

RESOLUTION NO. 2-2017/2018

RESOLUTION OF THE GOVERNING BOARD OF THE NOVATO UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF THE 2017 GENERAL OBLIGATION REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED OF \$15,000,000 BY A COMPETITIVE SALE AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, the Governing Board (the "Board") of the Novato Unified School District (the "District") has previously issued or caused to be issued the Novato Unified School District (County of Marin, California) 2011 General Obligation Refunding Bonds, dated October 25, 2011 in the principal amount of \$24,290,000 of which \$18,410,000 principal amount is currently outstanding (the "2011 Refunding Bonds");

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 (commencing with section 53550) of Division 2 of Title 5 of the California Government Code (the "Act"), the District is empowered to issue general obligation refunding bonds without submitting the question of the issuance of the refunding bonds to a vote of the qualified electors of the local agency;

WHEREAS, the Board deems it necessary and desirable to authorize the issuance of general obligation refunding bonds to refund a portion of the 2011 Refunding Bonds (the "Refunded Bonds") on an advance basis pursuant to this Resolution and in conformity with the Act, to be designated as the "Novato Unified School District (County of Marin, California) 2017 General Obligation Refunding Bonds" (the "Bonds") in an aggregate principal amount not exceeding \$15,000,000, according to the terms and in the manner hereinafter set forth;

WHEREAS, the total net interest cost to maturity on the Bonds plus the principal amount of the Bonds, will not exceed the total net interest cost to maturity on the Refunded Bonds plus the principal amount of the Refunded Bonds;

WHEREAS, the Board of the District deems it necessary and desirable to authorize sale of bonds by competitive bid; and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Bonds, the Purchaser must have reasonably determined that the issuer or other obligated person has undertaken, in a written agreement or contract for the benefit of the holders of the Bonds, to provide disclosure of certain financial information and certain material events on an ongoing basis; in order to cause such requirement to be satisfied, the District desires to execute and deliver a continuing disclosure certificate, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution (the "Continuing Disclosure Certificate");

WHEREAS, the preliminary official statement to be distributed in connection with the public offering of the Bonds, with such changes, insertions and omissions as are made pursuant to this Resolution (the "Preliminary Official Statement"), has been prepared and is presented at this meeting;

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

WHEREAS, the District desires that the Auditor-Controller of Marin County (the "County") annually establish tax rates on taxable property within the District for repayment of the Bonds, pursuant to Sections 29100-29103 of the Government Code, that the Board of Supervisors of the County annually approve the levy of such tax, and the Treasurer-Tax Collector annually collect such tax and apply the proceeds thereof to the payment of principal of and interest on the Bonds when due; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Governing Board of the Novato Unified School District does hereby resolve as follows:

ARTICLE 1

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 Articles 9 and 11 of Chapter 3 (commencing with Section 53550) of Division 2 of Title 5 of the California Government Code, as is in effect on the date of adoption hereof and as amended hereafter.

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

"Board" means the Governing Board of the District.

"Bond Counsel" or **"Special Tax 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 Insurer" means any insurance company which issues a municipal bond insurance policy insuring the payment of the principal amount of and interest on the Bonds.

"Bond Payment Date" means February 1 and August 1 of each year commencing February 1, 2018 with respect to payment of interest on the Bonds (or as otherwise as set forth in the Certificate of Award), and August 1 of each year with respect to payment of principal on the Bonds, in the years as set forth in the Certificate of Award.

"Bond Register" means the records maintained by the Paying Agent pursuant to Section 2.08 of this Resolution for registration of the ownership and transfer of ownership of the Bonds.

“Bonds” means the Novato Unified School District (County of Marin, California) 2017 General Obligation Refunding Bonds at any time Outstanding pursuant to this Resolution.

“Certificate of Award” means the certificate of sale awarding the Bonds to the Purchaser.

“Closing Date” means the date upon which there is an exchange of Bonds for the proceeds representing the purchase price of the Bonds by the Purchaser as set forth in the Certificate of Award.

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

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed by the District and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“County” means the County of Marin.

“Costs of Issuance” 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 and Escrow Bank, fees of a verification agent, financial and other professional consultant fees, costs of obtaining credit ratings, fees for execution, transportation and safekeeping of the Bonds and charges and fees in connection with the foregoing. Additional costs authorized to be paid from the proceeds of the Bonds are all of the authorized costs set forth in Sections 53550(e) and (f) of the Government Code.

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

“District Representative” means the President of the Board, or such other member of the Board as the President may designate, the Superintendent of the District, and the Assistant Superintendent – Business & Operations of the District, or such other officer or employee of the District as the Superintendent may designate.

“Escrow Agreement” means the Escrow and Deposit Agreement, dated the Closing Date, by and between the District and The Bank of New York Mellon Trust Company, N.A., as escrow bank, with respect to the redemption of the Refunded Bonds.

“Escrow Bank” means The Bank of New York Mellon Trust Company, N.A., as escrow bank under the Escrow Agreement.

“Escrow Fund” means the escrow fund established pursuant to the Escrow Agreement.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of the applicable regulations of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security - State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

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

“Information Services” means the Electronic Municipal Market Access System (referred to as EMMA), a facility of the Municipal Securities Rulemaking Board (at <http://emma.msrb.org>) or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other national information services providing information or disseminating notices of redemption of obligations similar to the Bonds.

“Notice of Intention” means, the notice of intention to be used to advertise the offering of the Bonds as required by sections 53583 and 53692 of the California Government Code.

“Official Notice of Sale” means one or more official notices of sale relating to the Bonds.

“Official Statement” means the Official Statement of the District relating to the Bonds.

“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 8.02 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” means, with respect to any Bond, the person whose name appears on the Registration Books as the registered Owner thereof.

“Paying Agent” means The Bank of New York Mellon Trust Company, N.A., or any

bank, trust company, national banking association or other financial institution appointed as Paying Agent to act as authenticating agent, bond registrar, transfer agent, costs of issuance agent and paying agent for the Bonds in accordance Section 6.01 hereof.

"Paying Agent/Registrar/Depository Agreement" means the agreement of that name, dated the Closing Date, by and between the District and the Paying Agent.

"Preliminary Official Statement" means the Preliminary Official Statement of the District relating to the Bonds.

"Principal Office" means the principal office of the Paying Agent in Los Angeles, California.

