

to (a) make available one or more separate Bonds evidencing the Bonds to any DTC Participant having Bonds credited to its DTC account or (b) arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to the principal and interest with respect to such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided as in the DTC Letter.

Section 2.12. Unclaimed Money. All money which the Paying Agent shall have received from any source and set aside for the purpose of paying or redeeming any of the Bonds shall be held in trust for the respective Owners of such Bonds, but any money which shall be so set aside or deposited by the Paying Agent and which shall remain unclaimed by the Owners of such Bonds for a period of one year after the date on which any payment or redemption price with respect to such Bonds shall have become due and payable shall be transferred to the general fund of the District (the "General Fund"); provided, however, that the Paying Agent, before making such payment, shall cause notice to be mailed to the Owners of such Bonds, by first-class mail, postage prepaid, not less than 90 days prior to the date of such payment to the effect that said money has not been claimed and that after a date named therein any unclaimed balance of said money then remaining will be transferred to the General Fund. Thereafter, the Owners of such Bonds shall look only to the General Fund for payment of such Bonds.

ARTICLE III

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

Section 3.01. Issuance, Award and Delivery of Bonds. At any time after the execution of this Resolution the District may issue and deliver Bonds in any principal amount, subject to the authorization provisions set forth in Section 2.01 and the savings requirements set forth in Section 4.01.

The District Representatives shall be, and are hereby, directed to cause the Bonds to be printed, signed and delivered to the Purchaser on receipt of the purchase price therefor and upon performance of the conditions contained in the Placement Agent Agreement.

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

Section 3.02. Establishment of Costs of Issuance Fund. There is hereby created the "Tehachapi Valley Healthcare District (Kern County, California) General Obligation Refunding Bonds, 2009 Election, Costs of Issuance Fund" (the "Costs of Issuance Fund"), which shall be held and maintained by the Paying Agent as a separate fund, distinct from all other funds thereof. Amounts on deposit in the Costs of Issuance Fund shall be disbursed for the purpose of paying all Costs of Issuance. Payment of the Costs of Issuance shall be made only upon the receipt by the Paying Agent, as costs of issuance custodian under the Paying Agent Agreement, of a written request of the District. Moneys on deposit in the Costs of Issuance Fund shall be invested in money market mutual funds which are rated by Moody's Investors Service or S&P Global Ratings in one

of its two highest rating categories, including funds for which the Paying Agent, its affiliates or subsidiaries provide investment, advisory or other management or administrative service. Interest and earnings derived from the investment of amounts on deposit in the Costs of Issuance Fund shall be retained therein until the Costs of Issuance Fund is closed. On the date three months after the Closing Date, or upon prior written direction from the District, all amounts remaining on deposit in the Costs of Issuance Fund shall be withdrawn therefrom by the Paying Agent and transferred to District and the Costs of Issuance Fund shall be closed. The Placement Agent fee and other Costs of Issuance may be retained from original issue premium obtained upon sale, pursuant to the terms of the Placement Agent Agreement. Costs authorized to be paid from the proceeds of the Bonds are all of the authorized costs of issuance set forth in Government Code Sections 53550(e), 53550(f) and 53587.

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

- (a) to the Escrow Bank, the amount required for the redemption of the Prior Bonds; and
- (b) to the Paying Agent, as costs of issuance custodian under the Paying Agent Agreement, an amount equal to the amounts required for the payment of Costs of Issuance, for deposit in the Costs of Issuance Fund.

Section 3.04. Security for the Bonds. There shall be levied by Kern County on all the taxable property in the District, in addition to all other taxes, a continuing direct and *ad valorem* tax annually during the period the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds and the 2004 Election Bonds when due (the "Pledged Revenues"), which moneys when collected will be placed in the Interest and Sinking Fund (as defined below) of the District, which fund is irrevocably pledged for the payment of the principal of and interest on the Bonds and the 2004 Election Bonds when and as the same fall due. The Bonds and the 2004 Election Bonds shall be secured by a sole and exclusive statutory lien on and irrevocable pledge of the *ad valorem* tax or taxes levied for their repayment, which *ad valorem* tax or taxes may be levied without limitation as to rate or amount. The moneys in the Interest and Sinking Fund heretofore established and maintained by the County for the District (the "Interest and Sinking Fund"), to the extent necessary to pay the principal of and interest on the Bonds and the 2004 Election Bonds as the same become due and payable, shall be transferred by the County directly to the Paying Agent, as paying agent for the Bonds and the 2004 Election Bonds, as necessary to pay the principal of and interest on the Bonds and the 2004 Election Bonds. The property taxes and amounts held in the Interest and Sinking Fund of the District shall immediately be subject to this pledge, and the pledge shall constitute a lien and security interest which shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The pledge is an agreement between the District and the Owners of the Bonds in addition to any statutory lien that may exist, and the Bonds were issued to refinance one or more projects specified in the 2009 Authorization and not to finance the general purposes of the District.

Additionally, in accordance with section 53515(a) of the California Government Code, the Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and

collection of the tax for the Bonds. The lien shall automatically attach without further action or authorization by the District or the County. The lien shall be valid and binding from the time the Bonds are executed and delivered. The revenues received pursuant to the levy and collection of the tax shall be immediately subject to the lien, and the lien shall automatically attach to the revenues and be effective, binding, and enforceable against the District, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any physical delivery, recordation, filing, or further act.

It is the intention of the District that (i) for purposes of 11 U.S.C. §902(2)(E), the Pledged Revenues constitute "taxes specifically levied to finance one or more projects or systems" of the District and are not "general property, sales or income taxes ... levied to finance the general purposes of the District, and (ii) the pledge of the Pledged Revenues constitutes a pledge of "special revenues" for purposes of 11 U.S.C. §§901 et seq., and that a petition filed by the District under 11 U.S.C. §§901 et seq., will not operate as a stay under 11 U.S.C. §362 of the application of such Pledged Revenues to payment when due of principal of and interest on the Bonds and the 2004 Election Bonds on each payment date in accordance with Section 9 hereof, subject to 11 U.S.C. §928, if and to the extent applicable. The District will not take any action inconsistent with its agreement and statement of intention hereunder, and will not deny that the pledge of the Pledged Revenues constitutes a pledge of special revenues for purposes of 11 U.S.C. §§901 et seq.

The District shall cause moneys to be transferred to the Rebate Fund to the extent needed to comply with the Tax Certificate and Section 3.05 of this Resolution. Any amounts on deposit in the Debt Service Fund when there are no longer any Bonds Outstanding shall be transferred to the General Fund of the District, subject to any conditions set forth in the Tax Certificate and Section 3.05 of this Resolution.

Section 3.05. Establishment and Application of Rebate Fund. There is hereby established in trust a special fund designated "Tehachapi Valley Healthcare District (Kern County, California) General Obligation Refunding Bonds, 2009 Election, Rebate Fund" (the "Rebate Fund") which shall be held by the Chief Financial Officer for the account of the District and which shall be kept separate and apart from all other funds and accounts held hereunder. The District shall transfer, or cause to be transferred, moneys to the Rebate Fund in accordance with the provisions of the Tax Certificate and Section 5.05(h) of this Resolution. Amounts on deposit in the Rebate Fund shall only be applied to payments made to the United States or otherwise transferred to other accounts or funds established hereunder in accordance with the Tax Certificate and Section 5.05 of this Resolution.

ARTICLE IV

SALE OF BONDS; APPROVAL OF PAYING AGENT AGREEMENT; OFFICIAL ACTIONS

Section 4.01. Sale of the Bonds.

(a) *Minimum Savings Required.* A District Representative shall determine, on behalf of the District whether the Prior Bonds shall be refunded; *provided, however,* the net present value

savings to be realized by the District with respect to the Prior Bonds as a result of the issuance of the Bonds shall not be less than [5%] of the outstanding principal balance of the Prior Bonds.

(b) *Private Placement Method of Sale.* Terms and Conditions of Sale; Private Placement Method of Sale; Costs of Sale. The Board hereby authorizes and approves the sale of the Bonds to the Purchaser as a private placement, which is determined to provide an ability to implement the sale in a shorter time period, with lower transaction costs, reducing the impact on District staff time, and providing the District with the ability to “lock-in” the interest rate earlier in the transaction process than with a public sale, all of which will contribute to the District’s goal of achieving the lowest overall costs of funds and transaction efficiency, and prudent management of the fiscal affairs of the District requires that it issue the Bonds without submitting the question of the issuance of the Bonds to a vote of the qualified electors of the District. The Bonds shall be sold at a negotiated sale upon the direction of the District Representative to the Purchaser. The costs of sale of the Bonds, which include bond counsel fees, fees of counsel to the Purchaser, fees of CDIAC, paying agent fees, fees of the municipal advisor, placement agent, municipal data collection, if applicable, and other related fees, are estimated at \$[_____]. The Bonds shall be sold pursuant to the terms and conditions set forth in the Placement Agent Agreement, in the form attached hereto as Exhibit B, together with any additions thereto or changes therein deemed necessary or advisable by a District Representative, is hereby approved by the Board. Each District Representative is hereby authorized and directed to negotiate with the Purchaser the interest rates on the Bonds and the purchase price of the Bonds to be paid by the Purchaser. Final terms of the Bonds shall be as set forth in the Placement Agent Agreement and in any direct placement agreement with the Purchaser as a District Representative deems necessary or advisable to accomplish the purposes of this Resolution and that is not inconsistent with the terms hereof. Alternatively, the Purchaser may be deemed a third-party beneficiary of such terms of the Placement Agent Agreement made for the Purchaser’s benefit, as and to the extent provided in the Placement Agent Agreement. The Placement Agent fee shall not exceed 0.70% of the principal amount of Bonds.

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

Section 4.03. Approval of Escrow Agreement. The Escrow Agreement, in the form attached hereto as Exhibit D, together with any additions thereto or changes therein deemed necessary or advisable by a District Representative, is hereby approved by the Board. The District Representatives are hereby authorized and directed to execute the Escrow Agreement for and in the name and on behalf of the District. The Board hereby authorizes the delivery and performance of the Escrow Agreement.

Section 4.04. Official Action. All actions heretofore taken by the officers and agents of the District with respect to the sale and issuance of the Bonds are hereby approved, and the District Representatives, and any and all other officers of the District are hereby authorized and directed for and in the name and on behalf of the District, to do any and all things and take any and all

actions relating to the execution and delivery of any and all certificates, requisitions, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this Resolution including, if cost effective, to purchase municipal bond insurance for the Bonds.

ARTICLE V

COVENANTS OF THE DISTRICT

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

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

Section 5.03. Protection of Security and Rights of Bondowners. The District will preserve and protect the security of the Bonds and the rights of the Bondowners, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the District, the Bonds shall be incontestable by the District. The District will do whatever is in its knowledge and power to assure that the Bonds shall be secured by a sole and exclusive statutory lien on and irrevocable pledge of the *ad valorem* tax or taxes levied for their repayment.

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

Section 5.05. Federal Tax Covenants. This Section 5.05 shall apply to any Bonds issued as Tax-Exempt Bonds.

(a) Definitions. When used in this Section, the following terms have the following meanings:

“Closing Date” means the date on which the Tax-Exempt Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“Code” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“Computation Date” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Gross Proceeds” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Tax-Exempt Bonds.

