

COUNTY OF SAN MATEO

INTERDEPARTMENTAL CORRESPONDENCE

To: Honorable Board of Supervisors  
 From: County Counsel  
 Date: January 31, 2001  
 Re: Adopt a Resolution Authorizing the Issuance and Sale of San Mateo Union High School District Series A General Obligation Bonds

**RECOMMENDATION** Adopt a resolution authorizing the issuance and sale of San Mateo Union High School District Series A General Obligation Bonds in an aggregate principal amount not to exceed \$60,000,000, prescribing the terms of the sale of the bonds and authorizing execution of the necessary documents

**BACKGROUND AND DISCUSSION**

The voters in the San Mateo Union High School District (“District”) approved by more than two-thirds of the voters a school bond measure on November 7, 2000, in the maximum principal amount of \$137,500,000. On January 10, 2001, the District’s Board of Trustees passed a resolution authorizing the issuance of Series A Bonds in the aggregate principal amount of \$60,000,000, and requesting that the County Board of Supervisors authorize the issuance and sale of the bonds on their behalf.

The Series A General Obligation Bond proceeds will be used by the District to repair and rehabilitate school facilities to meet current health, safety and instructional standards.

The District is being assisted by Jones Hall, as bond counsel, and Paine Webber, as underwriter.

When the County issues bonds on behalf of a school district, the Education Code provides that issuance and sale of voter approved school bonds which will be sold on a negotiated basis must be authorized by both the school district Board of Trustees and the County Board of Supervisors.

**SUMMARY**

This resolution authorizes the County to issue the Series A Bonds for the San Mateo Union High School District and authorizes the President and Clerk of the Board of Supervisors and the Tax Collector-Treasurer to sign the necessary documents.

Honorable Board of Supervisors  
January 31, 2001  
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**OTHER REVIEWING AGENCIES**

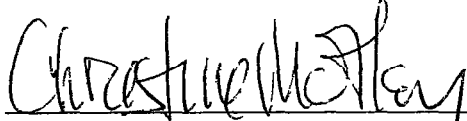
The Board of Trustees of the San Mateo Union High School District has passed a resolution requesting your Board to take action

**FISCAL IMPACT**

These bonds are general obligations of the District and do not constitute an obligation of the County. No part of any fund of the County is pledged or obligated to the payment of the bonds.

Very truly yours,

THOMAS F CASEY III, COUNTY COUNSEL

By   
Christine E. Motley, Chief Deputy

TFC/CEM

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cc: John L. Maltbie, County Manager  
Lee Buffington, Treasurer-Tax Collector  
Tom Huening, Controller  
Thomas C. Mohr, Superintendent, San Mateo Union High School District  
William Madison, Bond Counsel  
Paine Webber, Underwriter

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RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN  
MATEO AUTHORIZING THE ISSUANCE AND SALE OF  
SAN MATEO UNION HIGH SCHOOL DISTRICT,  
ELECTION OF 2000 GENERAL OBLIGATION BONDS, SERIES A**

Adopted February 13, 2001

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RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN MATEO AUTHORIZING THE ISSUANCE AND SALE OF SAN MATEO UNION HIGH SCHOOL DISTRICT, ELECTION OF 2000 GENERAL OBLIGATION BONDS, SERIES A**

RESOLVED, by the Board of Supervisors of San Mateo County (the "Board"), as follows:

WHEREAS, an election was duly and regularly held in the San Mateo Union High School District (the District ) on November 7, 2000 for the purpose of submitting to the qualified electors of the District the question whether general obligation bonds should be issued in the aggregate principal amount of \$137,500,000 (the Bonds ), at which more than two-thirds of the votes cast were in favor of the issuance of the Bonds; and

WHEREAS, Section 15140 of the Education Code of the State of California (the 'Education Code ) requires that general obligation bonds of a school district shall be offered for sale by the board of supervisors of the county, the county superintendent of which has jurisdiction over such school district, as soon as possible following receipt of a resolution adopted by the governing board of such district; and

WHEREAS, at this time the Board has received the resolution of the Board of Trustees of the District requesting the issuance of the first series of such Bonds (the Series A Bonds ) in the aggregate principal amount of not to exceed Sixty Million Dollars (\$60,000,000); and

WHEREAS, in its resolution, the District found and informed this Board that all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including the proposed issue of the Series A Bonds, is within all limits prescribed by law; and

WHEREAS, the Board intends to issue and sell general obligation bonds, in a principal amount not to exceed \$60,000,000, pursuant to this resolution and in conformity with the Act (as hereafter defined); and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN MATEO AS FOLLOWS:

## ARTICLE I

### DEFINITIONS; AUTHORITY

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

"Act" means Article 3 and Article 9 of Chapter 2 of Part 10 of Division 1 of the California Education Code, as in effect on the date of adoption hereof, and as amended hereafter.

"Accreted Interest" means, with respect to any Capital Appreciation Bond, Accreted Value as of the date of its calculation, less the original principal amount of such Capital Appreciation Bond.

