Indenture, dated as of [\_\_\_\_\_] 1, 20[\_\_\_] (the “Indenture”), by and between the District and [\_\_\_\_\_], as trustee (the “Trustee”), issued the Bellevue Union School District Judgment Obligation Bonds, Series 2024, in the aggregate principal amount of \$[\_\_\_\_\_]. The Purchaser intends to purchase certain of said bonds (for purposes of this Purchaser Letter, the “Series 2024 Bond”). In connection with such purchase of the Series 2024 Bond, the Purchaser makes the certifications, representations, warranties, acknowledgements and covenants contained in this Purchaser Letter to each of the addressees hereof, with the express understanding that such certifications, representations, warranties, acknowledgements and covenants will be relied upon by such addressees. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Indenture.

The Purchaser hereby certifies, represents, warrants, acknowledges and covenants as follows:

(a) The Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it was incorporated or formed and is authorized to acquire the Series 2024 Bond being purchased hereby. The person executing this letter on behalf of the Purchaser is duly authorized to do so on the Purchaser’s behalf.

(b) The Purchaser (MARK APPROPRIATELY):

\_\_\_\_ is a “qualified institutional buyer” (a “Qualified Institutional Buyer”) within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the “Securities Act”), or

\_\_\_\_ is an institutional “accredited investor” as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act (together with any “accredited investor” as defined in Section 501(a)(8) of Regulation D promulgated under the Securities Act each equity owner of which is an “accredited investor” as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act, an “Institutional Accredited Investor”),

\_\_\_\_ is an institutional “accredited investor” as defined in Section 501(a)(8) of Regulation D promulgated under the Securities Act each equity owner of which is an “accredited investor” as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act (together with any “accredited investor” as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act, an “Institutional Accredited Investor”).

(c) The Purchaser presently intends to hold the Series 2024 Bond to maturity, earlier redemption, or mandatory tender and is not purchasing the Series 2024 Bond for more than one account, is purchasing the Series 2024 Bond for lending or investment purposes and is not purchasing the Series 2024 Bond with a view to distributing, pledging, fractionalizing, subdividing or other disposition of the Series 2024 Bond (subject to the understanding that disposition of Purchaser’s property will remain at all times within its control). Because the Purchaser presently intends to hold the Series 2024 Bond as stated above, the Purchaser has directed the District and [\_\_\_\_], as placement agent, not to obtain a CUSIP number for the Series 2024 Bond, or apply for DTC eligibility for the Series 2024 Bond.

(d) The Purchaser acknowledges that no credit rating has been sought or obtained with respect to the Series 2024 Bond.

(e) The Purchaser has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal bonds [and other tax-exempt obligations] similar to the Series 2024 Bond, to be capable of evaluating the merits and risks of the credit of or investment in the Series 2024 Bond, and the Purchaser is able to bear the economic risks of such an acquisition.

(f) The Purchaser recognizes that purchasing the Series 2024 Bond involves significant risks, that there is no established market for the Series 2024 Bond and that none is likely to develop and, accordingly, that the Purchaser must bear the economic risk of holding the Series 2024 Bond for an indefinite period of time.

(g) The Purchaser understands and agrees that ownership of a Series 2024 Bond may be transferred (i) only to a Person that is either (A) a Qualified Institutional Buyer that is purchasing such Series 2024 Bond for not more than one account for lending or investment purposes and not with a view to distributing such Series 2024 Bond, or (B) an Institutional

Accredited Investor that is purchasing such Series 2024 Bond for not more than one account for lending or investment purposes and not with a view to distributing such Series 2024 Bond, and (ii) only if such Qualified Institutional Buyer or Institutional Accredited Investor delivers to the District and the Trustee a completed and duly executed Purchaser Letter substantially in the form attached to the Indenture as Exhibit B.

(h) The Purchaser is not relying upon the District or the Trustee, or any of their affiliates or employees, for advice as to the merits and risks of purchasing the Series 2024 Bond. The Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed credit or investment decision.

(i) The Purchaser has conducted its own independent examination of, and has had an opportunity to ask questions and receive answers concerning, the District, the Trustee, the Indenture, the Series 2024 Bond and the security therefor and the transactions and documents related to or contemplated by the foregoing.

(j) The Purchaser has been offered copies of or full access to all documents relating to the Series 2024 Bond and the transactions and documents related to or contemplated by the Series 2024 Bond and all records, reports, financial statements and other information concerning the District and pertinent to the source of payment for the Series 2024 Bond as deemed material by the Purchaser, which the Purchaser as a reasonable lender or investor, has requested and to which the Purchaser, as a reasonable lender or investor, would attach significance in making a lending or investment decision. Further, Purchaser acknowledges that the District and other knowledgeable parties have made available to it and its representatives the opportunity to ask any questions it may have, and receive satisfactory answers, concerning the District and the security and the source of payment of the Series 2024 Bond.

(k) The Purchaser acknowledges that no official statement has been prepared for the Series 2024 Bond and understands and agrees that the offering and sale of the Series 2024 Bond are exempt from Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, pursuant to Section (d) of said Rule. The Purchaser acknowledges that the District will not be entering into a continuing disclosure agreement to provide ongoing disclosure respecting the Series 2024 Bond.

(l) The obligations of the District under the Series 2024 Bond, including the obligation to make all payments of the interest on and the principal of the Series 2024 Bond when due are obligations of the District imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The Series 2024 Bond does not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation, and neither the Series 2024 Bond nor the obligation of the District to make payment of the interest on or the principal of the Series 2024 Bond constitutes an indebtedness of the District or the State, or any of its political subdivisions, in contravention of any constitutional or statutory debt limitation or restriction.