“Investment” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Tax-Exempt Bonds are invested and which is not acquired to carry out the governmental purposes of the Tax-Exempt Bonds.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Yield” of

(i) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(ii) of the Tax-Exempt Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The District shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Tax-Exempt Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the District receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Tax-Exempt Bond, the District shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the District shall at all times prior to the last stated maturity of Tax-Exempt Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Tax-Exempt Bonds (including property financed with Gross Proceeds of the Prior Bonds), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the

general public) or any property acquired, constructed or improved with such Gross Proceeds (including property financed with Gross Proceeds of the Prior Bonds) in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Tax-Exempt Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the District or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the District shall not use Gross Proceeds of the Tax-Exempt Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the District shall not at any time prior to the final stated maturity of the Tax-Exempt Bonds directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, exceeds the Yield of the Tax-Exempt Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the District shall not take or omit to take any action which would cause the Tax-Exempt Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The District shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The District shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain

all records of accounting for at least six years after the day on which the last outstanding Tax-Exempt Bond is discharged. However, to the extent permitted by law, the District may commingle Gross Proceeds of the Tax-Exempt Bonds with other money of the District, provided that the District separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the District shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The District shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Tax-Exempt Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Tax-Exempt Bonds by the initial purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to ensure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the District shall pay to the United States out of the Rebate Fund, its general fund, or other appropriate fund, the amount that when added to the future value of previous rebate payments made for the Tax-Exempt Bonds equals (A) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (B) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The District shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the District shall not, at any time prior to the earlier of the stated maturity or final payment of the Tax-Exempt Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Tax-Exempt Bonds not been relevant to either party.

(j) Elections. The District hereby directs and authorizes each of the Chief Executive Officer and the Chief Financial Officer, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate

in connection with the Tax-Exempt Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

(k) Bonds Not Hedge Bonds.

(i) At the time the Prior Bonds were issued, the District reasonably expected to spend at least 85% of the spendable proceeds of such Prior Bonds within three years after such Prior Bonds were issued.

(ii) Not more than 50% of the Prior Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

Section 5.06. Requirements of Sections 53508.9 and 5852.1 of the California Government Code.

(a) As required by section 53508.9 of the California Government Code, the District hereby states and certifies the following information:

(i) *Express Approval of Sale.* The Board hereby approves the private placement sale of the Bonds to the Purchaser.

(ii) *Statement of Reason for Method of Sale Selected.* Negotiated sales are deemed to provide more flexibility in timing the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Bonds to fit the needs of particular purchasers, and greater flexibility in changing the time and terms of the sale than a competitive sale in a volatile municipal securities market, all of which will contribute to the District's goal of achieving the lowest overall cost of funds.

(iii) *Disclosure of Consultants.* The municipal advisor to the District in connection with the issuance of the Bonds will be CFW Advisory Services, LLC. The bond counsel and disclosure counsel to the District in connection with the issuance of the Bonds will be Norton Rose Fulbright US LLP, Los Angeles, California. The Placement Agent in connection with the issuance of the Bonds will be Piper Sandler & Co.

(iv) *Estimate of Costs Associated with the Sale of the Bonds.* Based on an estimated principal amount of \$55,000,000, costs associated with the issuance of the Bonds are estimated to be \$ _____. The Placement Agent fee is estimated to be \$ _____ (0.70%).

(b) As required by section 5852.1 of the California Government Code, the District hereby provides the following good faith estimates regarding the Bonds, based upon a principal amount of \$55,000,000 (plus an estimated original issue premium of \$ _____):

(c) The true interest cost of the Bonds: _____ %.

(d) The finance charge of the Bonds (the sum of all fees and charges paid to third parties), which includes the estimated Placement Agent fee: \$ _____.

(e) The amount of proceeds to be received less the sum of all fees and charges paid to third parties, any reserves or capitalized interest: \$_____.

(f) The sum total of all payments the District will make to pay debt service on the Bonds, calculated to the final maturity of the Bonds: \$_____.

The foregoing constitute good faith estimates only.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (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 based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates with respect to the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District.

Section 5.07. Engagement of Consultants. CFW Advisory Services, LLC has been selected as the Municipal Advisor to the District, Norton Rose Fulbright US LLP has been selected as the District's Bond Counsel, Piper Sandler & Co. has been selected to act as the Placement Agent, with respect to the authorization, sale and issuance of the Bonds.

ARTICLE VI

THE PAYING AGENT

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

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

capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

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

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

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

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

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

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

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

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

such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

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

Section 6.05. Compensation, Indemnification.

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

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

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF BONDOWNERS

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

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

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

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

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

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

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

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

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

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

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

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

Section 7.04. Remedies Not Exclusive. No remedy herein conferred upon the Owners of Bonds shall be exclusive of any other remedy and that each and every remedy shall be cumulative

and shall be in addition to every other remedy given hereunder or thereafter conferred on the Bondowners.

ARTICLE VIII

SUPPLEMENTAL RESOLUTIONS

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

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

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

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

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

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

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

ARTICLE IX

INSURANCE PROVISIONS

Section 9.01. Notice and Other Information to be given to BAM. The District will provide BAM with all notices and other information it is obligated to provide (i) under its continuing disclosure agreements or certificates relating to the District's 2004 Election Bonds, even if the 2004 Election Bonds are no longer outstanding and (ii) to the holders of Bonds or any trustee or paying agent under the Security Documents.

The notice address of BAM is: Build America Mutual Assurance Company, 200 Liberty Street, 27th Floor, New York, NY 10281, Attention: Surveillance, Re: Policy No. _____, Telephone: (212) 235-2500, Telecopier: (212) 235-1542, Email: notices@buildamerica.com. In each case in which notice or other communication refers to an event of default or a claim on the Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 9.02. Amendments, Supplements and Consents.

(a) Consents and Amendments. Wherever any Security Document requires the consent of Bondholders, BAM's consent shall also be required. In addition, any amendment, supplement or modification to the Security Documents that adversely affect the rights or interests of BAM shall be subject to the prior written consent of BAM.

(b) Consent of BAM Upon Default. Anything in any Security Document to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM shall be deemed to be the sole holder of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Bonds or the trustee, paying agent, registrar, or similar agent (the "Paying Agent") for the benefit of such holders under any Security Document. The Paying Agent may not waive any default or event of default or accelerate the Bonds without BAM's written consent.

(c) Special Provisions for Insurer Default: If an Insurer Default shall occur and be continuing, then, notwithstanding anything above to the contrary, (1) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM shall be treated like any other holder of the Bonds for all purposes, including giving of consents, and (2) if BAM has not made any payment under the Policy, BAM shall have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (1) shall control. For purposes of this paragraph (3), "Insurer Default" means: (A) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (B) BAM shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Policy or shall obtain an order or grant approval for

the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

(d) BAM As Third Party Beneficiary. BAM is explicitly recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce any right, remedy or claim conferred, given or granted thereunder.

(e) Policy Payments.

(i) In the event that principal and/or interest due on the Bonds shall be paid by BAM pursuant to the Policy, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the District, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the District to the registered owners shall continue to exist and shall run to the benefit of BAM, and BAM shall be subrogated to the rights of such registered owners including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Bonds.

(ii) Irrespective of whether any assignment is executed and delivered, the District shall agree for the benefit of BAM that:

(A) They recognize that to the extent BAM makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Bonds, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the District, with interest thereon, as provided and solely from the sources stated in the Security Document and the Bonds; and

(B) They will accordingly pay to BAM the amount of such principal and interest, with interest thereon, but only from the sources and in the manner provided in the Security Documents and the Bonds for the payment of principal of and interest on the Bonds to holders, and will otherwise treat BAM as the owner of such rights to the amount of such principal and interest.

ARTICLE X

MISCELLANEOUS

Section 10.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, is intended to give to any person other than the District, the Paying Agent and the Owners of the Bonds, any right, remedy, claim under or by reason of this Resolution. Any covenants, stipulations, promises or agreements in this Resolution contained by and on behalf of the District shall be for the sole and exclusive benefit of the Owners of the Bonds.

Section 10.02. Defeasance.

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

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

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

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

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

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

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

(c) *Deposit of Money or Securities with Paying Agent.* Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be

deposited or held may include money or securities held by the Paying Agent in the funds and accounts established pursuant to this Resolution and shall be:

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

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

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

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

(e) If refunding bonds ("Refunding Bonds") will be issued for the purpose of legally defeasing such then outstanding BAM-insured Bonds (in this context, the "Refunded Bonds") and upon their issuance (A) such Refunding Bonds have a final maturity date that is not later than the final Maturity Date of the Refunded Bonds, (B) the average annual debt service on the Refunding Bonds does not exceed the average annual debt service on the Refunded Bonds, and (C) the net proceeds of such Refunding Bonds are applied solely towards the legal defeasance of the Refunded Bonds and related costs of issuance, then, if BAM is requested to, and in its sole discretion

determines to, offer a municipal bond insurance policy covering the Refunding Bonds (the "Refunding Policy") BAM will credit the then available Member Surplus Contribution for the Refunded Bonds against the insurance payment then charged with respect to the Refunding Bonds (proportionate to the amount of Refunding Bonds insured by BAM).

Section 10.03. Execution of Documents and Proof of Ownership by Bondowners. Any request, declaration or other instrument which this Resolution may require or permit to be executed by Bondowners may be in one or more instruments of similar tenor, and shall be executed by Bondowners in person or by their attorneys appointed in writing.

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

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

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

Section 10.04. Delivery of New Bond. Upon compliance with the provisions of Section 2.02(e) hereof, and the execution of the Tax Conversion Agreement, the District agrees to prepare, and deliver to the Purchaser, a replacement Bond indicating that the Bond will bear interest at the Tax-Exempt Rate as of the Conversion Date.

Section 10.05. Waiver of Personal Liability. No Board member, officer, agent or employee of the District shall be individually or personally liable for the payment of the principal of or interest on the Bonds; but nothing herein contained shall relieve any such Board member, officer, agent or employee from the performance of any official duty provided by law.

Section 10.06. Destruction of Canceled Bonds. Whenever in this Resolution provision is made for the surrender to the District of any Bonds which have been paid or canceled pursuant to the provisions of this Resolution, a certificate of destruction duly executed by the Paying Agent shall be deemed to be the equivalent of the surrender of such canceled Bonds and the District shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 10.07. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The District hereby declares that it would have adopted this Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Resolution may be

held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the District is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the District hereunder shall be assumed by and vest in the District in trust for the benefit of the Bondowners.

Section 10.08. Conflicts. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Placement Agent Agreement, the Placement Agent Agreement prevails to the extent of the inconsistency or conflict. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Tax Certificate, the Tax Certificate prevails to the extent of the inconsistency or conflict.

Section 10.09. Electronic Signatures. All agreements and other documents authorized under this Resolution may be executed with an electronic signature under the California Uniform Electronic Transactions Act ("UETA") (California Civil Code §1633.1 et seq.).

Section 10.10. Annual Disclosures to Purchaser and BAM. The District hereby covenants and agrees that it shall provide to the Purchaser and, while the Policy is in effect, to BAM, or make available electronically on a public Web site, annually, within 270 days after the close of each Fiscal Year so long as any of the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year showing all revenues and expenditures of the District for such Fiscal Year in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board (GASB). The District also hereby covenants and agrees that it shall provide to the Purchaser such other financial and operating information concerning the District as shall be reasonably requested by the Purchaser.