"Accreted Value" means (a) on any Compounding Date, the amount set forth opposite such Compounding Date on the Table of Accreted Values which is included in Exhibit B hereto as part of the form of Capital Appreciation Bond, (b) on any date between the Closing Date and the first Compounding Date, the amount determined on the basis of straight-line interpolation between the Closing Date and such Compounding Date (based on a 360-day year and twelve 30-day months), and (c) on any date which is between two Compounding Dates (based on a 360-day year and twelve 30-day months), the amount determined on the basis of straight-line interpolation between such date and such Compounding Date.

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

"Board" means the Board of Supervisors of San Mateo County, California.

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

"Bond Payment Date" means March 1 and September 1 of each year, commencing March 1, 2002 with respect to interest on the Current Interest Bonds (unless otherwise specified in the Purchase Contract) and September 1 of each year, commencing September 1, 2002, with respect to the principal payments on the Current Interest Bonds (unless otherwise specified in the Purchase Contract), and, with respect to the Capital Appreciation Bonds, the stated maturity dates thereof, as applicable.

"Bonds" or "Series A Bonds" means the Current Interest Bonds and the Capital Appreciation Bonds at any time Outstanding pursuant to this Resolution.

"Bond Register" has the meaning given to such term in Section 2.09.

"Capital Appreciation Bond" means Series A Bonds, the interest component of which is compounded semiannually on each Bond Payment Date to maturity, as shown in the table of Accreted Value for such Series A Bonds in the Purchase Contract and/or the Official Statement for the Series A Bonds.

*"Capital Appreciation Term Bonds"* means those Capital Appreciation Bonds for which mandatory redemption dates have been established in accordance with Section 2.03(ii).

*"Closing Date"* means the date upon which there is an exchange of Series A Bonds for the proceeds representing the purchase price of the Series A Bonds by the Original Purchaser.

*"Code"* means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated under the Code.

*"Compounding Date"* means, with respect to any Capital Appreciation Bond, September 1, 2001 (unless otherwise specified in the Purchase Contract) and each March 1 and September 1 thereafter, to and including the date of maturity of such Bond.

*"County"* means the County of San Mateo, California.

*"County Treasurer"* means the Tax Collector-Treasurer of the County.

*"Current Interest Bonds"* means the Series A Bonds the interest on which is payable on each Bond Payment Date specified for each such Series A Bond as designated and maturing in the years and in the amounts set forth in the Purchase Contract. *"Current Interest Term Bonds"* means those Current Interest Bonds for which mandatory redemption dates have been established pursuant to Section 2.03(i).

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

*"Denominational Amount"* means, with respect to any Capital Appreciation Bond, the initial principal amount thereof.

*"Depository"* means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.04.

*"Depository System Participant"* means any participant in the Depository's book-entry system.

*"DTC"* means The Depository Trust Company, New York, New York, and its successors and assigns.

*"District Representative"* means the Superintendent of the District, the Associate Superintendent, Business Services of the District, or any other person authorized by resolution of the Board of Trustees of the District to act on behalf of the District with respect to this Resolution and the Series A Bonds.

*"Federal Securities"* means direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interest must be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying



United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed AAA by Standard & Poor's if the Bonds are then rated by Standard & Poor's and Aaa by Moody's if the Bonds are then rated by Moody's.

*"Information Services"* means Financial Information, Inc.'s Financial Daily Called Bond Service; Interactive Data Corporation's Bond Service; Kenny Information Service's Called Bond Service; Moody's Municipal and Government; or Standard & Poor's Called Bond Record.

*"Issuance Expenses"* means all items of expense directly or indirectly reimbursable to the District relating to the issuance, execution and delivery of the Bonds including, but not limited to, filing and recording costs, settlement costs, printing costs, reproduction and binding costs, legal fees and charges, fees and expenses of the Paying Agent, financial and other professional consultant fees, costs of obtaining credit ratings, municipal bond insurance premiums, fees for execution, transportation and safekeeping of the Bonds and charges and fees in connection with the foregoing.

*"Maturity Value"* means the Accreted Value of a Capital Appreciation Bond on the date such Bond matures.

*"Original Purchaser"* means PaineWebber Incorporated, as the first purchaser of the Series A Bonds pursuant to the Purchase Contract.

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

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

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

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

*"Owner"* or *"Bondowner"* mean any person who shall be the registered owner of any Outstanding Bond.

*"Paying Agent"* means the County Treasurer, the Paying Agent appointed by the District and acting as paying agent, registrar and authenticating agent for the Bonds, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 6.01 hereof.

*"Principal Office"* means the office of the Paying Agent in Redwood City, California.

*"Purchase Contract"* means the Purchase Contract, dated the date of sale of the Bonds, by and among the Original Purchaser, the District and the Board of Supervisors, pursuant to which the Original Purchaser agrees to purchase all of the Bonds, subject to the conditions contained in Section 4.01 hereof

*“Regulations”* means temporary and permanent regulations promulgated under the Code.