(m) This Purchaser Letter will constitute an agreement with respect to the matters herein contained as of the date hereof. The Purchaser understands that the District, the Trustee[, the Placement Agent] and Bond Counsel will rely upon the accuracy and truthfulness of the representations and warranties contained herein and hereby consents to such reliance.

(n) The undersigned is the chief financial officer, a person fulfilling an equivalent function or other authorized executive officer of the Purchaser with authority to execute and deliver this Purchaser Letter.

The Purchaser agrees to the terms and provisions set forth in the Indenture and the Series 2024 Bond, and to be bound by the provisions of [Section 2.0\_]of the Indenture.

IN WITNESS WHEREOF, the Purchaser has executed this Purchaser Letter as of the date set forth below.

Dated: \_\_\_\_\_

Very truly yours,

\_\_\_\_\_  
[Printed Name of Purchaser]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**Bellevue Union School District**

**Agenda Item for Board Meeting of May 7, 2024**

**Agenda Category:** Action

**Agenda Item Title:** Approval of Resolution No 26: Resolution and Decision Not to Reemploy Certificated Staff for the 2024-2025 School Year

**Prepared By:** Stacy Spector, Human Resources Director

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**Background:**

This agenda item presents for Board Approval of Resolution No 26: Resolution and Decision Not to Reemploy Certificated Staff for the 2024-2025 School Year is the final step in notification to staff impacted by the need to reduce Particular Kinds of Service.

**Considerations:**

During the last several years, Bellevue Union School District's Budgetary Multi Year Projection has held positive certification from the Sonoma County Office of Education, as well as a General Reserve above statutory requirements.

However, recently, multiple conditions have changed that mean that the district cannot guarantee it can meet its financial obligations in the Multi Year Projection, without significant budget reductions.

As a result of these factors, the District took immediate action to reduce expenditures in personnel, programs, goods and services.

The Particular Kinds of Service recommended for reduction were based upon program needs and student enrollment. During the PKS process, staff with the least seniority district-wide in the Particular Kind of Service were noticed that they may be released from their employment at the end of the school year.

Between March 15 and May 6, 2024 this Reduction in Force process was implemented per statutory requirements. At the same time, a process occurred in which resignations, retirements, and other factors that might impact the total number of potential reductions happened. As a result three lay-off notices were rescinded.

**Recommended Action:** Review and approve.

**Supporting Documents:**

Resolution No 26: Resolution and Decision Not to Reemploy Certificated Staff for the 2024-2025 School Year

**Board Policy:**

BUSD BP 4117.3 BP 4117.3

**Education Code:**

Section 44956

**BEFORE THE GOVERNING BOARD  
OF THE  
BELLEVUE UNION SCHOOL DISTRICT  
SONOMA COUNTY, STATE OF CALIFORNIA**

Resolution and Decision Not to )  
Reemploy Certificated Employees ) **RESOLUTION NO. 26**  
\_\_\_\_\_)

WHEREAS, the Governing Board of the Bellevue Union School District (“District”) adopted a Resolution in the Matter of the Reduction or Discontinuance of Certain Particular Kinds of Services (“Resolution”) on or before March 15, 2024, authorizing and directing the Superintendent or Superintendent’s designee to initiate and pursue procedures necessary not to reemploy the equivalent of seven (7) full-time certificated employees of the District pursuant to Education Code sections 44949 and 44955 because of a reduction and/or discontinuance of particular kinds of services; and

WHEREAS, the Superintendent, or Superintendent’s designee, duly and properly served a Notice of Reduction or Discontinuance of Particular Kinds of Services (“Notice”) on the certificated employees listed on Attachment “A” on or before March 15, 2024, indicating that the Governing Board did not intend to reemploy them to the extent indicated in the Resolution and Notice for the 2024-2025 school year; and

WHEREAS, the certificated employees listed on Attachment “A” were informed of their right to request a hearing and that failure to do so in writing by the date specified in the Notice would constitute a waiver of the right to a hearing; and

WHEREAS, the certificated employees listed in Attachment “B” either did not submit a timely request for hearing, or submitted a timely request and then rescinded the request.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that considering the certificated staff requirements of the District for the 2024-2025 school year, as well as the seniority and qualifications of each of the certificated employees of the District, the services of the certificated employees listed on Attachment “C” will not be required for the ensuing school year to the extent indicated in the Resolution and Notice to the employees listed in Attachment “C.”

BE IT FURTHER RESOLVED that the Superintendent, or Superintendent’s designee, is authorized and directed to give Final Notice to the certificated employees listed on Attachment “C” that their services will not be required by this District for the 2024-2025 school year. Said notice shall be given by serving upon said persons a true copy of this Resolution and Decision Not to Reemploy Certificated Employees.

BE IT FURTHER RESOLVED that this decision is effective immediately.

Duly and regularly adopted this \_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_  
President, Board of Trustees

I, \_\_\_\_\_, Clerk of the Governing Board of the Bellevue Union School District, do hereby certify that the foregoing Resolution was regularly introduced, passed and adopted by the Governing Board at its meeting held on \_\_\_\_\_, 2024.