"Purchaser" shall mean the entity to whom the Certificate of Award is awarded pursuant to 4.01 hereof.

"Refunded Bonds" means the portion of the outstanding 2011 Refunding Bonds that are being refunded on an advance basis.

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

"Resolution" means this Resolution.

"Securities Depositories" means The Depository Trust Company, 55 Water Street, 50th Floor, New York, NY 10041 Attention: Call Notification Department; or to such other addresses and/or such other registered securities depositories holding substantial amounts of obligations of types similar to the Bonds.

"Supplemental Resolution" means any resolution supplemental to or amendatory of this Resolution, adopted by the District in accordance with Article 7 hereof.

"Tax Certificate" means the Tax Certificate with respect to the Bonds executed by the District, dated the date of issuance of the Bonds.

"Treasurer-Tax Collector" means the Treasurer-Tax Collector of the County or any authorized deputy thereof.

"Written Request of the District" means an instrument in writing signed by a District Representative, or by any other officer of the District duly authorized by the District.

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

Section 1.03. Findings.

(a) The Board hereby finds and determines that the total net interest cost to maturity on the Bonds plus the principal amount of the Bonds, does not exceed the total net interest cost to maturity on the Refunded Bonds plus the principal amount of the Refunded Bonds.

(b) The Board hereby finds and determines pursuant to section 53552 of the Act that the prudent management of the fiscal affairs of the District requires that it issue the

Bonds without submitting the question of the issuance of the Bonds to a vote of the qualified electors of the District.

(c) The Board intends to redeem the Refunded Bonds on the first respective optional redemption dates thereof subsequent to the issuance of the Bonds.

ARTICLE 2

THE BONDS

Section 2.01. Authorization. Bonds in the aggregate principal amount of not to exceed Fifteen Million Dollars (\$15,000,000) are hereby authorized to be issued by the District under and subject to the terms of the Act and this Resolution. 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 and premiums, if any, and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Bonds shall be designated the "Novato Unified School District (County of Marin, California) 2017 General Obligation Refunding Bonds."

Section 2.02. Terms of Bonds.

(a) *Date of Bonds*. The Bonds shall be dated as of the Closing Date.

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

(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 Bonds shall mature and become payable on August 1 in each of the years 2018 through 2026, or otherwise as set forth in the Certificate of Award (but in no event through a date later than the final maturity date for the Refunded Bonds), in the amounts determined upon the sale thereof in accordance with the Certificate of Award. The Bonds shall bear interest at a rate not to exceed 6% per annum, such rates to be determined upon the sale thereof in accordance with Section 4.01 hereof, payable semi-annually on each February 1 and August 1, commencing February 1, 2018, or as otherwise set forth in the Certificate of Award.

Each 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 a 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 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

on or before the Record Date preceding the first Bond Payment Date, in which event it shall bear interest from the Closing Date; 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 Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of the Paying Agent mailed via first-class mail to the Owner thereof at such Owner's address as it appears on the Bond Register 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; provided however, that payment of interest may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Paying Agent at least five (5) days before the applicable Record Date. Principal of the Bonds is payable in lawful money of the United States of America at the Principal Office of the Paying Agent.

Section 2.03. Redemption of Bonds.

(a) *Redemption.* The Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Certificate of Award. The certificate of Award may provide that the Bonds shall not be subject to optional redemption, and may provide separate and distinct redemption provisions for the Bonds.

(b) *Selection of Bonds for Redemption.* If less than all of the Bonds shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such order as shall be directed by the District and, in lieu of such direction, on a proportional basis. Within a maturity, the Paying Agent shall select the Bonds for redemption as directed by the District, and, in lieu of such direction by lot; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of five thousand dollars (\$5,000) or some integral multiple thereof and that, in selecting Bonds for redemption, the Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by five thousand dollars (\$5,000).

(c) *Notice of Redemption.* The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds to be redeemed including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

Notice of redemption shall be by registered or otherwise secured mail or delivery service, postage prepaid, to the registered Owner of the Bonds, or if the registered Owner is a syndicate, to the managing member of such syndicate, to a municipal registered securities

depository, such as the Securities Depositories and to a national information service that disseminates securities redemption notices, such as Information Services and by first class mail, postage prepaid, to the District and the respective Owners of any registered Bonds designated for redemption at their addresses appearing on the Bond Register, in every case at least twenty (20) days, but not more than forty-five (45) days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

Any notice of redemption for an optional redemption of the Bonds delivered in accordance with this section may be conditional, and, if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date: (i) the notice of redemption shall be of no force and effect, (ii) the District shall not be required to redeem such Bonds, (iii) the redemption shall not be made, and (iv) the Paying Agent shall within a reasonable time thereafter give notice to the persons in the manner in which the conditional notice of redemption was given that such condition or conditions were not met and that the redemption was canceled.

(d) *Right to Rescind Notice.* The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the Debt Service Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

(e) *Partial Redemption of Bonds.* Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the registered Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such registered Owner, the Paying Agent and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(f) *Effect 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 for such purpose, 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 this Section 2.03, together with interest to such redemption date, shall be held irrevocably in trust so as to be available therefor on such redemption date, and if notice of redemption thereof 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 or an independent escrow agent selected by the District for the redemption of Bonds shall be held in trust for the account of the registered 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 canceled upon surrender thereof and be delivered to or upon

the order of the District. All or any portion of a Bond purchased by the District shall be canceled by the Paying Agent.

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 or on behalf of the Paying Agent irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, 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. 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 Exhibit A attached hereto.

Section 2.05. Execution of Bonds. The Bonds shall be signed by the manual or facsimile signatures of the President of the Governing Board, or an authorized designee thereof, and countersigned by the manual or facsimile signature of the Secretary to the Governing Board, or an authorized designee thereof. The Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.

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

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.08 hereof, by the person in whose name it is registered, in person or by his or her 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 2.07. 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. 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 2.08. Bond Register. The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as herein before provided.

Section 2.09. 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 2.10. 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 connection therewith. Any Bond issued under the provisions of this Section 2.10 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original 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.