*“Resolution”* means this Resolution.

*“Securities Depositories”* means The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Facsimile transmission: (516) 227-4039, (516) 227-5190 with Cede & Co. as its nominee.

*“Supplemental Resolution”* means any resolution supplemental to or amendatory of this Resolution, adopted by the Board in accordance with Article VIII hereof.

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

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

## ARTICLE II

### THE BONDS

Section 2.01. Authorization. The Bonds, comprised of Current Interest Bonds and Capital Appreciation Bonds, are hereby authorized to be issued by the Board of Supervisors in the name of the District under and subject to the terms of the Act and this Resolution; provided, that the aggregate principal amount of the Current Interest Bonds and the Capital Appreciation Bonds shall not exceed \$60,000,000. This Resolution constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal of, interest on, and Accreted Value of all Bonds which may from time to time be issued hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Bonds shall be designated the "San Mateo Union High School District, Election of 2000 General Obligation Bonds, Series A".

#### Section 2.02. Terms of Bonds.

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

(b) Date of Bonds. The Current Interest Bonds shall be dated March 1, 2001, or such other date as shall be specified in the Purchase Contract. The Capital Appreciation Bonds shall be dated the Closing Date.

(c) CUSIP Identification Numbers. "CUSIP" identification numbers shall be imprinted on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the Bonds. In addition, failure on the part of the District to use such CUSIP numbers in any notice to Owners of the Bonds shall not constitute an event of default or any violation of the District's contract with such Owners and shall not impair the effectiveness of any such notice.

(d) Maturities; Interest. The Series A Bonds shall mature on September 1 or March 1 in the years and amounts set forth in the Official Statement for the Series A Bonds.

The Maturity Value of any Capital Appreciation Bond shall be payable only upon the maturity of such Capital Appreciation Bond. The total amount of principal of and interest payable on the Capital Appreciation Bonds as of any date other than its maturity date shall be the Accreted Value thereof determined as of such date.

The Current Interest Bonds shall bear interest at such rate as shall be determined upon the sale thereof in accordance with Section 4 01 hereof, payable semi-annually on each Bond Payment Dates, commencing March 1, 2002 (unless otherwise specified in the Purchase Contract).

The Capital Appreciation Bonds shall bear interest at such rate or rates as shall be determined upon the sale thereof in accordance with Section 4 01 hereof.

Each Current Interest Bond shall bear interest from the Bond Payment Date next preceding the date of registration and authentication thereof unless (i) it is registered and authenticated as of an Bond Payment Date, in which event it shall bear interest from such date, or (ii) it is registered and authenticated prior to a Bond Payment Date and after the close of business on the fifteenth (15th) day of the month preceding such Bond Payment Date, in which event it shall bear interest from such Bond Payment Date, or (iii) it is registered and authenticated prior to February 15, 2002, in which event it shall bear interest from the date described in paragraph (b) of this Section 2 02; *provided, however*, that if at the time of authentication of a Bond, interest is in default thereon, such Bond shall bear interest from the Bond Payment Date to which interest has previously been paid or made available for payment thereon.

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

(e) Payment. Interest on the Current Interest Bonds including the final interest payment upon maturity is payable by check of the Paying Agent mailed on the Bond Payment Date via first-class mail to the Owner thereof at such Owner's address as it appears on the bond register maintained by the Paying Agent at the close of business on the fifteenth (15th) day of the month preceding the Bond Payment Date (the "Record Date"), or at such other address as the Owner may have filed with the Paying Agent for that purpose, or upon written request filed with the Paying Agent as of the Record Date by an Owner of at least \$1,000,000 in aggregate principal amount of Current Interest Bonds, by wire transfer.

The interest portion of the Accreted Value of any Capital Appreciation Bond which is payable on the date of maturity shall represent interest accrued and coming due on such date. The Accreted Value of any Capital Appreciation Bond at maturity shall be payable, except as provided below, by check mailed by first-class mail, in lawful money of the United State of America upon presentation and surrender of such Bond at the Office of the Paying Agent.

Section 2.03. Redemption. (i) Optional Redemption. The Bonds may be redeemed before maturity, at the option of the District, on the dates specified in the final Official Statement for the Bonds, as a whole or in part, in inverse order of maturity and by lot within a maturity. For the purpose of such selection, Current Interest Bonds with Maturity Values of \$5,000 will be deemed to consist of \$5,000 portions, regardless of their Accreted Value on the date of such selection, and any such portion may be separately redeemed. The Current Interest Bonds called prior to maturity will be redeemed at the redemption prices specified in the final Official Statement for the Bonds.