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Clerk, Governing Board

**ATTACHMENT A**

**BELLEVUE UNION SCHOOL DISTRICT**

**LIST OF CERTIFICATED EMPLOYEES SENT  
INITIAL LAYOFF NOTICE**

1. MaryGrace Ahern
2. Mary Brown
3. Megan Calderon
4. Gina Carinalli Barnes
5. Jasmine Hernandez
6. Susie Mulligan Hirsch
7. Aracely Romo Flores

**ATTACHMENT B**

**BELLEVUE UNION SCHOOL DISTRICT**

**LIST OF CERTIFICATED EMPLOYEES WHO EITHER  
DID NOT SUBMIT A TIMELY REQUEST FOR HEARING OR  
REQUESTED A HEARING AND THEN RESCINDED THE REQUEST**

1. MaryGrace Ahern
2. Mary Brown
3. Megan Calderon
4. Gina Carinalli Barnes
5. Jasmine Hernandez
6. Susie Mulligan Hirsch
7. Aracely Romo Flores

**ATTACHMENT C**

**BELLEVUE UNION SCHOOL DISTRICT**

**LIST OF CERTIFICATED EMPLOYEES  
TO BE SENT FINAL LAYOFF NOTICE**

1. Megan Calderon
2. Jasmine Hernandez
3. Susie Mulligan Hirsch
4. Aracely Romo Flores

## EDUCATION CODE SECTIONS

### § 44956. Rights of terminated permanent employee

Any permanent employee whose services have been terminated as provided in Section 44955 shall have the following rights:

(a) For the period of 39 months from the date of the termination, any employee who in the meantime has not attained the age of 65 years shall have the preferred right to reappointment, in the order of original employment as determined by the board in accordance with Sections 44831 to 44855, inclusive, if the number of employees is increased or the discontinued service is reestablished, with no requirements that were not imposed upon other employees who continued in service; provided, that no probationary or other employee with less seniority shall be employed to render a service that the employee is certificated and competent to render. However, prior to reappointing any employee to teach a subject that he or she has not previously taught, and for which he or she does not have a teaching credential or that is not within the employee's major area of postsecondary study or the equivalent thereof, the governing board shall require the employee to pass a subject matter competency test in the appropriate subject.

(b) The right to reappointment described in subdivision (a) may be waived by the employee, without prejudice, for not more than one school year, unless the board extends this right, but the waiver shall not deprive the employee of his or her right to subsequent offers of reappointment.

(c) Notwithstanding subdivision (a), a school district may deviate from reappointing a certificated employee in order of seniority for either of the following reasons:

(1) The district demonstrates a specific need for personnel to teach a specific course or course of study, or to provide services authorized by a services credential with a specialization in either pupil personnel services or health for a school nurse, and that the employee has special training and experience necessary to teach that course or course of study, or to provide those services, that others with more seniority do not possess.

(2) For purposes of maintaining or achieving compliance with constitutional requirements related to equal protection of the laws.

(d) As to any employee who is reappointed, the period of his or her absence shall be treated as a leave of absence and shall not be considered as a break in the continuity of his or her service, he or she shall retain the classification and order of employment he or she had when his or her services were terminated, and credit for prior service under any state or district retirement system shall not be affected by such termination, but the period of his or her absence shall not count as a part of the service required for retirement.

(e) During the period of his or her preferred right to reappointment, an employee shall, in the order of original employment, be offered prior opportunity for substitute service during the absence of any other employee who has been granted a leave of absence or who is temporarily absent from duty; provided, that his or her services may be terminated upon the return to duty of



the other employee and that substitute service shall not affect the retention of his or her previous classification and rights. If, in any school year the employee serves as a substitute in any position requiring certification for 21 days or more within a period of 60 schooldays, the compensation the employee receives for substitute service in that 60-day period, including his or her first 20 days of substitute service, shall be not less than the amount the employee would receive if he or she were being reappointed.

(f)(1) During the period of the employee's preferred right to reappointment, the governing board of the district, if it is also the governing board of one or more other districts, may assign him or her to service, which he or she is certificated and competent to render, in another district or districts; provided, that the compensation he or she receives therefor may, in the discretion of the governing board, be the same as he or she would have received had he or she been serving in the district from which his or her services were terminated, that his or her service in the other district or districts shall be counted toward the period required for both state and local retirement as though rendered in the district from which his or her services were terminated, and that no permanent employee in the other district or districts shall be displaced by him or her.

(2) It is the intent of this subdivision that the employees of a school district, the governing board of which is also the governing board of one or more other school districts, shall not be at a disadvantage as compared with employees of a unified school district.

(g) At any time prior to the completion of one year after his or her return to service, he or she may continue or make up, with interest, his or her own contributions to any state or district retirement system, for the period of his or her absence, but it shall not be obligatory on state or district to match those contributions.

(h) Should he or she become disabled or reach retirement age at any time before his or her return to service, he or she shall receive, in any state or district retirement system of which he or she was a member, all benefits to which he or she would have been entitled had such event occurred at the time of his or her termination of service, plus any benefits he or she may have qualified for thereafter, as though still employed.

#### **§ 44957. Rights of terminated probationary employee**

Any probationary employee whose services have been terminated as provided in Section 44955 shall have the following rights:

(a) For the period of 24 months from the date of such termination, any employee who in the meantime has not attained the age of 65 years shall have the preferred right to reappointment, subject to the prior rights to reappointment by all permanent employees as set forth in Section 44956, in the order of original employment as determined by the governing board in accordance with the provisions of Sections 44831 to 44855, inclusive, if the number of employees is increased or the discontinued service is reestablished, with no requirements that were not imposed upon other employees who continued in service. Except as otherwise provided, no probationary or temporary employee with less seniority shall be employed to render a service which such employee is certificated and competent to render and provided that such an employee

shall be given a priority over employees whose right to a position is derived pursuant to Section 44918. However, prior to reappointing any employee to teach a subject which he or she has not previously taught, and for which he or she does not have a teaching credential or which is not within the employee's major area of postsecondary study or the equivalent thereof, the governing board shall require the employee to pass a subject matter competency test in the appropriate subject.