Section 10.11. Website Disclosure. If the District elects or is required to post documentation related to this Resolution on a national public market repository, the District may do so with certain information redacted pursuant to this Section. With respect to any such posting, the District shall provide such documentation to the Purchaser for review with reasonable advance notice prior to any posting deadline imposed by applicable law and shall consider in good faith reasonable redaction requests of the Purchaser Sensitive Data (defined below) that are provided within a reasonable period prior to such posting deadline. The District shall redact such "Purchaser Sensitive Data" as directed by the Purchaser. For the purpose of this Section, "Purchaser Sensitive Data" means signatures/names, account numbers, wire transfer and payment instructions and any other data that could be reasonably construed as sensitive information.

Section 10.12. Effective Date of Resolution. This Resolution shall take effect from and after the date of its passage and adoption.

* * * * *

PASSED AND ADOPTED at the meeting of the Tehachapi Valley Healthcare District Board of Directors held on the 19th day of October, 2021, by the following vote:

AYES: _____, _____, _____,

NOES: _____,

ABSENT: _____,

ABSTAIN: _____,

President, Board of Directors
Tehachapi Valley Healthcare District

ATTEST:

Secretary, Board of Directors
Tehachapi Valley Healthcare District

Agent as of the close of business on the fifteenth day of the month next preceding such interest payment date (the "Record Date"), or at such other address as the Owner may have filed with the Paying Agent for that purpose; provided however, that payment of interest may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Paying Agent at least five (5) days before the applicable Record Date.

The interest on this Bond is intended to initially be included in the gross income of the Owner for federal income tax purposes. The Applicable Bond Rate on this Bond shall be 3.250% as stated above prior to Conversion Date (as defined in the hereinafter defined Resolution and no earlier than August 3, 2023). The District intends that, on and after the Conversion Date, and subject to the satisfaction of certain conditions, the Bonds shall be "converted" such that the interest rate on the Bonds shall be 2.50% (the "Tax-Exempt Rate") and interest on the Bonds shall thereafter be excluded from income of the Owner for federal income tax purposes and exempt from State personal income taxes. The Applicable Bond Rate is defined to mean 3.25% prior to the Conversion Date and 2.50% on and after the Conversion Date.

So long as this Bond is owned by Capital One Public Funding, LLC (including its successors or assigns, the "Purchaser"), the following shall apply: (a) this Bond is not required to be presented and surrendered to the Paying Agent for payment at any time prior to the final maturity thereof, and (b) the Paying Agent will pay the principal of and interest on this Bond by wire transfer to the Purchaser in accordance with the wire transfer instructions provided by the Purchaser to the Paying Agent from time to time; provided that principal on this Bond which is payable at maturity shall be made only upon presentation and surrender hereof at the Office of the Paying Agent as set forth in the preceding paragraph.

The Bonds of this issue are comprised of \$_____ principal amount of Bonds. This Bond is issued by the District pursuant to the provisions of Chapter 4 (commencing with section 53550) of Article 9 of Chapter 3 of Division 2 of Title 5 of the California Government Code (the "Act"), and pursuant to Resolution No. _____ of the District adopted November __, 2021 (the "Resolution"), authorizing the issuance of the Bonds. Reference is hereby made to the Resolution (copies of which are on file at the office of the Secretary of the Board of Directors of the District) and the Act for a description of the terms on which the Bonds are issued and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Paying Agent and the rights and obligations of the District thereunder, to all of the provisions of which Resolution the Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the District, to (a) provide for the redemption of the outstanding Tehachapi Valley Healthcare District (Kern County, California) General Obligation Bonds, Election of 2009, Series 2013, and (b) pay for costs of issuance of the Bonds.

This Bond and the interest hereon and on all other Bonds and the 2004 Election Bonds (as defined in the Resolution) and the interest thereon (to the extent set forth in the Resolution) are general obligations of the District and the District has the power and is obligated to cause Kern County to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District without limitation as to rate or

amount. The Bonds and the 2004 Election Bonds shall be secured by a sole and exclusive statutory lien on and irrevocable pledge of the *ad valorem* tax or taxes levied for their repayment.

[If the Bonds are Taxable Bonds, the Bonds are callable for redemption prior to their stated maturity date at the option of the District, as a whole, on any date on or after November 1, 2031, from any source lawfully available therefor, at a redemption price equal to the principal amount redeemed, plus accrued interest to date of redemption, without premium.

If the Bonds are Tax-Exempt Bonds, the Bonds are callable for redemption prior to their stated maturity date at the option of the District, as a whole, on any date on or after November 1, 2032, from any source lawfully available therefor, at a redemption price equal to the principal amount redeemed, plus accrued interest to date of redemption, without premium.]

The Bonds are subject to mandatory sinking fund redemption prior to their stated maturity date, at the principal amount thereof without premium on each November 1, on and after November 1, _____, to and including November 1, _____, in the principal amounts as set forth in the following table:

Date of Sinking Fund Redemption (November 1)	Sinking Fund Installment Amount	Date of Sinking Fund Redemption (November 1)	Sinking Fund Installment Amount
---	------------------------------------	---	------------------------------------

† Maturity

The Bonds are issuable as fully registered Bonds, without coupons, in denominations of \$100,000 and any integral multiple of \$5,000 thereafter. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Owner hereof, in person or by his attorney duly authorized in writing, at said office of the Paying Agent in [Minneapolis, Minnesota], but only in the manner and subject to the limitations provided in the Resolution, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange.

THIS BOND MAY NOT BE TRANSFERRED BY THE OWNER HEREOF EXCEPT TO ANY PERSON THAT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED) WHO IS PURCHASING FOR ITS OWN ACCOUNT FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO DISTRIBUTING THIS BOND. ANY OWNER OF THIS BOND SHALL BE DEEMED BY THE ACCEPTANCE OR ACQUISITION OF THIS BOND TO HAVE AGREED TO BE BOUND BY THE TRANSFER RESTRICTIONS PROVISIONS IN THE RESOLUTION.

The District and the Paying Agent may treat the Owner hereof as the absolute owner hereof for all purposes, and the District and the Paying Agent shall not be affected by any notice to the contrary.

The Resolution may be amended without the consent of the Owners of the Bonds to the extent set forth in the Resolution.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any limit prescribed by any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Resolution.

This Bond shall not be entitled to any benefit under the Resolution or become valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed manually by the Paying Agent.

IN WITNESS WHEREOF, the Tehachapi Valley Healthcare District has caused this Bond to be executed in its name and on its behalf with the facsimile signatures of the President of its Board of Directors and the Secretary of the Board of Directors, all as of the Issue Date stated above.

TEHACHAPI VALLEY HEALTHCARE
DISTRICT

By _____
President of the Board of Directors

ATTEST:

Secretary of the Board of Directors

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution.

Authentication Date:

WELLS FARGO BANK, N.A., as Paying
Agent

By _____
Authorized Signatory

STATEMENT OF INSURANCE

Build America Mutual Assurance Company ("BAM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Bond to Wells Fargo Bank, N.A., [Minneapolis, Minnesota], or its successor, as paying agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from BAM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents (i) to the subrogation and all other rights of BAM as more fully set forth in the Policy and (ii) that upon the occurrence and continuance of a default or an event of default under the Resolution or this Bond, BAM shall be deemed to be the sole owner of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the owners of the Bonds or the trustee, paying agent, registrar or similar agent for the benefit of such owners under the Resolution, at laws or in equity.

ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute(s) and appoint(s)

attorney, to transfer the same on the registration books of the Paying Agent with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: Signature(s) must be guaranteed by a qualified guarantor institution

Notice: The signature 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 PLACEMENT AGENT AGREEMENT

§ _____
TEHACHAPI VALLEY HEALTHCARE DISTRICT
(Kern County, California)
General Obligation Refunding Bonds
2009 Election, 2021 Series A
(Convertible)

PLACEMENT AGENT AGREEMENT

December __, 2021

Tehachapi Valley Healthcare District
116 W E Street
Tehachapi California 93561

Ladies and Gentlemen:

The undersigned, Piper Sandler & Co. (the "Placement Agent"), acting on its own behalf and not as a fiduciary or agent of any other party, offers to enter into the following agreement (this "Agreement") with the Tehachapi Valley Healthcare District (the "District"), which, upon acceptance by the District, will be binding upon the District and the Placement Agent. Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in Resolution No. __ of the Board of Directors of the District, adopted on November __, 2021 (the "Resolution").

Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Placement Agent and the District hereby agree as follows:

1. Appointment of Placement Agent; Placement of the Bonds; Terms of the Bonds.

(i) The District hereby appoints the Placement Agent to act, and the Placement Agent hereby agrees to act, as the exclusive placement agent for the District in connection with the private sale of its General Obligation Refunding Bonds, 2009 Election, 2021 Series A (Convertible) (the "Bonds"), and the Placement Agent hereby accepts such appointment.

The Bonds shall be dated December __, 2021, shall be issued in the principal amount of \$ _____, shall bear interest at the interest rate of 3.25% per annum prior to the Conversion Date (as defined in the Resolution), and at the rate of 2.50% per annum following the Conversion Date (the "Applicable Bond Rate"), and shall be issued in fully registered form, in the authorized denominations of \$100,000 or any integral multiple of \$1,000 in excess thereof. The

Bonds shall bear interest payable from the date thereof and such interest shall be payable on first day of May and November in each year commencing on May 1, 2022. Interest on the Bonds shall be calculated as set forth in the Resolution. The Bonds shall be registered in the name of Capital One Public Funding, LLC.

The Bonds which are Taxable Bonds shall be subject to optional redemption prior to maturity as a whole, on any date on or after November 1, 2031, from any source lawfully available therefor, at a redemption price equal to the principal amount redeemed, plus accrued interest to date of redemption, without premium.

The Bonds which are Tax-Exempt Bonds shall be subject to optional redemption prior to maturity as a whole, on any date on or after November 1, 2032, from any source lawfully available therefor, at a redemption price equal to the principal amount redeemed, plus accrued interest to date of redemption, without premium.

The Bonds are subject to mandatory sinking fund redemption on November 1 of each year, commencing November 1, 2022, in the following principal amounts, at a redemption price of par, plus accrued interest to the redemption date:

Date of Sinking Fund Redemption (November 1)	Sinking Fund Installment Amount	Date of Sinking Fund Redemption (November 1)	Sinking Fund Installment Amount
---	------------------------------------	---	------------------------------------

[†] Maturity.

As compensation for its services hereunder, the Placement Agent shall charge a fee equal to \$ _____. At the closing of any such sale, the District shall pay or cause to be paid such fee to the Placement Agent by wire transfer or immediately available funds. The above fee does not include any services the Placement Agent may render in the future to the District with respect to any offering or placement of municipal securities other than the Bonds.

(ii) The District understands that the Placement Agent will be acting as the agent of the District in the offering and sale of the Bonds and agrees that, in connection therewith, the Placement Agent will use its "best efforts" to place the Bonds, and the District hereby retains the Placement Agent as the exclusive agent of the District to offer and place, on an all or none basis. This Agreement shall not give rise to any expressed or implied commitment by the Placement Agent to purchase or place any of the Bonds.

(iii) The Placement Agent has the right to use or to disclose any information, including, but not limited to, the legal documents prepared in connection with the issuance of the Bonds: (i) which is, at the time of disclosure, generally known or available to the public (other than as a result of a breach of this Agreement); (ii) which becomes, at a later date, generally known or available to the public through no fault of the Placement Agent and then only after said later date; (iii) which is disclosed to the Placement Agent in good faith by a third party who, to Placement Agent's knowledge, has an independent right to such information and is under no known obligation not to disclose it to the Placement Agent; (iv) which is possessed by the Placement Agent, as evidenced by such Placement Agent's written or other tangible evidence; (v) to the extent expressly required by any governmental, judicial, supervisory or regulatory authorities pursuant to federal or state law, subpoena or similar legislative, administrative or judicial process; or (vi) the use of which is consented to by the express prior written consent of an authorized representative of the District.