(ii) Mandatory Redemption. The Capital Appreciation Bonds which are not Capital Appreciation Term Bonds are not subject to redemption prior to their stated maturity date, unless so specified in the final Official Statement for the Bonds. The Capital Appreciation Term Bonds maturing on the dates specified in the final Official Statement for the Bonds are subject to mandatory redemption from monies in the Series A Debt Service Fund established in Section 4 02 hereof prior to their stated maturity date, at the Accreted Value thereof, without premium, on each September 1, on and after September 1 in the years specified in the final Official Statement for the Bonds. The Current Interest Term Bonds are subject to redemption as provided in the final Official Statement for the Bonds.

(iii) Selection of Bonds for Redemption. Whenever provision is made in this Resolution for the redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the

Paying Agent, upon written instruction from the District received at least 50 days prior to the specified redemption date (unless a shorter notice is consented to by the Paying Agent), shall select Bonds for redemption in inverse order of maturity. Within a maturity, the Paying Agent shall select Bonds for redemption by lot. Redemption by lot shall be in such a manner as the Paying Agent shall determine; provided, however, that the portion of any Current Interest Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof and the portion of any Capital Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per \$5,000 Maturity Value of such Capital Appreciation Bond.

(iv) Notice of Redemption. When redemption is authorized or required pursuant to Section 2.03(1) hereof, the Paying Agent, upon written instruction from the District received at least 50 days prior to the specified redemption date (unless a shorter notice is consented to by the Paying Agent), shall give notice (a Redemption Notice ) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the Principal Amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the Redemption Price thereof, together with the interest accrued to the redemption date in the case of the Capital Appreciation Bonds, and that from and after such date, interest with respect thereto shall cease to accrete in value.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(a) At least thirty (30) but not more than forty-five (45) days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register maintained pursuant to Section 2.09.

(b) At least thirty (30) days before the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to each of the Securities Depositories.

(c) At least thirty (30) days before the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (or (ii) overnight delivery service, to one of the Information Services.

Neither failure to receive or failure to send any notice of redemption nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(v) Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the

unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the County and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(vi) Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside in the District's Series A Debt Service Fund created in Section 4.02 hereof, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in Section 2.03(i) hereof, together with interest to such redemption date, shall be held by the Paying Agent so as to be available therefor shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 2.03 shall be cancelled upon surrender thereof and be delivered to or upon the order of the County and the District. All or any portion of a Bond purchased by the County or the District shall be cancelled by the Paying Agent.

(vii) Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, and, in the case of Current Interest Bonds, accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

#### Section 2.04. Book-Entry System.

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the ownership of each such Bond shall be registered on the Bond Register in the name of Cede & Co. (the Nominee). Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Bond Register.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, the District and the Paying Agent shall have no responsibility or obligation to any Depository System Participant or to any person on behalf of which the Depository holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the District elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than an Owner as shown in the Bond Register, of any amount with respect to principal, premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The District and the Paying Agent may treat

and consider the person in whose name each Bond is registered as the absolute owner of such Bond for the purpose of payment of principal, premium and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers of ownership of such Bond, and for all other purposes whatsoever. The Paying Agent shall pay the principal of and interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than an Owner shall receive a Bond evidencing the obligation of the District to make payments of principal, interest and premium, if any, pursuant to this Resolution. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Paying Agent.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in the Bonds other than the Owners. The Paying Agent agrees to comply with all provisions in such letter with respect to the giving of notices thereunder by the Paying Agent. In addition to the execution and delivery of such letter, the District may take any other actions, not inconsistent with this Resolution, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the County Treasurer determines to terminate the Depository as such, then the County Treasurer shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the District and the Paying Agent in the issuance of replacement Bonds by providing the Paying Agent with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of the Nominee, to the Paying Agent on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the County Treasurer fails to identify another Securities Depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Article 2. Prior to its termination, the Depository shall furnish the Paying Agent with the names and addresses of the Participants and respective ownership interests thereof.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

Section 2.05. Form of Bonds. The Bonds, the form of the Paying Agent's certificate of authentication and registration, and the form of assignment to appear thereon, shall be substantially in the forms, respectively, with necessary or appropriate variations, omissions

and insertions, as permitted or required by this Resolution, as are set forth in Exhibits A (Current Interest Bond) and Exhibit B (Capital Appreciation Bond) attached hereto.

Section 2.06. Execution of Bonds. The Bonds shall be executed on behalf of the Board by the facsimile signatures of the County Treasurer and Chair of the Board of Supervisors, and countersigned by the Clerk of the Board of Supervisors who are in office on the date of adoption of this Resolution or at any time thereafter, and the seal of the Board shall be impressed, imprinted or reproduced by facsimile thereon. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Board by such persons as at the actual date of the execution of such Bond shall be the proper officers of the County although at the nominal date of such Bond any such person shall not have been such officer of the County.

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

Section 2.07. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.09 hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the Principal Office at the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The Paying Agent shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

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

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

Section 2.08. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Paying Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity; provided that Current Interest Bonds may only be exchanged for Current Interest Bonds, and Capital Appreciation Bonds may only be exchanged for Capital Appreciation Bonds. The Paying Agent shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

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

Section 2.09. Bond Register. The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the Bond (the Bond Register), which shall at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such



purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as herein before provided.