Section 2.11. Book Entry System. Except as provided below, the owner of all of the Bonds shall be The Depository Trust Company, New York, New York ("DTC"), and the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. The Bonds shall be initially executed and delivered in the form of a single fully registered Bond for each maturity date of the Bonds in the full aggregate principal amount of the Bonds maturing on such date. The Paying Agent and the District may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for all purposes of this Resolution, and neither the Paying Agent nor the District shall be affected by any notice to the contrary. The

Paying Agent and the District shall not have any responsibility or obligation to any participant of DTC (a 'Participant'), any person claiming a beneficial ownership interest in the Bonds under or through DTC or a Participant, or any other person which is not shown on the register of the District as being an Owner, with respect to the accuracy of any records maintained by DTC or any Participant or the payment by DTC or any Participant of any amount in respect of the principal or interest with respect to the Bonds. The Paying Agent shall cause to be paid all principal and interest with respect to the Bonds received from the District only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the principal and interest with respect to the Bonds to the extent of the sum or sums so paid. Except under the conditions noted below, no person other than DTC shall receive a Bond. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the term "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

If the District determines that it is in the best interest of the beneficial owners that they be able to obtain Bonds and delivers a written certificate to DTC to that effect, DTC shall notify the Participants of the availability through DTC of Bonds. In such event, the District shall issue, transfer and exchange Bonds as requested by DTC and any other owners in appropriate amounts, DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the District shall be obligated to deliver Bonds as described in this Resolution. Whenever DTC requests the District to do so, the District will cooperate with DTC in taking appropriate action after reasonable notice to (a) make available one or more separate Bonds evidencing the Bonds to any DTC Participant having Bonds credited to its DTC account or (b) arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal and interest with respect to such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided as in the representation letter delivered on the date of issuance of the Bonds.

ARTICLE 3

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

Section 3.01. Issuance, Award and Delivery of Bonds. At any time after the execution of this Resolution the District may issue and deliver Bonds in the aggregate principal amount of not to exceed Fifteen Million dollars (\$15,000,000).

The District Representatives shall be, and are hereby, directed to cause the Bonds to be printed, signed and sealed, and to be delivered to the Purchaser on receipt of the purchase price therefor.

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

Section 3.02. Debt Service Fund. There is hereby created the "Novato Unified School District (County of Marin, California) 2017 General Obligation Refunding Bonds Debt Service Fund" (the "Debt Service Fund"), which shall be held and maintained by the Treasurer-Tax Collector as a separate fund, distinct from all other funds thereof. Any accrued interest received by the District from the sale of the Bonds shall be kept separate and apart in the Debt Service Fund for the Bonds and used only for payments of principal and interest on the Bonds. There shall also be transferred to and deposited in the Debt Service Fund *ad valorem* taxes in accordance with Section 3.05 below. Any excess proceeds of the Bonds not needed for the authorized purposes set forth herein for which the Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of principal and interest on the Bonds. If, after payment in full of the Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.

Section 3.03 Escrow Fund. There is hereby authorized the Novato Unified School District (County of Marin, California) 2017 General Obligation Refunding Bonds Escrow Fund" (the "Escrow Fund"), which shall be established by the Escrow Bank under the Escrow Agreement for the purpose of depositing a portion of the proceeds of the Bonds, together with any other available funds, in an amount sufficient, together with interest earnings thereon, to defease the Refunded Bonds.

Section 3.04. Application of Proceeds of Sale of Bonds. On the Closing Date, the proceeds of sale of the Bonds shall be paid by the Purchaser to the Paying Agent and to the Escrow Bank. As directed by the District, the Paying Agent and Escrow Bank shall deposit or transfer all of such amounts as follows:

(a) The Paying Agent shall deposit in an account to be established pursuant to the Agreement relating to Paying Agency, Registrar and Depository, the proceeds of the Bonds required to pay the Costs of Issuance (as shall be designated by the District on or prior to the Closing Date);

(b) The Escrow Bank shall deposit in the Escrow Fund such portion of the proceeds of the Bonds as are required for the defeasance of the Refunded Bonds.

Section 3.05. Security for the Bonds. There shall be levied by the County on all the taxable property in the District, in addition to all other taxes, a continuing direct and *ad valorem* tax annually during the period the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due, which moneys when collected will be placed in the Debt Service Fund of the District, which fund is irrevocably pledged pursuant to Government Code Sections 5450 and 5451 for the payment of the principal of and interest on the Bonds when and as the same fall due. The moneys in the Debt Service Fund heretofore established and maintained by the County for the District, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, shall be transferred by the County to the Paying Agent, as paying agent for the Bonds, as necessary to pay the principal of and interest on the Bonds. The Bonds shall, pursuant to Government Code Section 53515, be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* taxes for the payment of the Bonds.

Section 3.06. Rebate Fund. The following provisions shall apply to the Bonds.

(a) The District shall create and establish a special fund designated the "Novato Unified School District (County of Marin, California) 2017 General Obligation Refunding

Bonds Rebate Fund" (the "Rebate Fund"). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the "Rebate Requirement") pursuant to Section 148 of the Code, and the United States Treasury Regulations promulgated thereunder (the "Treasury Regulations"). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and by the Tax Certificate to be executed by the District.

(b) Within 45 days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), (1) the District shall calculate or cause to be calculated with respect to the Bonds the amount that would be considered the "rebate amount" within the meaning of Section 1.148-3 of the Treasury Regulations, using as the "computation date" for this purpose the end of such Bond Year, and (2) the District shall deposit to the Rebate Fund from amounts on deposit in the other funds established hereunder or from other District funds, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the "rebate amount" so calculated. The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence, if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the "rebate amount" calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section. The District shall not be required to calculate the "rebate amount" and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Bonds (including amounts treated as proceeds of the Bonds) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a "bona fide debt service fund." In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Any funds remaining in the Rebate Fund after redemption of all the Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the District, including accrued interest, shall be remitted to the District.

(d) Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the "rebate amount" and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the "rebate amount" calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than 60 days after the payment of all Bonds, an amount equal to 100% of the "rebate amount" calculated as of the date of such payment (and any income attributable to the "rebate amount" determined to be due and

payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate (or have calculated) the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(f) Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or cause to be prepared by the District.

(g) In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the "rebate amount" calculated in accordance with said subsection, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) The District shall retain records of all determinations made hereunder until three years after the complete retirement of the Bonds.

(i) Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Bonds.