(b) Notwithstanding subdivision (a), a school district may deviate from reappointing a probationary employee in order of seniority for either of the following reasons:

(1) The district demonstrates a specific need for personnel to teach a specific course or course of study, or to provide services authorized by a services credential with a specialization in either pupil personnel services or health for a school nurse, and that the employee has special training and experience necessary to teach that course or course of study, or to provide those services, which others with more seniority do not possess.

(2) For purposes of maintaining or achieving compliance with constitutional requirements related to equal protection of the laws.

(c) As to any such employee who is reappointed, the period of his absence shall be treated as a leave of absence and shall not be considered as a break in the continuity of his service, he shall retain the classification and order of employment he had when his services were terminated, and credit for prior service under any state or district retirement system shall not be affected by such termination; provided, however, that the period of his absence shall not be counted as a part of the service required for attaining permanent status in the district or, except as provided in subdivision (e), for retirement purposes.

(d) During the period of his preferred right to reappointment, any such employee shall, in the order of original employment, and subject to the rights of permanent employees as set forth in Section 44956, be offered prior opportunity for substitute service during the absence of any other employee who has been granted leave of absence or who is temporarily absent from duty; provided, that his services may be terminated upon a return to duty of such other employee, that such substitute service shall not affect the retention of his previous classification and rights, and that such an employee shall be given a priority over employees whose right to a substitute position is derived pursuant to Section 44918.

(e) At any time prior to the completion of one year after his return to service, an employee reappointed under the provisions of this section may elect to continue or to reinstate his membership and interest in any state or district retirement system and to receive retirement benefits as if no absence from service had occurred. In the event of such election the employee shall pay into the retirement system the amount of his share of contribution and the district's share of contribution attributable to the period of absence and the amount of any contributions withdrawn, plus interest.

## **Personnel Reduction**

The Governing Board may reduce the number of probationary and permanent certificated employees when, in its opinion, any of the following conditions makes such reduction necessary:

1. Average daily attendance (ADA) in all of the schools in the district during the first six months of the school year has declined below the level for the same period in either of the previous two school years. (Education Code 44955)
2. A particular kind of service is to be reduced or discontinued not later than the beginning of the following school year. (Education Code 44955)
3. Attendance in the district will decline in the following year as a result of the termination of an interdistrict tuition agreement. (Education Code 44955)
4. An amendment of state law requires modification of the curriculum. (Education Code 44955)
5. During the time period between five days after the enactment of the Budget Act and August 15 of that fiscal year, the Board determines that the district's total revenue limit per ADA for the fiscal year of that Budget Act has not increased by at least two percent. (Education Code 44955.5)

### Determination of the Order of Layoffs

When it is necessary to reduce the number of certificated employees for any of the reasons listed above, the services of employees shall be terminated in the inverse of the order in which they were employed by the district in probationary status, except as otherwise authorized by law. (Education Code 44844, 44955)

The Superintendent or designee shall maintain the seniority list for this purpose and shall make it available upon request.

Unless otherwise provided by law, a permanent employee shall have the right to be retained over a probationary employee or any employee with less seniority if the position is one for which he/she is certificated and competent to render service. (Education Code 44955)

(cf. 4112.2 - Certification)

(cf. 4112.22 - Staff Teaching English Language Learners)

(cf. 4112.23 - Special Education Staff)

(cf. 4112.24 - Teacher Qualifications Under the No Child Left Behind Act)

(cf. 4113 - Assignment)

(cf. 4116 - Probationary/Permanent Status)

To determine the order of termination between employees who first rendered paid service on the same date, the Board shall rank order those employees solely on the basis of the needs of the district and students. Upon the request of an employee whose order of termination is to be determined based on such ranking, the Board shall furnish the employee, no later than five days prior to the commencement of the administrative hearing on the layoff, a written statement of the specific criteria used in determining the order of termination and the application of the criteria in ranking the employee relative to the other employees in the group. (Education Code 44955)

The district may deviate from terminating certificated employees in order of seniority for either of the following reasons: (Education Code 44955, 44956)

1. To fill a demonstrated specific need for personnel to teach a specific course or courses of study, or to provide services authorized by a services credential with a specialization in either student personnel services or health for a school nurse, when the certificated employee has the necessary special training and experience which others with more seniority do not possess
2. To maintain or achieve compliance with constitutional requirements related to equal protection of the law

### Notice and Hearing Rights

When it becomes necessary to reduce the number of permanent and/or probationary employees pursuant to Education Code 44955 as specified in items #1-4 above, the district shall give notice to the affected employees, no later than March 15, stating the reasons for the action and the employees' right to a hearing. The district shall adhere to the notice, hearing, and layoff procedures in Education Code 44949, 44955, and other applicable provisions of law.

(cf. 4112.9/4212.9/4312.9 - Employee Notifications)

When an employee has requested a hearing before an administrative law judge regarding the reduction or discontinuation of services, the Board shall make a final decision regarding the sufficiency of the cause and disposition of the layoff upon receipt of the administrative law judge's proposed decision. None of the findings, recommendations, or determinations of the administrative law judge shall be binding on the Board. (Education Code 44949)

The Board may conduct its own hearing, adopt the administrative law judge's proposed decision, refer the case back to the administrative law judge for additional evidence, or reject or modify the proposed decision and make its own determination based upon its review of the record.