Section 2.10. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the District, and may contain such reference to any of the provisions of this Resolution as may be appropriate. Every temporary Bond shall be executed by the District upon the same conditions and in substantially the same manner as the definitive Bonds. If the District issues temporary Bonds it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Principal Office of the Paying Agent and the Paying Agent shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Resolution as definitive Bonds executed and delivered hereunder.

Section 2 11. Bonds Mutilated, Lost, Destroyed or Stolen If any Bond shall become mutilated the District, at the expense of the Owner of said Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Paying Agent shall be canceled by it and delivered to, or upon the order of, the District. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the District and, if such evidence be satisfactory to the District and indemnity satisfactory to it shall be given, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The District may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the District and the Paying Agent in the premises Any Bond issued under the provisions of this Section 2.11 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution with all other Bonds issued pursuant to this Resolution.

### ARTICLE III

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

Section 3.01. Issuance and Delivery of Bonds. At any time after the execution of this Resolution the Board of Supervisors may issue and deliver Current Interest Bonds and Capital Appreciation Bonds which in aggregate principal amount shall not exceed \$60,000,000.

The District Representative shall be, and is hereby, directed to cause the Bonds to be printed, signed and sealed, and to be delivered to the successful bidder for the Bonds on receipt of the purchase price therefor and upon performance of the conditions contained in the Purchase Contract relating to the Bonds.

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

Section 3.02. Application of Proceeds of Sale of Bonds; Building Fund. The proceeds of the Bonds shall be deposited as follows:

(a) There shall be deposited with the County Treasurer in the Series A Debt Service Fund, an amount equal to the accrued interest on the Current Interest Bonds paid by the Original Purchaser on the Closing Date; and

(b) The proceeds from the sale of the Bonds not consisting of accrued interest or premium shall be paid to the County Treasurer to the credit of the fund hereby created and established and to be known as the Election of 2000 San Mateo Union High School District Building Fund (the Series A Building Fund ) of the District, which shall be accounted for separate and distinct from all other District and County funds, and those proceeds shall be used solely for the purpose for which the Bonds are being issued. The interest earned on the monies deposited to said Building Fund shall be deposited in said Building Fund and used for the purposes for which the Series A Bonds have been authorized Any excess proceeds of the Series A Bonds not needed for the authorized purposes set forth herein for which the Bonds are being issued shall be transferred to the Series A Debt Service Fund and applied to the payment of principal and interest on the Series A Bonds. If, after payment in full of the Series A Bonds there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District

Section 3.03. Security for the Bonds. The Bonds are general obligations of the District, and the Board of Supervisors has the power, is obligated and hereby covenants to levy ad valorem taxes upon all property within the District subject to taxation, without limitation of rate or amount, for the payment of the Bonds and the interest thereon, in accordance with Sections 15250 and Section 15252 of the Act.

Section 3.04. Investments. All moneys held in any of the funds or accounts established with the County Treasurer hereunder shall be invested at the County Treasurer's discretion in accordance with law and the investment policy of the County, as such policy shall exist at the time of investment. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account.

## ARTICLE IV

### SALE OF THE BONDS; DEBT SERVICE FUND

Section 4.01. Sale of the Bonds. The Bonds shall be sold to the Original Purchaser pursuant to the terms of a Purchase Contract, between the Original Purchaser, the Board of Supervisors and the District, and dated the date of sale of the Bonds (the "Purchase Contract"), so long as the net interest cost on the Bonds does not exceed 6.5%, and so long as the Original Purchaser's discount on the Bonds (without regard to an original issue discount, if any) does not exceed 1.1%. The County Treasurer is hereby authorized and directed to execute the Purchase Contract, and the Clerk of the Board is hereby authorized and directed to attest the County Treasurer's signature, with such changes therein, deletions therefrom and modifications thereto as the County Treasurer, or designated deputy thereof, may approve, such approval to be conclusively evidenced by his or her execution and delivery thereof.

Section 4.02. Debt Service Fund. The County Treasurer shall create and maintain, while the Bonds are outstanding, an interest and sinking fund for the Bonds (the Series A Debt Service Fund), which shall be maintained by the County Treasurer as a separate account, distinct from all other funds of the District, into which shall be paid on receipt thereof, (i) the portion of the Bond proceeds designated in Section 3.02(a) of this Resolution, and (ii) the proceeds of any taxes levied pursuant to Section 3.03.

The Series A Debt Service Fund shall be administered and disbursements made in the manner set forth in Section 4.03 hereof.