(iv) The Placement Agent Agreement shall contain provisions limiting transfers of the Bonds to "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended ("Qualified Institutional Buyers") as set forth in the Resolution. The face of each Bond shall contain a legend to that effect.

The Placement Agent shall, on a "best efforts" basis, make offers and placements of the Bonds solely to persons whom it reasonably believes to be Qualified Institutional Buyers (each such purchaser herein referred to as a "Purchaser") and shall deliver to the District a completed and duly executed Representation Letter substantially in the form attached hereto as Exhibit A. There is no assurance that any or all of the Bonds will be sold, and the Placement Agent is under no obligation to purchase any of the Bonds on its own behalf or on behalf of others.

(v) The District shall (i) allow each Purchaser an opportunity to conduct its own independent examination of, and ask questions and receive answers concerning, the District, the Paying Agent, the Resolution, the Bonds, and the security therefor, and the transactions and documents related to or contemplated by the foregoing, and (ii) furnish each Purchaser with all documents and information regarding the District, the Paying Agent, the Resolution, the Bonds, and the security therefor, and the transactions and documents related to or contemplated by the foregoing, and all matters related thereto, that such Purchaser requests.

(vi) The District acknowledges and agrees that (i) arranging for Purchaser to purchase the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the District and the Placement Agent, (ii) in connection with such transaction, the Placement Agent is acting solely as a principal and not as an agent or a fiduciary of the District, (iii) the Placement Agent has not assumed (individually or collectively) a fiduciary responsibility in favor of the District with respect to (x) the placement of the Bonds or the process leading thereto (whether or

not the Placement Agent has advised or is currently advising the District on other matters), or (y) any other obligation to the District except the obligations expressly set forth in this Agreement, (iv) it has received the Placement Agent's required disclosures under Rule G-17 of the Municipal Securities Rulemaking Board (the "MSRB"); and (v) the District has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the placement of the Bonds. The District agrees that it will not claim that the Placement Agent has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the District in connection with such transaction or the process leading thereto. The Placement Agent is not acting as a municipal advisor as defined in Section 15B of the Securities Exchange Act of 1934, as amended, in connection with the matters contemplated by this Agreement.

(vii) The Placement Agent has placed the bonds with Capital One Public Funding, LLC.

2. Covenants, Representations and Warranties of the District. The District represents, warrants and agrees as follows:

(i) the District is, and will be at the Closing Date, a hospital district, duly organized and existing under and by virtue of the laws of the State of California with full power and authority to observe and perform the covenants and agreements set forth in this Agreement and the Resolution;

(ii) by official action of the Board of Directors of the District (the "Board"), prior to or concurrently with the acceptance hereof, the District (a) has duly adopted the Resolution authorizing and approving the issuance and sale of the Bonds and execution and delivery of this Agreement and the Escrow Agreement, and the performance of its obligations contained herein and (b) the Resolution is in full force and effect and has not been amended or supplemented as of the date hereof;

(iii) the execution and delivery of this Agreement and the Escrow Agreement and compliance with the provisions on the District's part contained herein do not and will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, statute, indenture, mortgage, deed of trust, bond, note, resolution, agreement or other instrument to which the District is a party or by which the District is bound;

(iv) any certificate signed by an authorized officer of the District and delivered to the Placement Agent shall be deemed a representation and warranty by the District in connection with this Agreement to the Placement Agent as to the statements made therein for the purposes for which such statements are made;

(v) The District represents that the Bonds are exempt from registration pursuant to the United States Securities Act of 1933, as amended (the "Act"); and

(vi) The District agrees promptly from time to time to take such action as the Placement Agent may reasonably request to qualify, if such qualification is necessary, the Bonds for offering and sale as a private placement under the securities laws of such states as the Placement Agent may reasonably request, and the District further agrees to comply with such laws so as to

permit such offers and sales. Any fees and costs in connection with such qualification shall be borne by the Placement Agent.

3. **Reliance.** The District recognizes that, in providing services under this Agreement, the Placement Agent will rely upon and assume the accuracy and completeness of the financial, accounting, tax and other information discussed with or reviewed by the Placement Agent for such purpose, and the Placement Agent does not assume responsibility for the accuracy and completeness thereof. The Placement Agent will have no obligation to conduct any independent evaluation or appraisal of the assets or the liabilities of the District or any other party or to advise or opine on related solvency issues. Nothing in this Agreement is intended to confer upon any other person (including creditors, employees or other constituencies of the District) any rights or remedies hereunder or by reason hereof.

4. **Termination.** The Placement Agent's authorization to carry out its duties hereunder may be terminated by the District or the Placement Agent at any time with or without cause, effective upon receipt of written notice to that effect by the other party.

5. **Notices.** Any notice or other communication to be given to any of the parties to this Agreement may be given by delivering the same in writing as follows: to the District, to Ms. Caroline Wasielewski, Chief Executive Officer, Tehachapi Valley Healthcare District, 116 W. E Street, Tehachapi, CA 93561 or if to the Placement Agent, to Piper Sandler & Co., 800 Nicollet Mall, Suite 1000, Minneapolis, MN 55402 Attention: Mr. Keith P. Kleven, Managing Director.

6. **Survival of Representations, Warranties and Agreements.** This Agreement is made solely for the benefit of the District and the Placement Agent, and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the District contained in this Agreement shall remain operative and in full force and effect regardless of delivery of any payment for the Bonds.

7. **Counterparts; Electronic Signatures.** This Agreement may be executed in several counterparts, including counterparts that are manually executed and counterparts that executed with an electronic signature, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument. The person associated with any such signature shall be deemed to have had the intent to sign this Agreement with an electronic signature and that agrees that execution of this Agreement by electronic signature is attributable to such person. All parties executing this Agreement expressly agree under the California Uniform Electronic Transactions Act ("UETA") (California Civil Code §1633.1 et seq.), that this Agreement and all other agreements, certificates, opinions and similar records ("documents") relating to the Bonds constitute a "transaction" under the UETA and expressly agree to allow all aspects of the transaction to which the UETA can apply to be conducted by electronic means. For these purposes, a signature by fax, e-mail, or other electronic technology on a document relating to the Bonds shall constitute an "electronic signature" to an "electronic record" under the UETA with respect to this specific transaction.

An electronic signature means a signature that is executed by symbol attached to or logically associated with a record and includes facsimile signatures or signatures transmitted by electronic mail in so-called PDF format. All parties to this Agreement (a) agree that an electronic signature, whether digital or encrypted, of a party to this Agreement or any other electronic record

96067184.5

associated with the Bonds is intended to authenticate this writing and to have the same force and effect as a manual signature; (ii) intended to be bound by the signatures (whether original, faxed, or electronic) on any document relating to the Bonds sent or delivered by facsimile or electronic mail or other electronic means; (iii) are aware that the other party(ies) will rely on such signatures; and, (iv) hereby waive any defenses to the enforcement of the terms of this Agreement or any other document related to the Bonds based on the foregoing forms of signature.

8. **Effectiveness.** This Agreement shall become effective upon the execution of the acceptance hereof by a duly authorized signatory of the District, which acceptance hereof shall be indicated on the signature page hereof, and shall be valid and enforceable as of the time of such acceptance. This Agreement may be executed by facsimile transmission and in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

9. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.

10. **No Prior Agreements.** This Agreement supersedes and replaces all prior negotiations, agreements and understandings between the parties hereto in relation to the sale of the Bonds.

[Signature page follows.]

Very truly yours,

PIPER SANDLER & CO. as Placement Agent

By _____
Name _____
Title _____

The foregoing is hereby agreed to and accepted
as of the date first above written:

TEHACHAPI VALLEY HEALTHCARE DISTRICT

By _____
Caroline Wasielewski
Chief Executive Officer

APPENDIX A

FORM OF REPRESENTATION LETTER

Tehachapi Valley Healthcare District
116 W. E Street
Tehachapi, CA 93561

Wells Fargo Bank, N.A.,
as Paying Agent

Piper Sandler & Co.
800 Nicollet Mall, Suite 1000
Minneapolis, MN 55402

Re: Tehachapi Valley Healthcare District General Obligation Refunding Bonds, Election of 2009, 2021 Series A (Convertible)

I, _____, _____, of Capital One Public Funding, LLC, Melville, New York (“COPF”) do hereby certify as follows with regard to the General Obligation Refunding Bond, Series 2021 (the “Bonds”), dated _____, 2021, of the Tehachapi Valley Healthcare District (the “Issuer”) issued pursuant to a Resolution of the Issuer dated _____ (the “Resolution”) to be directly purchased by COPF:

1. COPF has full power and authority to carry on its business as now conducted, deliver this Certificate and make the representations and certifications contained herein.

2. COPF is a lender that regularly extends credit to state and local government by making loans and purchasing repayment obligations under which are evidenced by obligations such as the Bonds; has knowledge and experience in financial and business matters that make it capable of evaluating the Issuer, the Bonds and the risks associated with the extension of credit evidenced by the purchase and ownership of the Bonds; has the ability to bear the economic risk of extending the credit evidenced by the purchase of the Bonds; and is a limited liability company engaged in the primary business of extending credit and making loans to, and purchasing obligations of, state and local governments and non-profit entities and has total assets in excess of \$1 billion. COPF is not acting as a broker, dealer, municipal securities underwriter, municipal advisor or fiduciary in connection with its extension of credit evidenced by of the purchase of the Bonds.

3. COPF has conducted its own investigation of the financial condition of the Issuer, the purpose for which the Bonds are being issued and delivered and of the security for the payment of the principal of and interest on the Bonds, and has obtained such information regarding the

Bonds and the Issuer and its operations, financial condition and financial prospects as COPF deems necessary to make an informed lending decision with respect to its extension of credit evidenced by the purchase and ownership of the Bonds.

4. COPF is extending credit to the Issuer evidenced by the purchase and ownership of the Bonds as a vehicle for making a commercial loan for its own loan account and without any present intention of distributing or selling any interest therein or portion thereof, provided that COPF retains the right at any time to dispose of the Bonds or any interest therein or portion thereof, but agrees that any such sale, transfer or distribution by COPF shall be made in accordance with applicable law and the provisions of the Bonds and related documents to (a) an affiliate of COPF; or (b) one or more banks, insurance companies or other financial institutions. Failure to comply with such transfer restrictions shall cause the purported transfer to be null and void. COPF agrees to indemnify and hold harmless the Issuer with respect to any claim asserted against the Issuer that arises with respect to any sale, transfer or other disposition of the Bonds by COPF in violation of such transfer restrictions; *provided*, that COPF shall not be obligated to indemnify or hold harmless the Issuer with respect to any claim asserted against the Issuer arising from the Issuer's gross negligence or willful misconduct.

5. COPF acknowledges that the Bonds (a) has not been registered under the Securities Act of 1933, as amended, and has not been registered or otherwise qualified for sale under the securities laws of any state, (b) will not be listed on any securities exchange and (c) there is no established market for the Bonds and that none is likely to develop. COPF understands and acknowledges that (i) its extension of credit evidenced by the purchase of the Bonds is not intended to be subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended and (ii) in connection with its extension of credit evidenced by the purchase of the Bonds, the Issuer has not prepared or caused to be prepared, any official statement, private placement memorandum or other offering document. COPF agrees that it will comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Bonds by it, and further acknowledges that any current exemption from registration of the Bonds does not affect or diminish such requirements.