ARTICLE 4

SALE OF THE BONDS, APPROVAL OF ESCROW AGREEMENT, PAYING AGENCY/ REGISTRAR/ DEPOSITORY AGREEMENT, OFFICIAL STATEMENT

Section 4.01. Sale of the Bonds. The Bonds shall be sold upon the taking of public bids and shall be offered by means of an Official Notice of Sale, substantially in the form attached as Exhibit C. Such bonds shall be sold to the responsible bidder who makes the best responsive bid therefor, after publication of a Notice of Intention to Sell Bonds once at least five (5) days before the date of sale in a financial publication generally circulated throughout the State of California (or which the Financial Advisor advises is expected to be disseminated among prospective bidders for the Bonds), and once at least ten (10) days before the date of sale in a newspaper of general circulation circulated within the boundaries of the District. The Official Notice of Sale with respect to the competitively sold Bonds shall require that (i) the purchase price of such Bonds shall be no less than the principal amount thereof; (ii) such Bonds shall otherwise conform to the limitations specified in this Resolution, including specifically those terms prescribed by this section. The form of the Official Notice of Sale on file with the Secretary of the Board is hereby approved, and the Authorized Officers are each hereby authorized to publicize one or more instruments in substantially said form and award the sale pursuant thereto and pursuant to the Certificate of Award, subject to such changes or revisions to the Official Notice of Sale as may be acceptable to the Authorized Officer, and the District's approval of all such changes shall be conclusively evidenced by the execution and delivery of the Certificate of Award. The District reserves the right to reject all bids and to re-bid the Bonds or, if necessary, to sell the Bonds by negotiated sale as permitted by law, upon consultation with the District's Financial Advisor, and upon terms and conditions otherwise in conformity with the limitations contained in this Resolution.

The Certificate of Award or such other document awarding the sale of Bonds, shall recite the terms of the Bonds sold under such document in accordance with Section 4.01 hereof as determined in the sale thereof. The Certificate of Award shall recite the aggregate principal amount of the Bonds and shall recite the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual Interest Dates thereof, and the terms of optional, extraordinary and mandatory sinking fund redemption thereof if any.

To the extent not contracted to be paid by the Purchaser, the Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by The Bank of New York Mellon Trust Company, N.A., as cost of issuance administrator, proceeds of sale of the Bonds (exclusive of any premium or accrued interest received) in an amount not exceeding 1.5% of the principal amount of the Bonds sold, as shall be set forth in the Certificate of Award, for the purposes of paying the costs associated with the issuance of the Bonds not contracted to be paid by the Purchaser or Purchasers, if any. Estimated costs of issuance are described in Exhibit B hereto.

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

Section 4.03. Approval of Agreement relating to Paying Agency, Registrar and Depository. The Agreement relating to Paying Agency, Registrar and Depository, in substantially the form attached hereto as Exhibit E, together with any additions thereto or changes therein deemed necessary or advisable by a District Representative, or any designee thereof, is hereby approved by the Board. A District Representative, or any designee thereof, is hereby authorized and directed to execute the Agreement relating to Paying Agency, Registrar and Depository for and in the name and on behalf of the District. The Board hereby authorizes the delivery and performance of the Agreement relating to Paying Agency, Registrar and Depository.

Section 4.04. Official Statement. The Board hereby approves the Preliminary Official Statement describing the financing, in substantially the form on file with the Secretary of the Board, together with any changes therein or additions thereto deemed advisable by a District Representative, or any designee thereof. The Board authorizes and directs a District Representative, or any designee thereof, on behalf of the District, to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") the Preliminary Official Statement prior to its distribution to prospective purchasers of the Bonds.

A District Representative, or any designee thereof, is authorized and directed to cause the Preliminary Official Statement to be brought into the form of a final official statement (the "Final Official Statement") and to execute the Final Official Statement, dated as of the date of the sale of the Bonds, and a statement that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the Bonds, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the Bonds, and does not, as of the date of delivery of the Bonds, contain any untrue statement of a material fact with respect to the District or omit to state material facts with respect to the District required to be stated where necessary to make

any statement made therein not misleading in light of the circumstances under which it was made. A District Representative, or any designee thereof, shall take such further actions prior to the signing of the Final Official Statement as are deemed necessary or appropriate to verify the accuracy thereof. The execution of the Final Official Statement, which shall include such changes and additions thereto deemed advisable by a District Representative, or any designee thereof, and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Final Official Statement by the District.

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

Section 4.05. Official Action. All actions heretofore taken by the officers and agents of the District with respect to the sale and issuance of the Bonds are hereby approved. Each District Representative is hereby authorized and directed for and in the name and on behalf of the District, to provide for the purchase of escrow securities, to engage certified public accountants to verify the sufficiency of funds deposited in escrow, for defeasance of the Bonds, to execute and deliver any and all notices, certificates and representations, including signature certificates, no-litigation certificates, tax certificates, certificates relating to continuing disclosure obligations, notices to the California Debt and Investment Advisory Commission, and certificates concerning the Official Statement describing the Bonds, and to enter into such agreements or contracts, including as may be necessary to obtain bond insurance with respect to the Bonds, Paying Agent services or verification agent services with respect to the Refunded Bonds, or Escrow Bank services with respect to the Refunded Bonds, as such officers deem necessary and desirable to accomplish the purposes of this Resolution.

Section 4.06 Insurance. In the event the District purchases bond insurance for the Bonds, and to the extent that the Bond Insurer makes payment of the principal, or interest of the Bonds, it shall become the Owner of such Bonds with the right to payment of principal or interest on the Bonds, and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer's rights as subrogee on the Bond Register for the Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Paying Agent shall note the Bond Insurer as subrogee on the Bond Register for the Bonds maintained by the Paying Agent upon surrender of the Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

ARTICLE 5

OTHER COVENANTS OF THE DISTRICT

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

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

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

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

Section 5.05. Arbitrage Covenant.

(a) *No Arbitrage*. The District shall not take, or permit or suffer to be taken by the Paying Agent or otherwise, any action with respect to the proceeds of the Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bonds would have caused the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 5.06. Acquisition, Disposition and Valuation of Investments.

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

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

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

ARTICLE 6

THE PAYING AGENT

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

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

The Paying Agent may at any time resign by giving written notice to the District and the Owners 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 banking corporation or national banking association into which the Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party of any banking corporation or national banking association to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided that such banking corporation or national banking association shall be eligible hereunder, shall be the successor to the Paying Agent without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding. Prompt notice of such merger or consolidation shall be given to the District. All costs and expenses of such merger or consolidation shall be paid by the successor Paying Agent and no additional charges shall be levied against the District.

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.