Section 4.03. Disbursements From Series A Debt Service Fund. The moneys in the Series A Debt Service Fund, to the extent necessary to pay the principal of, interest on, and Accreted Value of the Bonds as the same become due and payable, shall be transferred by the County Treasurer to the Paying Agent in immediately available funds at least one (1) business day prior to each Bond Payment Date, which, in turn, shall pay such moneys to the Owners of the Series A Bonds in accordance with Section 2.02(e). Interest earnings on funds in the Series A Debt Service Fund shall remain therein. Any moneys remaining in the Series A Debt Service Fund after the Bonds and the interest thereon have been paid, or provision for such payment has been made, shall be transferred to the General Fund of the District.

Section 4.04. Official Action. All actions heretofore taken by the officers and agents of the County with respect to the sale and issuance of the Bonds are hereby approved, and the County Treasurer, and all other officers of the County are hereby authorized and directed for and in the name and on behalf of the Board, 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.

## ARTICLE V

### OTHER COVENANTS OF THE BOARD

Section 5.01. Punctual Payment. The Board will levy ad valorem taxes, as provided in Section 3.03, so as to enable the District to punctually pay, or cause to be paid, the principal of, interest on, and Accreted Value of 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 Board 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.

ARTICLE VI  
THE PAYING AGENT

Section 6.01. Appointment of Paying Agent. The San Mateo County Tax Collector-Treasurer 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 Paying Agent may at any time resign by giving written notice to the County Treasurer (but only if the County Treasurer is not then acting as Paying Agent), 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. Any such successor Paying Agent 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.

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 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. The 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

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES OF BONDOWNERS

Section 7.01. Events of Default The following events shall constitute Events of Default:

(a) if default shall be made in the due and punctual payment of the principal of or redemption premium, if any, 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 Representative; 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. Application of Funds Upon Default. All of the sums in the Series A Debt Service Fund and accounts provided for in Section 4.02 hereof upon the occurrence of an Event of Default as provided in Section 7.01 hereof, and all sums thereafter received by the Paying Agent hereunder, shall be applied by the Paying Agent in the following order upon presentation of the Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

*First*, to the payment of the costs and expenses of the Paying Agent hereunder and of the costs and expenses of Bondowners in declaring such event of default, including reasonable compensation to their agents, attorneys and counsel;

*Second*, in case the principal of the Bonds shall not have become due and payable, to the payment of the interest in default in the order of the maturity of the installments of such interest, with interest on the overdue installments at the rate of twelve percent (12%) per annum (to the extent that such interest on overdue installments shall have been collected), such payments to be made ratably to the persons entitled thereto without discrimination or preference;

*Third*, in case any principal of the Bonds shall have become and shall be then due and payable, all such sums shall be applied to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal and installments of interest at the rate of twelve percent (12%) per annum (to the extent that such interest on overdue installments of interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over

principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 7.03. 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 (as defined in Section 7.01 hereof), by suit, action or proceeding in any court of competent jurisdiction, to require the District and its members and employees to account as if it and they were the trustees of an express trust.

Section 7 04. 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 VI 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 7.05. 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 Board 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 Board 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 Board 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 to assure exclusion from gross income for purposes of federal income taxation of interest on the 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  
MISCELLANEOUS

Section 9.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, is intended to give to any person other than the Board, 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 9.02. 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 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 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 of Bonds not theretofore surrendered for such payment.

(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 any Outstanding Bond (whether upon or prior to its maturity date), 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 or an escrow agent (in either case, the Escrow 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 Escrow Agent.* Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust by the Escrow Agent money or securities in the necessary amount to pay any Bonds, the money or securities so to be deposited or held may include money or securities held by the Escrow 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; 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 of and all unpaid interest to maturity, on the Bonds to be paid, as such principal and interest become due;

provided, in each case, that the Escrow 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 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 of, or interest on, any Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable, if such moneys were so held at such date, or two years 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 bond register 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.

Section 9 03. Execution of Documents and Proof of Ownership by Bondowners. Any request, declaration or other instrument which this Resolution may require or permit to be executed by Bondowners may be in one or more instruments of similar tenor, and shall be executed by Bondowners in person or by their attorneys appointed in writing.

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

Except as otherwise herein expressly provided, the ownership of registered 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, the Paying Agent or the District Representative in good faith and in accordance therewith.

Section 9.04. Waiver of Personal Liability. No board member, officer, agent or employee of the Board or 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 boardmember, officer, agent or employee from the performance of any official duty provided by law.

Section 9.05. 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 9.06. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The Board 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 Representative in trust for the benefit of the Bondowners.