6. COPF is acting solely for its own loan account and not as a fiduciary for the Issuer or in the capacity of broker, dealer, placement agent, municipal securities underwriter, municipal advisor or fiduciary. It has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of the Issuer (including to any municipal advisor or any placement agent engaged by the Issuer) with respect to the structuring, or delivery of the Bonds. COPF has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the Issuer with respect to the transactions relating to the structuring, or delivery of the Bonds and the discussions, undertakings and procedures leading thereto. Each of the Issuer, its municipal advisor and its placement agent has sought and shall seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters and compliance with legal requirements applicable to such parties) with respect to the Bonds from its own financial, legal, tax and other advisors (and not from the undersigned or its affiliates) to the extent that the Issuer, its municipal advisor or its placement agent desires, should or needs to obtain such advice. The undersigned expresses no view regarding the legal sufficiency of its representations for purposes of compliance with any

legal requirements applicable to any other party, including but not limited to the Issuer's municipal advisor or placement agent, or the correctness of any legal interpretation made by counsel to any other party, including but not limited to counsel to the Issuer's municipal advisor or placement agent, with respect to any such matters. The transactions between the Issuer and COPF are arm's length, commercial transactions in which COPF is acting and has acted solely as a principal and for its own interest and COPF has not made recommendations to the Issuer with respect to the transactions relating to the Bonds.

COPF acknowledges that the sale of the Bonds by the Issuer to COPF is made in reliance upon the certifications, representations and warranties herein.

Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Resolution.

Dated this ____ day of _____, 2021.

CAPITAL ONE PUBLIC FUNDING, LLC

By: _____
Name: _____
Title: _____

EXHIBIT C

FORM OF PAYING AGENT AGREEMENT

§ _____
TEHACHAPI VALLEY HEALTHCARE DISTRICT
(Kern County, California)
General Obligation Refunding Bonds
2009 Election, 2021 Series A
(Convertible)

PAYING AGENT/BOND REGISTRAR/COSTS OF ISSUANCE AGREEMENT

THIS PAYING AGENT/BOND REGISTRAR/COSTS OF ISSUANCE AGREEMENT (this "Agreement"), is entered into on December 1, 2021, by and between the TEHACHAPI VALLEY HEALTHCARE DISTRICT (the "District") and WELLS FARGO BANK, N.A. (the "Bank"), relating to the \$_____ Tehachapi Valley Healthcare District (Kern County, California) General Obligation Refunding Bonds, 2009 Election, 2021 Series A (Convertible) (the "Bonds"). The District hereby appoints the Bank to act as Paying Agent, Transfer Agent and Bond Registrar for the Bonds and as Custodian and Disbursing Agent for the payment of costs of issuance relating to the Bonds.

RECITALS

WHEREAS, the District has duly authorized and provided for the issuance of the Bonds as fully registered bonds without coupons;

WHEREAS, the District will ensure all things necessary to make the Bonds the valid obligations of the District, in accordance with their terms, will be done upon the issuance and delivery thereof;

WHEREAS, the District and the Bank wish to provide the terms under which the Bank will act as Paying Agent to pay the principal, redemption premium (if any) and interest on the Bonds, in accordance with the terms thereof, and under which the Bank will act as Bond Registrar for the Bonds;

WHEREAS, the District and the Bank also wish to provide the terms under which the Bank will act as Custodian and Disbursing Agent for the payment of costs of issuance relating to the Bonds;

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the District and has full power and authority to perform and serve as Paying Agent, Transfer Agent and Bond Registrar for the Bonds and as Custodian and Disbursing Agent for the payment of costs of issuance relating to the Bonds; and

WHEREAS, the District has duly authorized the execution and delivery of this Agreement; and all things necessary to make this Agreement a valid agreement have been done.

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE

DEFINITIONS

Section 1.01. Definitions.

For all purposes of this Agreement except as otherwise expressly provided or unless the context otherwise requires:

“*Bank*” means Wells Fargo Bank, N.A., a national banking association organized and existing under the laws of the United States of America.

“*Bond Register*” means the book or books of registration kept by the Bank in which are maintained the names and addresses and principal amounts registered to each Registered Owner.

“*Bond Registrar*” means the Bank when it is performing the function of registrar for the Bonds.

“*Bond Resolution*” means the resolution of the District pursuant to which the Bonds were issued.

“*Bond*” or “*Bonds*” means any one or all of the \$_____ Tehachapi Valley Healthcare District (Kern County, California) General Obligation Refunding Bonds, 2009 Election, 2021 Series A (Convertible) or .

“*Business Day*” means any day of the week other than a Saturday or a Sunday or a day on which banks in the State are not required or authorized to remain closed and on which the New York Stock Exchange is open for business.

“*Closing Date*” means December __, 2021.

“*Custodian and Disbursing Agent*” means the Bank when it is performing the function of custodian and disbursing agent for the payment of costs of issuance relating to the Bonds.

“*District*” means Tehachapi Valley Healthcare District.

“*District Request*” means a written request signed in the name of the District and delivered to the Bank.

“*Fiscal Year*” means the fiscal year of the District ending on June 30 of each year.

“*Paying Agent*” means the Bank when it is performing the function of paying agent for the Bonds.

“*Payment Date*” means May 1, and November 1 of each year. The first Payment Date is May 1, 2022.

“*Person*” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

“*Placement Agent*” means Piper Sandler & Co.

“*Prior Bonds*” means the Tehachapi Valley Healthcare District (Kern County, California) General Obligation Bonds, Election of 2009, Series 2013, in the original principal amount of \$50,000,000, of which \$48,530,000 principal amount remains outstanding.

“*Purchaser*” means Capital One Public Funding, LLC.

“*Registered Owner*” means a Person in whose name a Bond is registered in the Bond Register. As of the Closing Date such Registered Owner is Capital One Public Funding, LLC.

“*Stated Maturity*” when used with respect to any Bond means the date specified in the Bond Resolution as the date on which the principal of such Bond is due and payable.

“*Transfer Agent*” means the Bank when it is performing the function of transfer agent for the Bonds.

ARTICLE TWO

APPOINTMENT OF BANK AS PAYING AGENT, TRANSFER AGENT, BOND REGISTRAR AND CUSTODIAN AND DISBURSING AGENT

Section 2.01. Appointment and Acceptance. The District hereby appoints the Bank to act as Paying Agent and Transfer Agent with respect to the Bonds, to pay to the Registered Owners in accordance with the terms and provisions of this Agreement and the Bond Resolution, the principal of, redemption premium (if any), and interest on all or any of the Bonds.

The District hereby appoints the Bank as Bond Registrar with respect to the Bonds. As Bond Registrar, the Bank shall keep and maintain for and on behalf of the District, books and records as to the ownership of the Bonds and with respect to the transfer and exchange thereof as provided herein and in the Bond Resolution.

The District hereby appoints the Bank as Custodian and Disbursing Agent.

The Bank hereby accepts its appointment, and agrees to act as Paying Agent, Transfer Agent, Bond Registrar and Custodian and Disbursing Agent.

Section 2.02. Compensation. As compensation for the Bank’s services as Paying Agent and Bond Registrar, the District hereby agrees to pay the Bank the fees and amounts set forth in a separate agreement between the District and the Bank.

In addition, the District agrees to reimburse the Bank, upon its request, for all reasonable and necessary out-of-pocket expenses, disbursements, and advances, including without limitation the reasonable fees, expenses, and disbursements of its agents and attorneys, made or incurred by

the Bank in connection with entering into and performing under this Agreement and in connection with investigating and defending itself against any claim or liability in connection with its performance hereunder.

ARTICLE THREE

PAYING AGENT

Section 3.01. Duties of Paying Agent. As Paying Agent, the Bank, provided sufficient collected funds have been provided to it for such purpose by or on behalf of the District, shall pay on behalf of the District the principal of, and interest on each Bond in accordance with the debt service schedule attached hereto as Exhibit A.

Section 3.02. Payment Dates.

So long as the Bond is outstanding, the Bank shall forward an invoice to the District (to the attention of the Chief Financial Official), thirty (30) days in advance of each Payment Date, for the amount of the payment that is due and payable on said Payment Date. The District agrees to transfer or cause to be transferred to the Bank by no later than the Business Day immediately preceding the payment dates, immediately available funds in the amounts sufficient to pay principal and/or interest when due. Such funds shall be held uninvested by the Paying Agent.

Subject to the Bank's receipt of said funds from the District, the District hereby instructs the Bank to pay the principal of, redemption premium (if any) and interest on the Bonds on the dates specified in the Bond Resolution. If a Payment Date is not a Business Day, such payments shall be made by the Paying Agent on the Business Day immediately preceding said Payment Date in amounts as would be paid on the Payment Date. The District shall be responsible for the payment of any wire charges associated with said payments by the Paying Agent to the Holder.

Notwithstanding anything herein to the contrary, so long as the Bonds are owned by the initial Registered Owner, (i) the Paying Agent shall pay principal of and interest and redemption premium on the Bonds when due by wire transfer in immediately available funds to the initial Registered Owner in accordance with such wire transfer instructions as shall be filed by the initial Registered Owner with the Paying Agent from time to time, (ii) payments of principal on the Bonds shall be made without the requirement for presentation and surrender of the Bonds by the initial Registered Owner, and (iii) the Paying Agent shall not be required to give notice to the initial Registered Owner of the mandatory redemption of Bonds.

Section 3.03. Wiring Instructions for the Initial Holder of the Bond.

So long as Capital One Public Funding, LLC is the Registered Owner of the Bond, or until such time as Capital One Public Funding, LLC provides the Paying Agent with new wiring instructions, the Paying Agent shall wire payments to the following account, and with the following information:

Routing / ABA Number: _____
Wire account number: _____, Bank Number _____

Loan Number: [_____]
Borrower name: Tehachapi Valley Healthcare District

ARTICLE FOUR

BOND REGISTRAR

Section 4.01. Initial Delivery of Bonds. The Bonds will be initially registered and delivered to Capital One Public Funding, LLC as one Bond for each maturity. If such purchaser delivers a written request to the Bank not later than five business days prior to the date of initial delivery, the Bank will, on the date of initial delivery, deliver Bonds of authorized denominations, registered in accordance with the instructions in such written request.

Section 4.02. Duties of Bond Registrar. The Bank shall provide for the proper registration of transfer, exchange and replacement of the Bonds. Every Bond surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an eligible guarantor institution, in form acceptable to the Bank, duly executed by the Registered Owner thereof or his attorney duly authorized in writing. The Bond Registrar may request any supporting documentation it deems necessary or appropriate to effect a re-registration.

The Bonds are subject to transfer restrictions as set forth in the Bond Resolution.

Section 4.03. Unauthenticated Bonds. The District shall provide to the Bank on a continuing basis, an adequate inventory of unauthenticated Bonds to facilitate transfers. The Bank agrees that it will maintain such unauthenticated Bonds in safekeeping.

Section 4.04. Form of Bond Register. The Bank as Bond Registrar will maintain its records as Bond Registrar in accordance with the Bank's general practices and procedures in effect from time to time.

Section 4.05. Reports. The District may request the information in the Bond Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing and to convert the information into written form.

The Bank will not release or disclose the content of the Bond Register to any person other than to the District at its written request, except upon receipt of a subpoena or court order or as may otherwise be required by law. Upon receipt of a subpoena or court order the Bank will notify the District.