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. 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. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Bonds, or from the Debt Service Fund of the District, insofar as permitted by law, including specifically by Section 15232 of the Education Code, such fees and expenses shall be paid by the District. A District Representative is hereby authorized to execute an agreement or agreements with the Paying Agent in connection with such fees and expenses.

ARTICLE 7

SUPPLEMENTAL RESOLUTIONS

Section 7.01. Supplemental Resolutions Effective Without Consent of the Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the District may be adopted, which, without the requirement of consent of the Owners of the Bonds, shall be fully effective in accordance with its terms:

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

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

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

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

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

Section 7.02. 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 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 8

MISCELLANEOUS

Section 8.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, is intended to give to any person other than the District, the Paying

Agent and the Owners of the Bonds, any right, remedy, and 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 8.02. Defeasance.

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

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

(ii) by depositing with an escrow agent selected by the District, in trust, at or before maturity, money or securities in the necessary amount, including investment earnings thereon (as provided in Section 8.02(c)), to pay or redeem Bonds Outstanding; or

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

If the District shall pay all Bonds Outstanding, and shall also pay or cause to be paid all other sums payable hereunder by the District, then and in that case, at the election of the District (evidenced by a certificate of a District Representative, filed with the Paying Agent, signifying the intention of the District to discharge all such indebtedness and this Resolution), and notwithstanding that any Bonds shall not have been surrendered for payment, this Resolution and other assets made under this Resolution and all covenants, agreements and other obligations of the District under this Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 8.02(b). In such event, upon request of the District, the Paying Agent shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and shall execute and deliver to the District all such instruments as may be necessary to evidence such discharge and satisfaction, and the Paying Agent shall pay over, transfer, assign or deliver to the District all moneys or securities or other property held by it pursuant to this Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

(b) *Discharge of Liability on Bonds.* Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 8.02(c) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Section 2.03 provided or provision satisfactory to the escrow agent shall have been made for the giving of such notice, then all liability of the District in respect of such Bond shall cease and be completely discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal of and interest on such Bond by the District, and the District shall remain liable for such payment, but only out of such money or securities deposited with the escrow agent as aforesaid for such payment, provided further, however, that the provisions of Section 8.02(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 an escrow agent money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by an 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, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Section 2.03 provided or provision satisfactory to the escrow agent shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or redemption price of such Bonds and all unpaid interest thereon to the redemption date; or

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

(d) *Payment of Bonds After Discharge of Resolution.* Notwithstanding any provisions of this Resolution, any moneys held by the escrow agent in trust for the payment of the principal or redemption price of, or interest on, any Bonds and remaining unclaimed after the payment is due (whether at maturity or upon call for redemption as provided in this Resolution), 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 be repaid to the District free from the trusts created by this Resolution, and all liability of the escrow 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 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 8.03. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which this Resolution may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by

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

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registry books. Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the District or the Paying Agent in good faith and in accordance therewith.

Section 8.04. Waiver of Personal Liability. No board member, officer, agent or employee of the District shall be individually or personally liable for the payment of the principal of or interest on the Bonds; but nothing herein contained shall relieve any such board member, officer, agent or employee from the performance of any official duty provided by law.

Section 8.05. 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 8.06. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The District hereby declares that it would have adopted this Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the 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 Paying Agent in trust for the benefit of the Owners.

Section 8.07. Retention of Professionals. Isom Advisors, A Division of Urban Futures, Inc., is hereby designated as financial advisor to the District; Dannis Woliver Kelley is hereby designated as bond counsel and disclosure counsel; and Causey Demgen & Moore P.C., is hereby designated as Verification Agent. The District Representatives, or any designee thereof, are hereby authorized and directed to execute agreements with such firms for their services, in the form on file with the Clerk of the Board.

Section 8.08. Filing with County. The Superintendent, or such other officer or employee of the District as the Superintendent may designate, is hereby authorized and directed to report to the Auditor-Controller of the County the final terms of sale of the Bonds, and to file with the Auditor-Controller and with the Treasurer-Tax Collector a copy of this Resolution, and the schedule of amortization of the principal of and payment on the Bonds and this Resolution shall serve as the notice and as the District's request to the Auditor-Controller of the County and the Board of Supervisors of the County to propose and

adopt in each year a tax rate applicable to all taxable property of the District for payment of the Bonds, pursuant to law; and to the other officers of the County to levy and collect said taxes for the payment of the Bonds, to pay in a timely manner to the Paying Agent on behalf of the Owners of the Bonds the principal, interest, and premium, if any, due on the Bonds in each year, and to create in the County Treasury to the credit of the District an interest and sinking fund.

Section 8.09. Recitals. All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

Section 8.10. Effective Date of Resolution. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED this 5th day of September, 2017, by the following vote:

AYES: 7

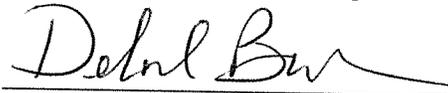
NOES: 0

ABSENT: 0

ATTEST: 

Clerk of the Governing Board of
Novato Unified School District

I, DEBBIE BUTLER, Clerk of the Governing Board of Novato Unified School District, (County of Marin, California), do hereby certify that the foregoing is a full, true and correct copy of the Resolution passed and adopted by said Governing Board at a meeting on the 5th day of September, 2017.



Clerk of the Governing Board of
Novato Unified School District

EXHIBIT A

FORM OF BOND

**NOVATO UNIFIED SCHOOL DISTRICT
(County of Marin, California)
2017 General Obligation Refunding Bond**

INTEREST RATE: _____ %	MATURITY DATE: August 1, 20__	ISSUE DATE: _____, 2017	CUSIP: _____
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REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The NOVATO UNIFIED 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 (subject to any right of prior redemption hereinafter provided for), the Principal Amount stated above, in lawful money of the United States of America, and to pay interest thereon on February 1 and August 1 in each year, commencing on _____ 1, 20__ (each an "Interest Payment Date"), at the Interest Rate stated above calculated on the basis of 360-day year comprised of twelve 30-day months, 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 _____ 15, 2018, 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 Amount in full. Principal hereof and premium, if any, upon early redemption hereof are payable at the corporate trust office of The Bank of New York Mellon Trust Company, N.A. (the "Paying Agent"), in Los Angeles, California. Interest hereon (including the final interest payment upon maturity or earlier redemption) is payable by check or draft 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; provided however, that payment of interest may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Paying Agent at least five (5) days before the applicable Record Date.