Following the Board's decision, the Superintendent or designee shall give final notice, in the manner specified, to the affected employees before May 15 unless the parties agree otherwise in accordance with procedures required by law. (Education Code 44955)

When layoffs become necessary pursuant to Education Code 44955.5 as specified in item #5 above, layoff proceedings shall be carried out as required by law but in accordance with a schedule of notice and hearing adopted by the Board. (Education Code 44955.5)

### Reappointment

If the number of employees is increased or the discontinued service reestablished, permanent certificated employees shall have the right to reappointment, in order of seniority, for 39 months from the date of termination. Probationary certificated employees shall have the same right for 24 months after being terminated, subject to the prior reappointment rights of permanent employees. (Education Code 44846, 44956, 44957)

During the period of the preferred right to reappointment, permanent certificated employees shall, in the order of original employment, be offered first opportunity for substitute service during the absence of any employee who has been granted a leave of absence or who is temporarily absent from duty. Such substitute service may be terminated upon the return to duty of the other employee. Such substitute service shall not affect the retention of the employees' previous classification and rights. Probationary certificated employees shall have the same right to substitute service during the period of preferred right to reappointment to the extent required by law, subject to the rights of permanent certificated employees. (Education Code 44918, 44956, 44957)

(cf. 4121 - Temporary/Substitute Employees)

Before reappointing any certificated employee to teach a subject which he/she has not previously taught and for which he/she does not have a teaching credential or which is not within the employee's major area of postsecondary study, the Board shall require the employee to pass a subject matter competency test in the appropriate subject. (Education Code 44956)

Reappointed certificated employees shall not be subject to any requirements that were not imposed on employees who continued in service. Their period of absence shall be treated as a leave of absence and not considered a break in the continuity of their service. (Education Code 44956, 44957)

Legal Reference:

#### EDUCATION CODE

44830 Employment of certificated persons

44949 Dismissal of probationary employees

44955 Reduction in number of permanent employees

44955.5 Termination of certificated employees

44956-44959.5 Rights of employees

#### GOVERNMENT CODE

3543.2 Scope of representation

#### UNEMPLOYMENT INSURANCE CODE

1089 Notification of unemployment insurance benefits

#### CODE OF REGULATIONS, TITLE 22

1089-1 Notification of unemployment insurance benefits

#### COURT DECISIONS

Vergara v. State of California, (2014) Superior Court State of California, County of Los Angeles, Case. No. BC 484642

California Teachers Association v. Vallejo City Unified School District, (2007) 149 Cal.App.4th 135

Bakersfield Elementary Teachers Association v. Bakersfield City School District, (2006) 145 Cal.App.4th 1260

Cousins v. Weaverville Elementary School District, (1994) 24 Cal.App.4th 1846

Forker v. Board of Trustees, (1984) 160 Cal.App.3d 13

Moreland Teachers Assoc. v. Kurze, (1980) 109 Cal.App.3d 648

King v. Berkeley Unified School District, (1979) 89 Cal.App.3d 1016

Management Resources:

#### WEB SITES

CSBA: <http://www.csba.org>

Policy BELLEVUE UNION SCHOOL DISTRICT

adopted: November 18, 2014 Santa Rosa, California



## **EDUCATION CODE - EDC**

**TITLE 2. ELEMENTARY AND SECONDARY EDUCATION [33000 - 65001]** ( *Title 2 enacted by Stats. 1976, Ch. 1010.* )

**DIVISION 3. LOCAL ADMINISTRATION [35000 - 45500]** ( *Division 3 enacted by Stats. 1976, Ch. 1010.* )

**PART 25. EMPLOYEES [44000 - 45500]** ( *Part 25 enacted by Stats. 1976, Ch. 1010.* )

**CHAPTER 4. Employment—Certificated Employees [44800 - 45061.5]** ( *Chapter 4 enacted by Stats. 1976, Ch. 1010.* )

**ARTICLE 3. Resignations, Dismissals, and Leaves of Absence [44930 - 44988]** ( *Article 3 enacted by Stats. 1976, Ch. 1010.* )

Any permanent employee whose services have been terminated as provided in Section 44955 shall have the following rights:

**44956.**

(a) For the period of 39 months from the date of the termination, any employee who in the meantime has not attained the age of 65 years shall have the preferred right to reappointment, in the order of original employment as determined by the board in accordance with Sections 44831 to 44855, inclusive, if the number of employees is increased or the discontinued service is reestablished, with no requirements that were not imposed upon other employees who continued in service; provided, that no probationary or other employee with less seniority shall be employed to render a service that the employee is certificated and competent to render. However, prior to reappointing any employee to teach a subject that he or she has not previously taught, and for which he or she does not have a teaching credential or that is not within the employee's major area of postsecondary study or the equivalent thereof, the governing board shall require the employee to pass a subject matter competency test in the appropriate subject.

(b) The right to reappointment described in subdivision (a) may be waived by the employee, without prejudice, for not more than one school year, unless the board extends this right, but the waiver shall not deprive the employee of his or her right to subsequent offers of reappointment.

(c) Notwithstanding subdivision (a), a school district may deviate from reappointing a certificated employee in order of seniority for either of the following reasons:

(1) The district demonstrates a specific need for personnel to teach a specific course or course of study, or to provide services authorized by a services credential with a specialization in either pupil personnel services or health for a school nurse, and that the employee has special training and experience necessary to teach that course or course of study, or to provide those services, that others with more seniority do not possess.

(2) For purposes of maintaining or achieving compliance with constitutional requirements related to equal protection of the laws.

(d) As to any employee who is reappointed, the period of his or her absence shall be treated as a leave of absence and shall not be considered as a break in the continuity of his or her service, he or she shall retain the classification and order of employment he or she had when his or her services were terminated, and credit for prior service under any state or district retirement system shall not be affected by such termination, but the period of his or her absence shall not count as a part of the service required for retirement.