Section 4.06. Canceled Bonds. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Bank, shall be promptly canceled by it and, if surrendered to the District, shall be delivered to the Bank and, if not already canceled, shall be promptly canceled by the Bank. The District may at any time deliver to the Bank for cancellation any Bonds previously authenticated and delivered which the District may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Bank. All canceled Bonds held by the Bank for its retention period then in effect and shall thereafter be destroyed and evidence of such destruction furnished to the District upon its written request.

ARTICLE FIVE

CUSTODIAN AND DISBURSING AGENT

Section 5.01. Receipt of Moneys. The Custodian and Disbursing Agent has received, from the Purchaser, the sum of \$ _____. Of such amount, \$ _____ has been transferred to Wells Fargo Bank, N.A., as paying agent for the Prior Bonds, to provide for the defeasance of the Prior Bonds, payment of principal of and interest due on the Prior Bonds through and including November 1, 2023, and redemption of the remaining Prior Bonds on November 1, 2023, and the remaining \$ _____ has been deposited in a special account to be held and maintained by the Custodian and Disbursing Agent in the name of the District (the "Costs of Issuance Fund").

Section 5.02. Investment. The Custodian and Disbursing Agent will hold funds in the Costs of Issuance Fund until [March 7, 2022][3 months after closing], or upon prior written order of the District. The Custodian and Disbursing Agent shall have no obligation to invest and reinvest any cash held by it hereunder in the absence of timely and specific written investment direction from the District. In no event shall the Custodian and Disbursing Agent be liable for the selection of investments or for investment losses incurred thereon.

Section 5.03. Payment of Costs of Issuance. The Custodian and Disbursing Agent will pay costs of issuance of the Bonds as directed by the District from time to time via a written requisition of the District.

Section 5.04. Transfer of Remaining Amounts. Any balances remaining in the Costs of Issuance Fund (including any earnings) on or after [_____], will be applied by the Paying Agent to pay debt service on the Bonds.

Section 5.05. Limited Liability. The liability of the Custodian and Disbursing Agent as custodian and disbursing agent is limited to the duties listed above. The Custodian and Disbursing Agent will not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable Care and believed by it to be within the discretion of power conferred upon it by this Agreement.

ARTICLE SIX

THE BANK

Section 6.01. Duties of the Bank. The Bank undertakes to perform the duties set forth herein. No implied duties or obligations shall be read into this Agreement against the Bank. The Bank hereby agrees to use the funds deposited with it for payment of the principal of and interest on the Bonds to pay the same as it shall become due and further agrees to establish and maintain such accounts and funds as may be required for the Bank to function as Paying Agent.

Section 6.02. Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions expressed therein, on certificates or opinions furnished to the Bank by the District.

(b) The Bank shall not be liable for any error of judgment made in good faith. The Bank shall not be liable for other than its negligence or willful misconduct in connection with any act or omission hereunder.

(c) No provision of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(d) The Bank may rely, or be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security 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 Bank need not examine the ownership of any Bond, but shall be protected in acting upon receipt of Bonds containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Registered Owner or agent of the Registered Owner.

(e) The Bank may consult with counsel, and the written advice or opinion of counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by it hereunder in good faith and reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys and shall not be liable for the actions of such agent or attorney if appointed by it with reasonable Care.

(g) The Paying Agent shall not be responsible or liable for any failure or delay in the performance of its obligation under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; terrorism; military disturbances; sabotage; epidemic; riots; interruptions; loss or malfunctions of utilities; computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Paying Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(h) The Paying Agent agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the District shall provide to the Paying Agent an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the District elects to give the Paying Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Paying Agent in its discretion elects to act upon such instructions, the Paying Agent's understanding of such instructions shall be deemed

controlling. The Paying Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Paying Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Paying Agent, including without limitation the risk of the Paying Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 6.03. Recitals of District. The recitals contained in the Bond Resolution and the Bonds shall be taken as the statements of the District, and the Bank assumes no responsibility for their correctness.

Section 6.04. May Own Bonds. The Bank, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent and Bond Registrar for the Bonds.

Section 6.05. Money Held by the Bank. Money held by the Bank hereunder need not be segregated from other funds. The Bank shall have no duties with respect to investment of funds deposited with it and shall be under no obligation to pay interest on any money received by it hereunder.

Any money deposited with or otherwise held by the Bank for the payment of the principal, redemption premium (if any) or interest on any Bond and remaining unclaimed for two years after such deposit will be paid by the Bank to the District, and the District and the Bank agree that the Registered Owner of such Bond shall thereafter look only to the District for payment thereof, and that all liability of the Bank with respect to such moneys shall thereupon cease.

Section 6.06. Other Transactions. The Bank may engage in or be interested in any financial or other transaction with the District.

Section 6.07. Interpleader. The District and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in a court of competent jurisdiction. The District and the Bank further agree that the Bank has the right to file an action in interpleader in any court of competent jurisdiction to determine the rights of any person claiming any interest herein.

Section 6.08. Indemnification. To the extent permitted by law, the District shall indemnify the Bank, its officers, directors, employees and agents ("Indemnified Parties") for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the Bank's acceptance or administration of the Bank's duties hereunder or under the Bond Resolution (except any loss, liability or expense as may be adjudged by a court of competent jurisdiction to be attributable to the Bank's negligence or willful misconduct), including the reasonable cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement. Such indemnity shall survive the termination or discharge of this Agreement or discharge of the Bonds.

ARTICLE SEVEN

MISCELLANEOUS PROVISIONS

Section 7.01. Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 7.02. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other party.

Section 7.03. Notices. Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the District or the Bank shall be mailed or delivered to the District or the Bank, respectively, at the address shown herein, or such other address as may have been given by one party to the other by fifteen (15) days written notice.

Section 7.04. Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 7.05. Successors and Assigns. All covenants and agreements herein by the District and the Bank shall bind their successors and assigns, whether so expressed or not.

Section 7.06. Severability. If any provision of this Agreement shall be determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

Section 7.07. Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 7.08. Entire Agreement. This Agreement and the Bond Resolution constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent, Transfer Agent and Bond Registrar for the Bonds and as Custodian and Disbursing Agent for the payment of costs of issuance relating to the Bonds.

Section 7.09. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 7.10. Term and Termination. This Agreement shall be effective from and after its date and until the Bank resigns or is removed in accordance with the Bond Resolution; provided, however, that no such termination shall be effective until a successor has been appointed and has accepted the duties of the Bank hereunder.

The Bank may resign at any time by giving written notice thereof to the District. If the Bank shall resign, be removed or become incapable of acting, the District shall promptly appoint a successor Paying Agent and Bond Registrar. If an instrument of acceptance by a successor Paying Agent and Bond Registrar shall not have been delivered to the Bank within thirty 30 days

after the Bank gives notice of resignation, the Bank may petition any court of competent jurisdiction at the expense of the District for the appointment of a successor Paying Agent and Bond Registrar. In the event of resignation or removal of the Bank as Paying Agent and Bond Registrar, upon the written request of the District and upon payment of all amounts owing to the Bank hereunder the Bank shall deliver to the District or its designee all funds and unauthenticated Bonds, and a copy of the Bond Register. The provisions of Section 2.02 and Section 6.08 hereof shall survive and remain in full force and effect following the termination of this Agreement.

Section 7.11. Governing Law. This Agreement shall be construed in accordance with and shall be governed by the laws of the State of California.

Section 7.12. Documents to be Filed with Bank. At the time of the Bank's appointment as Paying Agent and Bond Registrar, the District shall file with the Bank the following documents: (a) a certified copy of the Bond Resolution and a specimen Bond; (b) a copy of the opinion of bond counsel provided to the District in connection with the issuance of the Bonds; and (c) a District Request containing written instructions to the Bank with respect to the issuance and delivery of the Bonds, including the names of the Registered Owners and the denominations of the Bonds.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

TEHACHAPI VALLEY HEALTHCARE
DISTRICT

By _____
Caroline Wasielewski
Chief Executive Officer

WELLS FARGO BANK, N.A., as Paying
Agent

By _____
Authorized Officer

EXHIBIT A

DEBT SERVICE SCHEDULE

Interest Payment Date	Principal	Interest	Total

EXHIBIT D
FORM OF ESCROW AGREEMENT

ESCROW AGREEMENT

This Escrow Agreement (this "Escrow Agreement"), dated December ___, 2021, is by and between the TEHACHAPI VALLEY HEALTHCARE DISTRICT, a local health care district duly created and existing pursuant to the laws of the State of California (the "District"), and WELLS FARGO BANK, N.A., a national banking association organized and existing under the laws of the United States of America, as escrow agent (the "Escrow Bank").

W I T N E S S E T H:

WHEREAS, at the November 3, 2009 election, the District received authorization by a vote in excess of two-thirds of the voters voting, to issue \$50,000,000 of general obligation bonds (the "2009 Authorization") for the sole purposes of financing acquisition or improvement of real property for hospital purposes.

WHEREAS, on June 13, 2013, the District issued its "Tehachapi Valley Healthcare District (Kern County, California) General Obligation Bonds, Election of 2009, Series 2013" (the "Prior Bonds"), in the original principal amount of \$50,000,000, issued for authorized hospital purposes pursuant to the 2009 Authorization, of which \$48,530,000 principal amount remains outstanding;

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 (commencing with section 53550) of Division 2 of Title 5 of the California Government Code (the "Act"), the District is empowered to issue general obligation refunding bonds;

WHEREAS, the District has determined that it is in the best interests of the District to refund the outstanding Prior Bonds;

WHEREAS, the Board, by resolution adopted on October 19, 2021 (the "Refunding Bond Resolution"), has authorized the issuance and sale of the District's \$_____ Tehachapi Valley Healthcare District (Kern County, California) General Obligation Refunding Bonds, 2009 Election, 2021 Series A (Convertible) (the "2021 Refunding Bonds"), and has determined to use a portion of the proceeds of the 2021 Refunding Bonds to pay principal of and interest coming due on the Prior Bonds through and including November 1, 2023 and redeem all outstanding Prior Bonds on November 1, 2023 (the "Redemption Date"), at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to such date (the "Redemption Price");

WHEREAS, the District, in the Refunding Bond Resolution, has directed that a portion of the proceeds of the sale of the 2021 Refunding Bonds be deposited hereunder, and that such amount will be in an amount sufficient to provide for the defeasance of the Prior Bonds, the payment of principal of and interest coming due on the Prior Bonds through and including November 1, 2023, and redemption of the Prior Bonds as described above; and

WHEREAS, the Escrow Bank has full powers to perform the duties and obligations to be undertaken by it pursuant to this Escrow Agreement; and

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein set forth, the parties hereto do hereby agree as follows:

Section 1. Definitions. As used herein, the following terms shall have the following meanings:

“Escrow Requirements” means an amount sufficient, together with investment proceeds, to pay principal of, redemption premium, if any, and interest on the Prior Bonds through and including the Redemption Date, as set forth in Exhibit B hereto.

“Escrow Securities” means obligations issued by the United States Treasury including State and Local Government Series Obligations or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149b of the Code and Regulations and deposited in the Escrow Fund pursuant to Section 3 hereof.

“Verification Agent” means Causey Demgen & Moore, P.C.

“Verification Report” means the report prepared by the Verification Agent and attached hereto as Exhibit A.

Section 2. Discharge of Bonds. The District hereby irrevocably elects to pay and discharge all indebtedness payable by the District under the Prior Resolution with respect to the Prior Bonds and to terminate all obligations of the District thereunder with respect thereto.

Section 3. Escrow Fund.