This Bond is one of a duly authorized issue of bonds of the District designated as "Novato Unified School District (County of Marin, California) 2017 General Obligation Refunding Bonds" (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 Chapter 4 (commencing with section 53550) of Articles 9 and 11 of Chapter 3 of Division 2 of Title 5 of the California Government Code (the 'Act'), and pursuant to Resolution No. 2-2017/2018 of the District adopted September 5, 2017, (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 Clerk of the Governing Board 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 refund a portion of the outstanding Novato Unified School District (County of Marin, California) 2011 General Obligation Refunding Bonds, dated October 25, 2011, on an advance basis.

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 District has the power and is obligated to cause the Treasurer-Tax Collector of the County to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District. The Bonds shall, pursuant to Government Code Section 53515, be secured by a statutory lien on all revenues received pursuant to the levy and collection of ad valorem taxes for the payment of the Bonds.

Neither the District nor the Bond Registrar will be required to transfer or exchange any Bonds (a) during the period from the Record Date next preceding any Interest Payment Date to such Interest Payment Date, (b) during the period beginning with the opening of business on the 15th day next preceding any date of selection of Bonds to be redeemed and ending with the close of business on the day on which the applicable notice of redemption is given, or (c) which have been selected or called for redemption in whole or in part.

The Bonds maturing on or before August 1, 20__ shall not be subject to redemption prior to their maturity dates. The Bonds maturing on or before August 1, 20__ may be redeemed prior to their respective stated maturity dates, at the option of the District, from any source of available funds, on August 1, 20__ or on any date thereafter as a whole, or in part, at the principal amount thereof, together with interest accrued thereon to the date of redemption, without premium.

The 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 or her attorney duly authorized in writing, at said office of the Paying Agent in Los Angeles, 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.

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

IN WITNESS WHEREOF, the Novato Unified School District has caused this Bond to be executed in its name and on its behalf with the signatures of its President of the Governing Board and its Secretary of the Governing Board and its seal to be reproduced hereon, all as of the Issue Date stated above.

NOVATO UNIFIED SCHOOL DISTRICT

By _____
President of the Governing Board

(SEAL)

ATTEST:

Secretary to the Governing Board

CERTIFICATE OF AUTHENTICATION

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

Authentication Date:

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as
Paying Agent

By _____
Authorized Signatory

ASSIGNMENT

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

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

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

attorney, to transfer the same on the 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 institution

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

EXHIBIT B

ESTIMATED COSTS OF ISSUANCE

<u>Service</u>	<u>Estimated Fees or Costs</u>
Bond Counsel Fees and Expenses	\$41,500
Disclosure Counsel Fees and Expenses	16,500
Paying Agent / Escrow Agent	4,000
Financial Advisor Fee and Expenses	60,000
Rating Agency	18,500
Printing	1,000
Bond Buyer Publication Fee	1,500
Marin Independent Journal Publication Fee	1,000
Verification Agent	2,500
Ipreo	1,500
Contingency	2,000
Total	\$150,000

EXHIBIT C

FORM OF NOTICE OF SALE

\$ _____ **

**NOVATO UNIFIED SCHOOL DISTRICT
(Marin County, California)
2017 GENERAL OBLIGATION REFUNDING BONDS**

NOTICE IS HEREBY GIVEN that electronic bids only for the purchase of \$ _____ * aggregate principal amount of Novato Unified School District (Marin County, California) 2017 General Obligation Refunding Bonds (the "Bonds") will be received by the Novato Unified School District (the "District") at the time and in the form below specified:

DATE AND TIME: Wednesday, October 4, 2017, until 9:30 A.M. (Pacific Daylight time).

SUBMISSION OF BIDS: Bids may be submitted (for receipt not later than the time set forth above) electronically only through the I-Deal LLC BiDCOMP/PARITY® system ("PARITY®"). See "FORM OF BID" herein.

ISSUE; BOOK ENTRY: \$ _____ * consisting of fully registered bonds.

The

Bonds will be dated as of their date of delivery, expected to be October 18, 2017, and will be issued in minimum denominations of \$5,000. The Bonds will be issued in a book entry only system with no physical distribution of the Bonds made to the public. The Depository Trust Company ("DTC"), will act as depository for the Bonds which will be immobilized in its custody. The Bonds will be registered in the name of Cede & Co., as nominee for DTC, on behalf of the participants in the DTC system and the subsequent beneficial owners of the Bonds.

MATURITIES: The Bonds will mature, or be subject to mandatory sinking fund redemption, on the dates and in the amounts, as set forth in the following table. Each bidder is required to specify in its bid whether, for any particular year, the Bonds will mature or, alternately, be subject to mandatory sinking fund redemption in such year:

* Preliminary, subject to change.

C-1



\$ _____ *

Novato Unified School District
(Marin County, California)
2017 General Obligation Refunding Bonds

Maturity Date (August 1)	Principal Amount*
2018	
2019	
2020	
2021	
2022	
2023	
2024	
2025	
2026	

ADJUSTMENT OF PRINCIPAL AMOUNTS AND OF MATURITIES: The maturity amounts set forth above for the Bonds may be adjusted either upward or downward in order to meet tax rate considerations after award of the Bonds has been made to the successful bidder. The successful bidder will be notified of the actual principal amounts and maturity schedule relating to the Bonds within 26 hours after the expiration of the time prescribed for the receipt of proposals. Any increase or decrease will be in \$5,000 increments of principal amounts. In the event of any such adjustment, no re-bidding or recalculation of the bids submitted will be required or permitted and no successful bid may be withdrawn. The successful bidder will not be permitted to change the interest rates in its bid. The aggregate principal amount of the Bonds will be equal to \$_____ * under any circumstances.

INTEREST: The Bonds shall bear interest, calculated on a 30/360 day basis, at a rate or rates to be fixed upon the sale thereof but not to exceed 6% per annum, payable semiannually on each February 1 and August 1, commencing February 1, 2018.

PAYMENT: Principal of the Bonds will be payable upon surrender at The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the "Paying Agent"). Interest on the Bonds will be payable by check or draft mailed by first class mail to the owner at the address listed on the registration books maintained by the Paying Agent for such purpose.

REGISTRATION: The Bonds will be issued as fully registered bonds as to both principal and interest. The Bonds will be issued in the book-entry system of The Depository Trust Company ("DTC"), and the ownership of the Bonds will be registered to the nominee of DTC.