(e) During the period of his or her preferred right to reappointment, an employee shall, in the order of original employment, be offered prior opportunity for substitute service during the absence of any other employee who has been granted a leave of absence or

who is temporarily absent from duty; provided, that his or her services may be terminated upon the return to duty of the other employee and that substitute service shall not affect the retention of his or her previous classification and rights. If, in any school year the employee serves as a substitute in any position requiring certification for 21 days or more within a period of 60 schooldays, the compensation the employee receives for substitute service in that 60-day period, including his or her first 20 days of substitute service, shall be not less than the amount the employee would receive if he or she were being reappointed.

(f) (1) During the period of the employee's preferred right to reappointment, the governing board of the district, if it is also the governing board of one or more other districts, may assign him or her to service, which he or she is certificated and competent to render, in another district or districts; provided, that the compensation he or she receives therefor may, in the discretion of the governing board, be the same as he or she would have received had he or she been serving in the district from which his or her services were terminated, that his or her service in the other district or districts shall be counted toward the period required for both state and local retirement as though rendered in the district from which his or her services were terminated, and that no permanent employee in the other district or districts shall be displaced by him or her.

(2) It is the intent of this subdivision that the employees of a school district, the governing board of which is also the governing board of one or more other school districts, shall not be at a disadvantage as compared with employees of a unified school district.

(g) At any time prior to the completion of one year after his or her return to service, he or she may continue or make up, with interest, his or her own contributions to any state or district retirement system, for the period of his or her absence, but it shall not be obligatory on state or district to match those contributions.

(h) Should he or she become disabled or reach retirement age at any time before his or her return to service, he or she shall receive, in any state or district retirement system of which he or she was a member, all benefits to which he or she would have been entitled had such event occurred at the time of his or her termination of service, plus any benefits he or she may have qualified for thereafter, as though still employed.

*(Amended by Stats. 2014, Ch. 71, Sec. 38. (SB 1304) Effective January 1, 2015.)*



**Bellevue Union School District**

**Agenda Item for Board Meeting of May 7, 2024**

**Agenda Category:** Action

**Agenda Item Title:** Approval of Resolution No 27: Resolution and Decision Not to Reemploy Classified Staff for the 2024-2025 School Year

**Prepared By:** Stacy Spector, Human Resources Director

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**Background:**

This agenda item presented for Board Approval is Resolution No 27 Resolution and Decision Not to Reemploy Classified Staff for the 2024-2025 School Year is the final step in notification to staff impacted by the need to reduce Particular Kinds of Service.

**Considerations:**

During the last several years, Bellevue Union School District’s Budgetary Multi Year Projection has held positive certification from the Sonoma County Office of Education, as well as a General Reserve above statutory requirements.

However, recently, multiple conditions have changed that mean that the district cannot guarantee it can meet its financial obligations in the Multi Year Projection, without significant budget reductions.

As a result of these factors, the District took immediate action to reduce expenditures in personnel, programs, goods and services.

The Particular Kinds of Service recommended for reduction were based upon program needs and student enrollment. During the PKS process, staff with the least seniority district-wide in the Particular Kind of Service were noticed that they may be released from their employment at the end of the school year.

Between March 15 and May 6, 2024 this Reduction in Force process was implemented per statutory requirements. At the same time, a process occurred in which resignations, retirements, and other factors that might impact the total number of potential reductions happened. As a result, three lay-off notices and two “bumping” notices were rescinded.

**Recommended Action:** Review and approve.

**Supporting Documents:**

Resolution No 27: Resolution and Decision Not to Reemploy Classified Staff for the 2024-2025 School Year

**Board Policy:**

BUSD BP 4117.3 [BP 4117.3](#)

**Education Code:**

[Section 45117](#)

**BEFORE THE GOVERNING BOARD**  
**OF THE**  
**BELLEVUE UNION SCHOOL DISTRICT**  
**SONOMA COUNTY, STATE OF CALIFORNIA**

Resolution and Decision Not to )  
Reemploy Classified Employees ) **RESOLUTION NO. 27**  
\_\_\_\_\_)

WHEREAS, the Governing Board of the Bellevue Union School District (“District”) adopted a Resolution in the Matter of the Reduction or Elimination of Certain Positions in the Permanent Classified Service (“Resolution”) on or before March 15, 2024, authorizing and directing the Superintendent or Superintendent’s designee to initiate and pursue procedures necessary not to reemploy the following classified positions:

1. Classified Management: Technology Coordinator, 1.0 FTE
2. Classified Management: ELC Coordinator, 0.625 FTE
3. Groundskeeper: 1.0 FTE
4. Literacy Paraprofessional: 4.5 FTE
5. Family Engagement Facilitator: 1.0 FTE

WHEREAS the reduction or elimination of the above-listed classified positions was pursuant to Education Code sections 45117, 45298, and 45308 because of a lack of work or lack of funds; and

WHEREAS, the Superintendent, or Superintendent’s designee, duly and properly served a Notice of Layoff Due to Lack of Work and/or Lack of Funds in Compliance with the Seniority Requirements of the Education Code (“Notice”) on the classified employees listed on Attachment “A” on or before March 15, 2024, indicating that the Governing Board did not

intend to reemploy them to the extent indicated in the Resolution and Notice for the 2024-2025 school year; and

WHEREAS, the classified employees listed on Attachment “A” were informed of their right to request a hearing and that failure to do so in writing by the date specified in the Notice would constitute a waiver of the right to a hearing; and

WHEREAS, the classified employees listed in Attachment “B” either did not submit a timely request for hearing, or submitted a timely request and then rescinded the request.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that considering the classified staff requirements of the District for the 2024-2025 school year, as well as the seniority and qualifications of each of the classified employees of the District, the services of the classified employees listed on Attachment “C” will not be required for the ensuing school year to the extent indicated in the Resolution and Notice to the employees listed in Attachment “C.”