(a) There is hereby established a special fund, to be held by the Escrow Bank for the benefit of the owners of the Prior Bonds, to be known as the “Escrow Fund.” Upon the issuance of the 2021 Refunding Bonds, there shall be deposited into the Escrow Fund an amount equal to \$ _____, derived from the proceeds of the 2021 Refunding Bonds.

(b) The Escrow Bank agrees immediately to invest \$ _____ of such amounts in the Escrow Securities set forth in Exhibit A-__ hereto, and to deposit such Escrow Securities in the Escrow Fund, and to retain the amount of \$ _____ in cash in the Escrow Fund. The Escrow Bank shall not have the power to sell, transfer, request the redemption of or otherwise dispose of some or all of the Escrow Securities in the Escrow Fund or to substitute other Escrow Securities therefor, except as may be required pursuant to the Verification Report. As the principal of the Escrow Securities shall mature and be paid, and the investment income and earnings thereon are paid, the Escrow Bank shall not reinvest such moneys, except as may be required pursuant to the Verification Report. Such amounts shall be applied by the Escrow Bank to the payment of the Escrow Requirement for the equal and ratable benefit of the holders of the Prior Bonds as set forth in the Verification Report. Such cash and Escrow Securities shall be held by the Escrow Bank in the Escrow Fund solely for the uses and purposes set forth herein.

(c) The Escrow Bank shall not be liable or responsible for any loss resulting from its full compliance with the provisions of this Escrow Agreement.

(d) Any money left on deposit in the Escrow Fund after payment in full of the Prior Bonds, and the payment of all amounts due to the Escrow Bank hereunder, shall be transferred to Kern County (the "County") for deposit in the interest and sinking fund maintained by the County for the District.

Section 4. Instructions as to Application of Deposit.

(a) The District irrevocably instructs the Escrow Bank to pay to the Paying Agent for the Prior Bonds, from amounts held in the Escrow Fund, (i) such amounts as are required for payment of principal and interest on the Prior Bonds due before the Redemption Date, in the amount of \$ _____; and (ii) the amount equal to the Redemption Price of the principal amount of the Prior Bonds called for redemption on the Redemption Date, in the amount of \$ _____.

(b) The District has caused schedules to be prepared relating to the sufficiency of the anticipated receipts from the Escrow Securities listed in Exhibit A-__ to pay the Escrow Requirement. The District irrevocably instructs the Escrow Bank to mail a notice of defeasance of the Prior Bonds to The Depository Trust Company, Information Services and the Owners of the Prior Bonds in the manner provided in the Prior Resolution in the form attached hereto as Exhibit C. The District also irrevocably instructs the Escrow Bank, as Paying Agent under the Prior Resolution to mail a notice of redemption of the Prior Bonds in substantially the form provided in Exhibit D hereto and to pay said principal of and interest on and Redemption Price of the Prior Bonds to the owners of the Prior Bonds.

Section 5. Compensation to Escrow Bank. The District shall pay the Escrow Bank full compensation for its duties under this Escrow Agreement, including out-of-pocket costs such as publication costs, redemption expenses, legal fees and other costs and expenses relating hereto. Under no circumstances shall amounts deposited in the Escrow Fund be deemed to be available for said purposes.

Section 6. Liabilities and Obligations of Escrow Bank. The Escrow Bank shall have no obligation to make any payment or disbursement of any type or incur any financial liability in the performance of its duties under this Escrow Agreement unless the District shall have deposited sufficient moneys and Escrow Securities with the Escrow Bank. The Escrow Bank may rely and shall be protected in acting upon the written instructions of the District or its agents relating to any matter or action as Escrow Bank under this Escrow Agreement.

The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys and Escrow Securities deposited therein, the sufficiency of the moneys and Escrow Securities, including interest earnings thereon, held hereunder to accomplish the purposes set forth herein, or any investment, payment, transfer or other application of moneys and Escrow Securities by the Escrow Bank in accordance with the provisions of this Escrow

Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the "whereas" clauses herein shall be taken as the statement of the District, and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representations as to the sufficiency of the moneys and Escrow Securities, including interest earnings thereon, to accomplish the purposes set forth herein or to the validity of this Escrow Agreement as to the District and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence or willful misconduct, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Agreement. The Escrow Bank may consult with counsel, who may or may not be counsel to the District, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel) may be deemed to be conclusively established by a written certification of the District.

Anything in this Escrow Agreement to the contrary notwithstanding, in no event shall the Escrow Bank be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Bank has been advised of the likelihood of such loss or damage and regardless of the form of action.

The Escrow Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Escrow Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Bank, or another method or system specified by the Escrow Bank as available for use in connection with its services hereunder.); provided, however, that the District shall provide to the Escrow Bank an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the District, whenever a person is to be added or deleted from the listing. If the District elects to give the Escrow Bank Instructions using Electronic Means and the Escrow Bank in its discretion elects to act upon such Instructions, the Escrow Bank's understanding of such Instructions shall be deemed controlling. The District understands and agrees that the Escrow Bank cannot determine the identity of the actual sender of such Instructions and that the Escrow Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Bank have been sent by such Authorized Officer. The District shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Bank and that the District and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the District. The Escrow Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Bank's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The District agrees: (i) to assume all risks

arising out of the use of Electronic Means to submit Instructions to the Escrow Bank, including without limitation the risk of the Escrow Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the District; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

The District hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated), to the extent permitted by law, to indemnify, protect, save and hold harmless the Escrow Bank and its respective successors, assigns, agents, officers, directors, employees and servants from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Bank (whether or not also indemnified against by any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the retention of the moneys and Escrow Securities therein and any investment, payment, transfer or other application of moneys and Escrow Securities by the Escrow Bank in accordance with the provisions of this Escrow Agreement, or as may arise by reason of any act, omission or error of the Escrow Bank made in good faith in the conduct of its duties; provided, however, that the District shall not be required to indemnify the Escrow Bank against its own negligence or misconduct. The indemnities contained in this Section 6 shall survive the termination of this Escrow Agreement or the resignation or removal of the Escrow Bank.

The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Escrow Bank will furnish the District monthly cash transaction statements which include detail for all investment transactions made by the Escrow Bank hereunder.

No provision of this Escrow Agreement shall require the Escrow Bank to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

The Escrow Bank may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Bank may conclusively rely on the Verification Report and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval 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 Escrow Bank may at any time resign by giving 30 days written notice of resignation to the District. Upon receiving such notice of resignation, either District shall promptly appoint a successor and, upon the acceptance by the successor of such appointment, release the resigning Escrow Bank from its obligations hereunder by written instrument, a copy of which instrument shall be delivered to each of the District, the resigning Escrow Bank and the successor. If no successor shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Escrow Bank may petition any court of competent jurisdiction for the appointment of a successor.

Section 7. Amendment. This Escrow Agreement may be modified or amended at any time by a supplemental agreement which shall become effective when the written consents of the owners of one hundred percent (100%) in aggregate principal amount of the Prior Bonds shall have been filed with the Escrow Bank. This Escrow Agreement may be modified or amended at any time by a supplemental agreement, without the consent of any such owners, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein or therein reserved to the District, (2) to cure, correct or supplement any ambiguous or defective provision contained herein, (3) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which, in the opinion of counsel, shall not materially adversely affect the interests of the owners of the Prior Bonds or the 2021 Refunding Bonds, and that such amendment will not cause interest on the Prior Bonds or the 2021 Refunding Bonds to become subject to federal income taxation. In connection with any contemplated amendment or revocation of this Escrow Agreement, prior written notice thereof and draft copies of the applicable legal documents shall be provided by the District to each rating agency then rating the Prior Bonds.

Section 8. Notice of Escrow Bank and District. Any notice to or demand upon the Escrow Bank may be served and presented, and such demand may be made, at the corporate trust office of the Escrow Bank as specified by the Escrow Bank as paying agent for the Prior Bonds in accordance with the provisions of the Prior Resolution. Any notice to or demand upon the District shall be deemed to have been sufficiently given or served for all purposes by being mailed by first class mail, and deposited, postage prepaid, in a post office letter box, addressed to such party as provided in the Prior Resolution (or such other address as may have been filed in writing by the District with the Escrow Bank).

Section 9. Merger or Consolidation of Escrow Bank. Any company into which the Escrow Bank may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Bank may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible to act as trustee under the Prior Resolution, shall be the successor hereunder to the Escrow Bank without the execution or filing of any paper or any further act.

Section 10. Execution in Several Counterparts. This Escrow Agreement 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 11. Governing Law. This Escrow Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 12. Severability. In case any one or more of the provisions contained in this Escrow Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Escrow Agreement, but this Escrow Agreement shall be construed as if such invalid or illegal or unenforceable provisions had never been contained herein.

Section 13. Counterparts. This Escrow Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and such counterparts, or as many of them as the District and the Escrow Bank shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 14. Business Days. Whenever any act is required by this Escrow Agreement to be done on a specified day or date, and such day or date shall be a day other than a business day for the Escrow Bank, then such act may be done on the next succeeding business day.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the parties hereto have caused this Escrow Agreement to be executed in their respective names by their respective duly authorized officers, all as of the day and year first above written.

TEHACHAPI VALLEY HEALTHCARE
DISTRICT

By _____
Caroline Wasielewski
Chief Executive Officer

WELLS FARGO BANK, N.A., as Escrow Bank

By _____
Authorized Officer

EXHIBIT A

VERIFICATION REPORT

EXHIBIT B

REDEMPTION SCHEDULE

Prior Bonds

<u>Date</u>	<u>Maturing Principal</u>	<u>Called Principal</u>	<u>Interest</u>	<u>Redemption Premium</u>	<u>Total Payment</u>
05/01/22	--	--		--	
11/01/22		--		--	
05/01/23	--	--		--	
11/01/23					

Exhibit C

Form of Notice of Defeasance

**NOTICE OF DEFEASANCE TO THE OWNERS OF
TEHACHAPI VALLEY HEALTHCARE DISTRICT
(Kern County, California)
General Obligation Bonds
Election of 2009, Series 2013**

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds that with respect to such bonds as specified in the table below (the “Bonds”) that the Tehachapi Valley Healthcare District (the “District”) has deposited with Wells Fargo Bank, N.A., as Escrow Bank (the “Bank Agent”) for the Bonds, cash and/or direct non-callable obligations of the United States of America, securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, satisfying the criteria set forth in the Prior Resolution, dated as of March 20, 2013 (the “2013 Resolution”), pursuant to which the Bonds were issued, the principal of and interest thereon which when due, together with amounts held as cash, will provide moneys sufficient (i) to pay on November 1, 2023, the redemption price (*i.e.*, 100% of the principal amount thereof) of the Bonds maturing after November 1, 2023, (ii) to pay principal of and interest on the remaining Bonds through and including November 1, 2023. In accordance with the 2013 Resolution, all obligations of the District with respect to the Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid all payments of interest on and principal of the Bonds from moneys on deposit with the Escrow Bank and available as aforesaid.

Maturity Date (November 1)	Principal Amount	CUSIP[†] Number
---	-----------------------------	---------------------------------

DATED: December __, 2021

TEHACHAPI VALLEY HEALTHCARE DISTRICT

By: WELLS FARGO BANK, N.A., as Escrow Bank

Exhibit D

Form of Notice of Optional Redemption

**TEHACHAPI VALLEY HEALTHCARE DISTRICT
(Kern County, California)
General Obligation Bonds
Election of 2009, Series 2013**

NOTICE IS HEREBY GIVEN to the owners of the above-captioned Bonds that the outstanding Bonds referenced above (the "Bonds"), issued pursuant to a resolution adopted on March 20, 2013 (the "2013 Resolution"), by the Tehachapi Healthcare District (the "District"), and are scheduled for redemption on November 1, 2023 (the "Redemption Date"), pursuant to the provisions of the 2013 Resolution.