OPTIONAL REDEMPTION: The Bonds maturing on and prior to August 1, 20___,

* Preliminary, subject to change.

are not callable for redemption prior to their stated maturity date. The Bonds maturing on and after August 1, 20___, are callable for redemption prior to their stated maturity date at the option of the District, in whole or in part on any date on or after August 1, 20___ (in inverse order of maturity and by lot with a maturity), from any source lawfully available therefor, at a redemption price equal to the principal amount of the Bonds called for redemption, together with accrued interest to the date fixed for redemption without premium.

SINKING FUND REDEMPTION: Any bidder may, at its option, specify that one or more maturities of the Bonds will consist of term Bonds which are subject to mandatory sinking fund redemption in consecutive years immediately preceding the maturity thereof, as designated in the bid of such bidder. In the event that the bid of the successful bidder specifies that any maturity of Bonds will be term Bonds, such term Bonds will be subject to mandatory sinking fund redemption on August 1 in each year so designated in the bid, in the respective amounts for such years as set forth above under the heading "MATURITIES," at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium.

PURPOSE: To refund on an advance basis the Districts outstanding 2011 General Obligation Refunding Bonds maturing August 1, 2022 through August 1, 2026, inclusive.

SECURITY: The Bonds are general obligations of the District. The Marin County Board of Supervisors has the power and is obligated to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon without limitation as to rate or amount upon all property within the District subject to taxation (except for certain classes of personal property).

RATING: Moody's Investor Service has assigned a rating of "___" to the Bonds. The cost of obtaining such rating will be borne entirely by the District and not by the successful bidder.

TERMS OF SALE

INTEREST RATE: No rate of interest may be bid which exceeds 6% per annum. Each rate bid must be a multiple of one-twentieth of one percent (1/20%) or one-eighth of one percent (1/8%), and a zero rate of interest cannot be specified. No Bond shall bear more than one interest rate, and all Bonds of the same maturity shall bear the same rate. Each Bond must bear interest at the rate specified in the bid from its date to its fixed maturity date.

FORM OF BID; MINIMUM PURCHASE PRICE: Each proposal must be for not less than all of the Bonds hereby offered for sale. The minimum purchase price to be paid to the District for the Bonds shall not be less than ___% of the par value thereof. This purchase price is net of purchaser's compensation. No bid will be entertained which fails to provide the minimum purchase price to the District specified in this paragraph. In addition, no bid shall provide for original issue premium, net of purchaser's compensation, which results in remaining original issue premium which exceeds interest due on the Bonds in the first 3 years.

To the extent any instructions or directions set forth in BiDCOMP/PARITY® conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall

control. For further information about BiDCOMP/PARITY®, bidders may contact Isom Advisors, A Division of Urban Futures Incorporated (the 'Financial Advisor') at (925) 478-7450 or BiDCOMP/PARITY® at (212) 404-8102.

THE DISTRICT RETAINS ABSOLUTE DISCRETION TO DETERMINE WHETHER ANY BID IS TIMELY AND COMPLETE. NONE OF THE DISTRICT, THE FINANCIAL ADVISOR, OR DANNIS WOLIVER KELLEY ("BOND COUNSEL") TAKES ANY RESPONSIBILITY FOR INFORMING ANY BIDDER PRIOR TO THE TIME FOR RECEIVING BIDS THAT ITS BID IS INCOMPLETE OR NOT RECEIVED.

EACH BIDDER SUBMITTING AN ELECTRONIC BID UNDERSTANDS AND AGREES BY DOING SO THAT IT IS SOLELY RESPONSIBLE FOR ALL ARRANGEMENTS WITH BiDCOMP/PARITY® AND THAT BiDCOMP/PARITY® IS NOT ACTING AS AN AGENT OF THE DISTRICT. INSTRUCTIONS AND FORMS FOR SUBMITTING ELECTRONIC BIDS MUST BE OBTAINED FROM BiDCOMP/PARITY® AND THE DISTRICT ASSUMES NO RESPONSIBILITY FOR ENSURING OR VERIFYING BIDDER COMPLIANCE WITH THE PROCEDURES OF BiDCOMP/PARITY®. THE DISTRICT SHALL ASSUME THAT ANY BID RECEIVED THROUGH BiDCOMP/PARITY® HAS BEEN MADE BY A DULY AUTHORIZED AGENT OF THE BIDDER.

THE DISTRICT WILL MAKE ITS BEST EFFORTS TO ACCOMMODATE ELECTRONIC BIDS; HOWEVER THE DISTRICT, THE FINANCIAL ADVISOR AND BOND COUNSEL ASSUME NO RESPONSIBILITY FOR ANY ERROR CONTAINED IN ANY BID SUBMITTED ELECTRONICALLY, OR FOR FAILURE OF ANY BID TO BE TRANSMITTED, RECEIVED OR ACCEPTED AT THE OFFICIAL TIME FOR RECEIPT OF BIDS. THE OFFICIAL TIME FOR RECEIPT OF BIDS WILL BE DETERMINED BY THE DISTRICT AND THE DISTRICT SHALL NOT BE REQUIRED TO ACCEPT THE TIME KEPT BY BiDCOMP/PARITY® AS THE OFFICIAL TIME.

BEST BID: The Bonds will be awarded to the responsible bidder offering to purchase the Bonds at the *lowest true interest cost* to the District. The true interest cost of each bid will be determined on the basis of the present value of the aggregate future semiannual payments resulting from the interest rates specified by the bidder. The present value will be calculated to the dated date of the Bonds (assumed to be October 18, 2017) and will be based on the proposed bid amount (par value plus any premium). For the purpose of making such determination, it shall be assumed that any Bond designated as term bonds by the bidder shall be deemed to be payable on the dates and in the amounts as shown under the section entitled "MATURITIES" herein. Each bidder is requested, but not required, to state in his bid the percentage true interest cost to the District, which shall be considered as informative only and shall not be binding on either the bidder or the District. The determination of the best bid by the District's financial advisor shall be binding and conclusive on all bidders.

RIGHT OF CANCELLATION OF SALE BY DISTRICT: The District reserves the right, in its sole discretion, at any time to cancel the public sale of the Bonds. In such event, the District shall cause notice of cancellation of this invitation for bids and the public sale of the Bonds to be communicated through PARITY® as promptly as practicable. However, no failure to publish such notice or any defect or omission therein shall affect the cancellation of the public sale of the Bonds.