BE IT FURTHER RESOLVED that the Superintendent, or Superintendent’s designee, is authorized and directed to give Final Notice to the classified employees listed on Attachment “C” that their services will not be required by this District for the 2024-2025 school year. Said notice shall be given by serving upon said persons a true copy of this Resolution and Decision Not to Reemploy Classified Employees.

BE IT FURTHER RESOLVED that this decision is effective immediately.

Duly and regularly adopted this \_\_\_ day of \_\_\_\_\_, 2024, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

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President, Board of Trustees

I, \_\_\_\_\_, Clerk of the Governing Board of the Bellevue Union School District, do hereby certify that the foregoing Resolution was regularly introduced, passed and adopted by the Governing Board at its meeting held on \_\_\_\_\_, 2024.

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Clerk, Governing Board

**ATTACHMENT A**

**BELLEVUE UNION SCHOOL DISTRICT**

**LIST OF CLASSIFIED EMPLOYEES SENT  
INITIAL LAYOFF NOTICE**

1. Reinel Duarte
2. Laura Krebs
3. Suzi O'Rear
4. Mary Ellen Pastorino
5. Jose Santamaria
6. Angelica Sotelo

**ATTACHMENT B**

**BELLEVUE UNION SCHOOL DISTRICT**

**LIST OF CLASSIFIED EMPLOYEES WHO EITHER  
DID NOT SUBMIT A TIMELY REQUEST FOR HEARING OR  
REQUESTED A HEARING AND THEN RESCINDED THE REQUEST**

1. Reinel Duarte
2. Laura Krebs
3. Suzi O'Rear
4. Mary Ellen Pastorino
5. Angelica Sandoval
6. Jose Santamaria
7. Angelica Sotelo

**ATTACHMENT C**

**BELLEVUE UNION SCHOOL DISTRICT**

**LIST OF CLASSIFIED EMPLOYEES  
TO BE SENT FINAL LAYOFF NOTICE**

1. Reinel Duarte
2. Laura Krebs
3. Suzi O'Rear
4. Mary Ellen Pastorino
5. Jose Santamaria
6. Angelica Sotelo

## EDUCATION CODE SECTIONS

### CALIFORNIA EDUCATION CODES

#### **§ 45117. Written notice to classified employee of layoff due to due to lack of work, lack of funds, or expiration of a specially funded program; request for hearing; failure to give notice; application of section**

(a)(1) No later than March 15 and before a classified employee is given notice by the governing board of a school district that the employee's services will not be required for the ensuing year due to lack of work or lack of funds, the governing board of the school district and the employee shall be given written notice by the superintendent of the school district or the superintendent's designee, or, in the case of a school district that has no superintendent, by the clerk or secretary of the governing board of the school district, that it has been recommended that the notice be given to the employee, stating the reasons that the employee's services will not be required for the ensuing year, and informing the employee of the employee's displacement rights, if any, and reemployment rights.

(2) Until the classified employee has requested a hearing as provided in subdivision (b) or has waived their right to a hearing, the notice and the reasons for the notice shall be confidential and shall not be divulged by any person, except as may be necessary in the performance of duties. However, a violation of this requirement of confidentiality, in and of itself, shall not in any manner be construed as affecting the validity of a hearing conducted pursuant to this section.

(b) A classified employee may request a hearing to determine if there is cause for not reemploying the employee for the ensuing year. A request for a hearing shall be in writing and shall be delivered to the person who sent the notice, on or before a date specified in subdivision (a), which shall not be less than seven days after the date on which the notice is served upon the employee. If an employee fails to request a hearing on or before the date specified, the employee's failure to do so shall constitute a waiver of the employee's right to a hearing. The notice provided for in subdivision (a) shall advise the employee of the provisions of this subdivision.

(c) If a hearing is requested by a classified employee under subdivision (b), the proceeding shall be conducted and a decision made in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the governing board of a school district shall have all the power granted to an agency in that chapter, except that all of the following shall apply:

(1) The respondent shall file their notice of participation, if any, within five days after service upon the respondent of the District Statement of Reduction in Force and the respondent shall be notified of this five-day period for filing in the District Statement of Reduction in Force.

(2) The discovery authorized by Section 11507.6 of the Government Code shall be available only if a request is made for discovery within 15 days after service of the District Statement of



Reduction in Force, and the notice required by Section 11505 of the Government Code shall so indicate.

(3)(A) The hearing shall be conducted by an administrative law judge who shall prepare a proposed decision, containing findings of fact and a determination as to whether the charges sustained by the evidence are related to the welfare of the schools and the pupils of the schools. The proposed decision shall be prepared for the governing board of the school district and shall contain a determination as to the sufficiency of the cause and a recommendation as to disposition. However, the governing board of the school district shall make the final determination as to the sufficiency of the cause and disposition. None of the findings, recommendations, or determinations contained in the proposed decision prepared by the administrative law judge shall be binding on the governing board of the school district. Nonsubstantive procedural errors committed by the school district or governing board of the school district shall not constitute cause for dismissing the charges unless the errors are prejudicial errors. Copies of the proposed decision shall be submitted to the governing board of the school district and to the classified employee on or before May 7 of the year in which the proceeding is commenced. All expenses of the hearing, including the cost of the administrative law judge, shall be paid by the governing board of the school district from school district funds. Any notice or request shall be deemed sufficient when it is delivered in person to the employee to whom it is directed, or when it is deposited in the United States registered mail, postage prepaid, and addressed to the last known address of the employee. Notice of termination shall be given to the employee before May 15. If a continuance was granted after a request for hearing was made, the deadlines described in this section shall be extended for the number of days of that continuance.