The Bonds called for redemption have the maturity date, principal amount, CUSIP Number and redemption price as set forth below:

<u>Principal</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Redemption Price</u>	<u>*CUSIP No.</u>
			100%	
			100	
			100	
			100	
			100	
			100	
			100	
			100	
			100	
			100	

Payment of the Redemption Price on the Bonds called for redemption will become due and payable on the Redemption Date upon presentation and surrender thereof in the following manner:

If by Hand, Mail or Overnight: (REGISTERED BONDS)

Bondholder Communication: _____

Bondholders presenting their certificates in person for same day payment **must** surrender their certificate(s) by 1:00 P.M. on the Redemption Date and a check will be available for pick up after 2:00 P.M.. Checks not picked up by 4:30 P.M. will be mailed out to the bondholders via first class mail. If payment of the Redemption Price is to be made to the registered owner of the Bond, you are not required to endorse the Bond to collect the Redemption Price.

Interest on the principal amount designated to be prepaid shall cease to accrue on and after the Redemption Date.

IMPORTANT NOTICE

Under the Jobs and Growth Tax Relief Reconciliation Act of 2003, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time the payment is made if the tax identification number is not properly certified.

*The Paying Agent shall not be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness indicated in the Redemption Notice. It is included solely for convenience of the Holders.

Failure to receive this Notice of Optional Redemption or any immaterial defect contained herein shall not affect the sufficiency of the redemption proceedings as provided in the 2013 Resolution.

By Wells Fargo Bank, N.A.,
as Paying Agent

Dated: on or before October 2, 2023

EXHIBIT E

FORM OF TAX-EXEMPT BOND CONVERSION AGREEMENT

TAX-EXEMPT BOND CONVERSION AGREEMENT

THIS TAX-EXEMPT BOND CONVERSION AGREEMENT (the "Agreement") is made by and between TEHACHAPI VALLEY HEALTHCARE DISTRICT (the "District"), a hospital district duly organized and validly existing under the laws of the State of California (the "District"), and CAPITAL ONE PUBLIC FUNDING, LLC (the "Holder"), a limited liability corporation organized and existing under the laws of the State of _____.

RECITALS

WHEREAS, at the November 3, 2009 election, the District received authorization by a vote in excess of two-thirds of the votes cast by eligible voters within the District, to issue \$50,000,000 principal amount of general obligation bonds (the "2009 Authorization") for the sole purposes of financing the acquisition or improvement of real property for hospital purposes;

WHEREAS, on June 13, 2013, the District issued its "Tehachapi Valley Healthcare District (Kern County, California) General Obligation Bonds, Election of 2009, Series 2013" (the "Prior Bonds"), in the original principal amount of \$50,000,000, issued for authorized hospital purposes pursuant to the 2009 Authorization, of which \$48,530,000 principal amount remains outstanding;

WHEREAS, pursuant to Article 9 (commencing with section 53550) and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law (the "Act"), the District is authorized and empowered to issue general obligation refunding bonds to refund all or a portion of the Prior Bonds;

WHEREAS, pursuant to and in furtherance of the purposes of the District, the District intended to issue certain indebtedness the interest on which will be initially included in the gross income of the Holder for federal income tax purposes in order to refinance the Prior Bonds;

WHEREAS, on December __, 2021, the District issued in conformity with the Act and pursuant to Resolution No. ____ of the District approved by its Board of Directors on November __, 2021 (the "Resolution"), general obligation refunding bonds designated "Tehachapi Valley Healthcare District (Kern County, California) General Obligation Refunding Bonds, 2009 Election, 2021 Series A (Convertible)" (the "Bonds"), the interest on which was initially included in the gross income of the Holder for federal income tax purposes, to provide for the defeasance and redemption of all of the outstanding Prior Bonds;

WHEREAS, on December __, 2021, the Holder purchased the Bonds from the District in a private placement sale;

WHEREAS, the District and the Holder intend that, on and after the Conversion Date (defined in the Resolution), and subject to the satisfaction of certain conditions, the Bonds shall be "converted" such that the interest on the Bonds shall thereafter be excluded from income of the Holder for federal income tax purposes and exempt from State personal income taxes;

WHEREAS, the proceeds of the Bonds were used to enable the District to refinance the Prior Bonds;

NOW, THEREFORE, the District and the Holder now wish to enter into this Agreement in order to effectuate a conversion of the interest rate on the Bonds in accordance with Section 2.02(e) of the Resolution and to acknowledge that such conversion constitutes a "reissuance" of the Bonds for federal income tax purposes, creating a new debt instrument the issuer of which is the District.

AGREEMENT

For and in consideration of the respective promises and mutual covenants and benefits hereinafter set forth, the District and the Holder agree as follows:

Section 1. Definitions, Declarations, Findings and Determinations. The definitions, declarations, determinations and findings contained in the recitals to this Agreement are hereby adopted, restated and made a part of the operative provisions hereof. Capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the Resolution.

Section 2. No Event of Default; Change in Law. No Event of Default has occurred or is continuing to occur under the Resolution. There has not occurred any (i) event, court decision, proposed law or rule or any pronouncement of the Internal Revenue Service that may have the effect of changing the federal income tax nature of the Bonds, (ii) international or national crisis or banking moratorium materially affecting, in the reasonable opinion of the Holder, the market value of the Bonds or (iii) new restrictions on the extension of credit by banks or other lending institutions by any federal or state agency prohibiting the Conversion or the Holder from owning the Bonds.

Section 3. Conversion to Tax-Exempt Rate. The District and the Holder hereby agree that the interest rate on the Bonds will convert to the Tax-Exempt Rate on the Conversion Date (the "Conversion"), subject to compliance with the conditions set forth in Section 2.02(e) of the Resolution, including, particularly, the delivery by Bond Counsel of the opinion described therein. The District and the Holder acknowledge that the Conversion of the Bonds from a taxable rate to the Tax-Exempt Rate is intended to constitute a "reissuance" of the Bonds for federal income tax purposes, creating a new debt instrument the issuer of which is the District.

Section 4. Compliance with Covenants Regarding Tax Exemption and Filing of Form 8038.

(a) The Borrower hereby agrees that the covenants contained in the Tax Certificate and Agreement, dated the date hereof, between the District and the Holder, will become operative on the Conversion Date and shall be incorporated as operative terms of the Resolution.

(b) The District agrees to file a Form 8038 with the Internal Revenue Service in connection with the Conversion and the deemed reissuance of the Bonds, solely for federal tax purposes, as a tax-exempt bond.

Section 5. Multiple Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original instrument and each will have the force and effect of an original and all of which together constitute, and will be deemed to constitute, one and the same instrument.

Section 6. Effective Date. This Agreement shall become effective upon satisfaction of all of the conditions described in Section 2.02(e) of the Resolution.

Section 7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 8. Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application hereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances shall not be affected thereby.

[Signature Page to Follow]

EXECUTED as of this _____, 2023.

**TEHACHAPI VALLEY HEALTHCARE
DISTRICT**

By _____
Name _____
Title _____

CAPITAL ONE PUBLIC FUNDING, LLC

By: _____
Name _____
Title _____

RESOLUTION NO.

A RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI VALLEY HEALTHCARE DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR THE MONTH OF NOVEMBER 2021

WHEREAS, the District is committed to encouraging and preserving public access and participation in meetings of the Board of Directors; and

WHEREAS, Government Code section 54953, as amended by AB 361, makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953, subject to the existence of certain conditions; and

WHEREAS, a required condition is that there is a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, Governor Newsom declared a State-wide state of emergency due to the Covid-19 pandemic on March 4, 2020, which declaration is still in effect, and state and local health officials continue to recommend social distancing; and

WHEREAS, the Board of Directors does hereby find that the resurgence of the Covid-19 pandemic, particularly through the Delta variant, has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify both the proclamation of state of emergency by the Governor of the State of California and the Kern County Health Department guidance regarding social distancing; and

WHEREAS, based on the above the Board of Directors of the District finds that in-person public meetings of the Board would further increase the risk of exposure to the Covid-19 virus to the residents of the District, staff, and Directors; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that it shall conduct Board meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, in compliance with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, all meetings of Board of Directors will be available to the public for participation and comments through virtual measures, which shall be fully explained on each posted agenda.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF TEHACHAPI VALLEY HEALTHCARE DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the District, as set forth in the recitals.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2021.

Section 4. Remote Teleconference Meetings. The General Manager, staff, and Board of Directors are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect on October 1, 2021, and shall be effective until the earlier of (i) October 30, 2021, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of WBMWD may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

Section 6. Termination of this Resolution. This Resolution will automatically terminate on the day that both the Governor's Declaration of Emergency and any local agency guideline for social distancing are no longer in effect.

PASSED AND ADOPTED by the Board of Directors of Tehachapi Valley Healthcare District, this 14th day of October 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President

Secretary



**California State Treasurer's Office
Local Agency Investment Fund (LAIF)**

Authorization for Transfer of Funds

Effective Date _____

Agency Name

TEHACHAPI VALLEY HEALTHCARE DISTRICT

LAIF Account # _____

Agency's LAIF Resolution # _____ or Resolution Date _____

ONLY the following individuals whose names appear in the table below are hereby authorized to order the deposit or withdrawal of funds in LAIF. **This authorization REPLACES AND SUPERSEDES all prior authorizations on file with LAIF for the transfer of funds.**

Name	Title
MIKE NIXON	PRESIDENT
DUANE MOATS	TREASURER
CAROLINE WASIELEWSKI	CEO

Two authorized signatures required. Each of the undersigned certifies that he/she is authorized to execute this form under the agency's resolution, and that the information contained herein is true and correct.

Signature

Signature

Print Name

Print Name

Title

Title

Telephone

Telephone

Please provide email address to receive LAIF notifications.

Name	Email
CAROLINE WASIELEWSKI	CWASIELEWSKI@TVHD.ORG
LISA HUGHES	LHUGHES@TVHD.ORG

Please email a scanned copy for review to laif@treasurer.ca.gov.
**After approval is received, mail the original form to: State Treasurer's Office
 Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001.**



INTEGRATED DEMOLITION AND REMEDIATION INC.

Single Source Turnkey Contractor for all Demolition and Remediation Services

CSLB LICENSE #1003504

DIR # 1000023608

**CHANGE ORDER REQUEST #2
Building Demolition and Abatement**

Date: November 2, 2021

Via Email: cwasielowski@tvhd.org

Caroline Wasielewski
CEO | Tehachapi Valley Healthcare District
116 W E Street
Tehachapi, CA 93561

This Change Order Request (COR) contains a quotation for additional Demolition scope of work

1. Scope of work: Demo and haul off additional unforeseen concrete footings and grade beams.

Item	Total
Labor	\$ 12,800.00
Operator	\$ 7,600.00
Excavator	\$ 10,000.00
Concrete (Trucking & Disposal	\$ 16,800.00
Water Truck	\$ 2,000.00
Total Estimated Amount	\$ 49,200.00
(Markup 10 %)	\$ 4,920.00
Total Estimated Amount after markup	\$ 54,120.00

Please issue a change order at your earliest convenience.

Regards,

Jay Gandhi

4938 E LA PALMA AVENUE • ANAHEIM, CA 92807

PHONE: 714-340-3333 • FAX: 714-709-4729