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

\*\*\*\*\*

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the COUNTY OF SAN MATEO on the 13<sup>th</sup> day of February 2001, by the following vote:

AYES, Supervisor:

NOES, Supervisor:

ABSENT, Supervisor:

BOARD OF SUPERVISORS  
OF SAN MATEO COUNTY

By: \_\_\_\_\_  
Chairperson of the Board

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

EXHIBIT A  
FORM OF CURRENT INTEREST BOND

UNITED STATES OF AMERICA  
STATE OF CALIFORNIA  
COUNTY OF SAN MATEO

SAN MATEO UNION HIGH SCHOOL DISTRICT  
ELECTION OF 2000 GENERAL OBLIGATION BOND, SERIES A

INTEREST RATE.	MATURITY DATE	ISSUE DATE	CUSIP:
		March 1, 2001	

REGISTERED OWNER:

PRINCIPAL SUM: DOLLARS

The SAN MATEO UNION HIGH SCHOOL DISTRICT, a high school district duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), for value received, hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless (i) this Bond is authenticated on an interest payment date, in which event it shall bear interest from such date of authentication, or (ii) this Bond is authenticated prior to an interest payment date and after the close of business on the fifteenth day of the month preceding such interest payment date, in which event it shall bear interest from such interest payment date, or (iii) this Bond is authenticated on or prior to February 15, 2002, in which event it shall bear interest from the Issue Date stated above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on this Bond) until payment of such Principal Sum in full, at the rate per annum stated above, payable on March 1 and September 1 in each year, commencing March 1, 2002, calculated on the basis of a 360-day year comprised of twelve 30-day months. Principal hereof is payable at the corporate trust office of the San Mateo County Tax Collector-Treasurer the "Paying Agent", in California. Interest hereon (including the final interest payment upon maturity) is payable by check of the Paying Agent mailed by first-class mail to the Owner at the Owner's address as it appears on the bond register maintained by the Paying 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.

This Bond is one of a duly authorized issue of bonds of the District designated as "San Mateo Union High School District, Election of 2000 General Obligation Bonds, Series A" (the "Bonds"), in an aggregate principal amount of \_\_\_\_\_ dollars

(\$ \_\_\_\_\_), all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption and other provisions) and all issued pursuant to the provisions of Articles 3 and 9 of Chapter 2 of Part 10 (commencing with section 15140) of the California Education Code (the "Act"), and pursuant to Resolution No. \_\_\_\_ of the Board of Supervisors of San Mateo County adopted February 13, 2001 (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 Superintendent 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 repair and rehabilitate school facilities to meet current health, safety and instructional standards, including replacing deteriorated plumbing, inadequate heating, ventilation, roofs, windows and lighting, refurbishing bathrooms, safety systems, classrooms, and computer and science laboratories.

This Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Resolution) are general obligations of the District, and the Board of Supervisors of San Mateo County has the power and is obligated 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.

The County of San Mateo, including its Board, officers, officials, agents and employees: (i) are not liable for the payment of the Bonds, including the interest hereon; and (ii) shall retain all their respective constitutional and statutory privileges, immunities, rights and defenses in carrying out their duties under the Resolution.

The Current Interest Bonds may be redeemed before maturity, at the option of the District, on the dates provided herein (or on such other dates provided in the Purchase Contract) The Current Interest Bonds maturing on or before September 1, \_\_\_\_, are not subject to redemption prior to their fixed maturity dates. The Current Interest Bonds maturing on or after September 1, \_\_\_\_, may be redeemed before maturity at the option of the District, from any source of funds, on September 1, \_\_\_\_, or on any Bond Payment Date thereafter as a whole, or in part in inverse order of maturity and by lot within a maturity. For the purpose of such selection, Current Interest Bonds will be deemed to consist of \$5,000 portions, and any such portion may be separately redeemed. The Current Interest Bonds called prior to maturity will be redeemed at the following redemption prices, expressed as a percentage of par value, together with accrued interest to the date of redemption.

<u>Redemption Dates</u>	<u>Redemption Prices</u>
September 1, ____ and March 1, ____	%
September 1, ____ and March 1, ____	%
September 1, ____ and thereafter	%

The Current Interest Bonds are issuable as fully registered Bonds, without coupons, in denominations of \$5,000 and any integral multiple thereof. 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 Redwood City, California, 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 herefor.

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 San Mateo Union High School District, San Mateo County, California has caused this Election of 2000 General Obligation Bond, Series A to be executed on behalf of the District and in their official capacities by the manual or facsimile signature of the Chairperson of the Board of Supervisors and County Tax Collector-Treasurer, and to be countersigned by the manual or facsimile signature of the Clerk of the Board, and its seal to be reproduced hereon, all as of the Issue Date stated above.

BOARD OF SUPERVISORS OF  
SAN MATEO COUNTY, CALIFORNIA

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

By: \_\_\_\_\_  
County Tax Collector-Treasurer

(S E A L)

ATTEST:

\_\_\_\_\_  
Clerk of the Board

[FORM OF PAYING AGENT'S CERTIFICATE OF AUTHENTICATION]

CERTIFICATE OF AUTHENTICATION

This is one of the San Mateo Union High School District Election of 2000 General Obligation Bonds, Series A described in the within-mentioned Resolution.