(B) For purposes of this section, “cause” for layoff includes school district compliance with the seniority requirements of this code, including Section 45308.

(4) An employee may be represented at a hearing by an attorney or by a nonattorney representative of the employee organization designated as the exclusive representative of the employees in the employee’s classification, if any.

(d)(1) Notwithstanding subdivisions (a) to (c), inclusive, or any other law, during the time period between five days after the enactment of an annual Budget Act and August 15 of the fiscal year to which that Budget Act applies, if the governing board of a school district determines that its total local control funding formula apportionment per unit of average daily attendance for the fiscal year of that Budget Act has not increased by at least 2 percent, and if the governing board of a school district determines it is therefore necessary to decrease the number of classified employees of the school district due to lack of work or lack of funds, the governing board of the school district may issue a District Statement of Reduction in Force to those employees in accordance with a schedule of notice and hearing to be adopted by the governing board of the school district.

(2) Paragraph (1) shall be inoperative during any period that Section 44955.5 is inoperative as it applies to certificated employees.

(e)(1) If a permanent classified employee is not given the notices and a right to a hearing as provided for in this section, the employee shall be deemed reemployed for the ensuing school year, except that nothing in this section shall be construed to interfere with the right of a district to release probationary employees who never become permanent without notice or hearing.

(2) For purposes of this subdivision, “permanent employee” includes an employee who was permanent at the time the notice or right to a hearing was required and an employee who became permanent after the date of the required notice.

(f)(1) A classified employee shall not be laid off if a short-term employee is retained to render a service that the classified employee is qualified to render. This subdivision does not create a layoff notice requirement for any individual hired as a short-term employee, as defined in Section 45103, for a period not exceeding 60 days.

(2) This subdivision does not apply to the retention of a short-term employee, as defined in Section 45103, who is hired for a period not exceeding 60 days after which the short-term service may not be extended or renewed.

(g) Notwithstanding the other requirements of this code respecting layoff of permanent classified employees, when classified positions must be eliminated as a result of the expiration of a specially funded program, the employees to be laid off shall be given written notice not less than 60 days prior to the effective date of their layoff informing them of their layoff date and their displacement rights, if any, and reemployment rights.

(h) If, after January 1, 2021, the Legislature provides certificated employees with any additional rights to notice or hearing as to layoffs, then permanent classified employees and those who become permanent classified employees shall be afforded the same rights by the school district.

(i) The governing board of the school district may adopt from time to time rules and procedures not inconsistent with this section as may be necessary to effectuate this section.

(j) This section shall apply to districts that have adopted the merit system in the same manner and effect as if it were a part of Article 6 (commencing with Section 45240).

**§ 45298. Persons laid off; reemployment eligibility, preference, promotional examinations; time period; voluntary demotions or reductions in assigned time, eligibility for return**

(a) A person laid off because of lack of work or lack of funds shall be eligible for reemployment for a period of 39 months as follows:

(1) The person's reemployment shall take preference over new applicants.

(2) The person shall have the right to participate in promotional examinations within the district during the period of 39 months.

(3) If the person is reemployed in a new position and fails to complete the probationary period in the new position, he or she shall be returned to the reemployment list for the remainder of the 39-

month period. The remaining time period shall be calculated as the time remaining in the 39-month period as of the date of reemployment.

(b) An employee who takes a voluntary demotion or a voluntary reduction in assigned time in lieu of layoff or to remain in his or her present position rather than be reclassified or reassigned, shall be granted the same rights as persons laid off and shall retain eligibility to be considered for reemployment for an additional period of up to 24 months, provided that the same tests of fitness under which the employee qualified for appointment to the class still apply. The personnel commission shall make the determination of the specific period eligibility for reemployment on a class-by-class basis.

(c) An employee who takes a voluntary demotion or a voluntary reduction in assigned time in lieu of layoff shall be, at the option of the employee, returned to a position in his or her former class or to a position with increased assigned time as vacancies become available, and without limitation of time, but if there is a valid reemployment list the employee shall be ranked on that list in accordance with his or her proper seniority.

#### **§ 45308. Order of layoff and reemployment; length of service**

(a) Classified employees shall be subject to layoff for lack of work or lack of funds. If a classified employee is laid off, the order of layoff within the class shall be determined by length of service. The employee who has been employed the shortest time in the class, plus higher classes, shall be laid off first. Reemployment shall be in order of seniority.

(b)(1) For purposes of this section, in school districts with an average daily attendance below 250,000 for service commencing or continuing after July 1, 1971, "length of service" means all hours in paid status, whether during the school year, a holiday, recess, or during any period that a school is in session or closed, but does not include any hours compensated solely on an overtime basis as provided for in Section 45128. Nothing in this section shall preclude the governing board of a school district from entering into an agreement with the exclusive representative of the classified employees that defines "length of service" to mean the hire date. For purposes of this section, in school districts with an average daily attendance of 250,000 or more, for service commencing or continuing after January 1, 1986, "length of service" shall be determined by the date of hire.

(2) If a governing board enters into an agreement with the exclusive representative of classified employees that defines "length of service" to mean the hire date, the governing board may define "length of service" to mean the hire date for a classification of employee not represented by any exclusive bargaining unit.

(c) This section does not preclude the granting of "length of service" credit for time spent on unpaid illness leave, unpaid maternity leave, unpaid family care leave, or unpaid industrial accident leave. In addition, for military leave of absence, "length of service" credit shall be granted pursuant to Section 45297. In the event an employee returns to work following any other unpaid leave of absence, no further seniority shall be accrued for the time not worked.

(d) "Hours in paid status" shall not be interpreted to mean any service performed before entering into a probationary or permanent status in the classified service of the school district except service in restricted positions as provided in this chapter.