Authentication Date:

San Mateo County Treasurer-Tax Collector,  
as Paying Agent

---

Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT
TEN ENT --	as tenants by the entireties	____ Custodian
JT TEN --	as joint tenants with	____ Minor
	right of survivorship and not	Under Uniform Gifts to Minors
	as tenants in common	Act
		-----
		(State)

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED  
THOUGH NOT IN THE LIST ABOVE

(FORM OF 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 and appoint \_\_\_\_\_,  
attorney, to transfer the same on the bond register 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

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 CAPITAL APPRECIATION BOND]

UNITED STATES OF AMERICA  
STATE OF CALIFORNIA  
COUNTY OF SAN MATEO

SAN MATEO UNION HIGH SCHOOL DISTRICT  
ELECTION OF 2000 GENERAL OBLIGATION BOND, SERIES A

YIELD TO MATURITY.      MATURITY DATE.      ISSUE DATE.      CUSIP:  
March, 2001

REGISTERED OWNER:

DENOMINATIONAL AMOUNT:      DOLLARS

MATURITY VALUE.      DOLLARS

The SAN MATEO UNION HIGH SCHOOL DISTRICT, a school district duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Owner"), on the Maturity Date stated above, the Maturity Value stated above, constituting the Denominational Amount stated above, in lawful money of the United States of America, and interest on said Denominational Amount from \_\_\_\_\_ until payment of such Denominational Amount at the Yield to Maturity stated above per annum, compounded semiannually on each March 1 and September 1, commencing September 1, 2001, and payable on the Maturity Date specified above; provided, however, that the amount of principal and interest payable on any date shall be determined solely by reference to the Table of Compounded Amounts on Page [[5] hereof. Principal hereof and interest herein is payable at the corporate trust office of the San Mateo County Tax Collector-Treasurer (the "Paying Agent"), in Redwood City, California. Payment of the principal of and interest on the Bonds shall be payable by check representing the coin or currency of the United States of America as, at the times of payment, shall be legal tender for the payment of public or private debts.

This Bond is one of a duly authorized issue of bonds of the District designated as "San Mateo Union High School District, Election of 2000 General Obligation Bonds, Series A" (the "Bonds"), in an aggregate principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption and other provisions) and all issued pursuant to the provisions of Articles 3 and 9 of Chapter 2 of Part 10 (commencing with section 15140) of the California Education Code (the "Act"), and pursuant to Resolution No \_\_\_\_ of the Board of Supervisors of San Mateo County adopted February 13, 2001 (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 Superintendent 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 repair and rehabilitate school facilities to meet current health, safety and instructional standards, including replacing deteriorated plumbing, inadequate heating, ventilation, roofs, windows and lighting, refurbishing bathrooms, safety systems, classrooms, and computer and science laboratories.

This Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Resolution) are general obligations of the District, and the Board of Supervisors of San Mateo County has the power and is obligated 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.

The County of San Mateo, including its Board, officers, officials, agents and employees: (i) are not liable for the payment of the Bonds, including the interest hereon; and (ii) shall retain all their respective constitutional and statutory privileges, immunities, rights and defenses in carrying out their duties under the Resolution.

Bonds maturing on September 1, \_\_\_\_ are subject to mandatory redemption from monies in the Series A Debt Service Fund prior to their stated maturity date, at the Accreted Value thereof without premium on each September 1, on and after September 1, \_\_\_\_, in the Accreted Value as set forth in the following table:

<u>Redemption Dates</u>	<u>Accreted Values</u>
TOTAL	\$_____

The Bonds are issuable as fully registered Bonds, without coupons, in denominations of \$5,000 Maturity Value and any integral multiple thereof. 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 Maturity Value 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 Redwood City, California, 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 herefor.

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 San Mateo Union High School District, San Mateo County, California has caused this Election of 2000 General Obligation Bond, Series A to be executed on behalf of the District and in their official capacities by the manual or facsimile signature of the Chairperson of the Board of Supervisors and County Tax Collector-Treasurer, and to be countersigned by the manual or facsimile signature of the Clerk of the Board, and its seal to be reproduced hereon, all as of the Issue Date stated above.

BOARD OF SUPERVISORS OF  
SAN MATEO COUNTY, CALIFORNIA

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

By: \_\_\_\_\_  
County Tax Collector-Treasurer

(S E A L)

ATTEST:

\_\_\_\_\_  
Clerk of the Board



TABLE OF COMPOUNDED AMOUNTS

[To Come]

[FORM OF PAYING AGENT'S CERTIFICATE OF AUTHENTICATION]

CERTIFICATE OF AUTHENTICATION

This is one of the San Mateo Union High School District Election of 2000 General Obligation Bonds, Series A described in the within-mentioned Resolution.

Authentication Date:

San Mateo County Tax Collector-Treasurer  
as Paying Agent

---

Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT
TEN ENT --	as tenants by the entireties	____ Custodian
JT TEN --	as joint tenants with	____ Minor
	right of survivorship and not	Under Uniform Gifts to Minors
	as tenants in common	Act
		-----
		(State)

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED  
THOUGH NOT IN THE LIST ABOVE

(FORM OF 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 and appoint \_\_\_\_\_,  
attorney, to transfer the same on the bond register 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

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.