RIGHT TO MODIFY OR AMEND: The District reserves the right, in its sole discretion, to modify or amend this official Notice of Sale at any time prior to the date

and time for the receipt of bids, communicated through PARITY®.

The District reserves the right to increase or decrease the principal amount of any maturity of the Bonds. The aggregate principal amount of the Bonds will be equal to \$_____ under any circumstances. The District will give notice of any such adjustment to the successful bidder as soon as practicable following the notification of award. No such adjustment will alter the basis upon which the best bid is determined.

RIGHT OF POSTPONEMENT BY DISTRICT: The District reserves the right, in its sole discretion, to postpone, from time to time, the date established for the receipt of bids. Any such postponement will be communicated through the PARITY® prior to the date and time for the receipt of bids. If any date is postponed, any alternative sale date will be announced through PARITY® at least 24 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit a bid for the purchase of the Bonds in conformity in all respects with the provisions of this Official Notice of Sale, except for the date of sale and except for the changes announced by through PARITY® at the time the sale date and time are announced.

RIGHT OF REJECTION: The District reserves the right, in its sole discretion, to reject any and all bids and to waive any irregularity or informality in any bid except that no bids will be accepted later than 9:30 A.M. on the date set for receipt of bids.

PROMPT AWARD: Pursuant to authority granted by the Board of Trustees of the District (the "Board"), the Superintendent, or the Superintendent's designee, will take action awarding the Bonds or rejecting all bids not later than twenty-six (26) hours after the expiration of the time herein prescribed for the receipt of proposals; provided, that the award may be made after the expiration of the specified time if the bidder shall not have given to said Board notice in writing of the withdrawal of such proposal.

PLACE OF DELIVERY; CANCELLATION FOR LATE DELIVERY: It is expected that said Bonds will be delivered to DTC for the account of the successful bidder within thirty (30) days from the date of sale thereof. The successful bidder shall have the right, at his option, to cancel its obligation to purchase the Bonds if the Bonds are not tendered for delivery within thirty (30) days from the date of the sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying his bid.

GOOD FAITH DEPOSIT: A good faith deposit ("Deposit") in the form of a certified or cashier's check or a wire transfer, in the amount of \$_____, payable to the order of The Bank of New York Mellon Trust Company, N.A., as paying agent, must be remitted by the winning bidder within 48 hours after the acceptance of its bid. The Deposit shall be cashed by the Paying Agent on behalf of the District and shall then be applied toward the purchase price of the Bonds. If after the award of the Bonds the successful bidder or bidders fail to complete their purchase on the terms stated in their bid, the Deposit will be retained by the District. No interest on the Deposit will accrue to any bidder.

CHANGE IN TAX EXEMPT STATUS: At any time before the Bonds are tendered for delivery, the successful bidder may disaffirm and withdraw his proposal if the interest received by private holders from Bonds of the same type and character shall be declared to be taxable income under present federal income tax laws, either by a ruling

of the Internal Revenue Service or by a decision of any federal court, or shall be declared taxable, or be required to be taken into account in computing federal income taxes (except alternative minimum taxes and environmental taxes payable by corporations) by any federal income tax law enacted subsequent to the date of this notice.

CLOSING PAPERS; BOND PRINTING: Each proposal will be understood to be conditioned upon the District furnishing to the purchaser, without charge, concurrently with payment for and delivery of the Bonds, the following closing papers, each dated the date of delivery:

(a) The opinion of Dannis Woliver Kelley, San Diego, California, Bond Counsel, approving the validity of the Bonds and stating that, subject to the District's compliance with certain covenants, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations and interest on the Bonds is exempt from personal income taxes of the State of California. Other tax consequences to holders of the Bonds, if any, are not addressed in the opinion;

(b) A certificate of the District certifying that on the basis of the facts, estimates and circumstances in existence on the date of issue, it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be arbitrage bonds;

(c) A certificate of the District, signed by officers and representatives of the District, certifying that the officers and representatives have signed the Bonds whether by facsimile or manual signature, and that they were respectively duly authorized to execute the same;

(d) The receipt of the District evidencing the receipt of the purchase price of the Bonds;

(e) A certificate of the District, certifying that there is no known litigation threatened or pending affecting the validity of the Bonds; and

(f) A certificate of the District, signed by an officer of the District, acting in his/her official capacity, to the effect that at the time of the sale of the Bonds, and at all times subsequent thereto up to and including the time of the delivery of the Bonds, the Official Statement relating to the Bonds did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of the purchase contract. All expenses of printing CUSIP numbers on the Bonds and the CUSIP Service Bureau charge for the assignment of said numbers shall be paid by the successful bidder.

CERTIFICATION OF REOFFERING PRICE: The successful bidder shall be required, as a condition to the issuance of the Bonds, to deliver to the District a certificate, in form and substance satisfactory to Bond Counsel, stating (i) that, as of the date of award, the Bonds were expected to be reoffered in a bona fide public offering, (ii) the initial offering price at which a substantial amount (at least 10%) of each maturity of the Bonds were sold to the public, and (iii) that no Bonds of a single maturity were offered at one price to the general public and at a discount from that price to institutional or other investors.

CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION: The successful bidder will be required, pursuant to State law, to pay any fees to the California Debt and Investment Advisory Commission when due.

DTC FEES: All fees due DTC with respect to the Bonds shall be paid by the successful bidder or bidders.

OFFICIAL STATEMENT: The District has caused to be prepared a Preliminary Official Statement describing the Bonds in a form deemed final by the District within the meaning of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, except for certain information which is permitted under said Rule 15c2-12 to be omitted from the Preliminary Official Statement. A copy of the Preliminary Official Statement will be furnished upon request to Isom Advisors, A Division of Urban Futures Incorporated, 1470 Maria Lane, Suite 315, Walnut Creek, CA 94596, telephone (925) 478-7450. The District will furnish to the successful bidder within seven business days following the date of award, at no charge, not in excess of 25 copies of the Official Statement for use in connection with any resale of the Bonds.

DISCLOSURE CERTIFICATE: The District will deliver to the purchaser of the Bonds a certificate of an official of the District, dated the date of Bond delivery, stating that as of the date thereof, to the best of the knowledge and belief of said official, the Official Statement does not contain an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and further certifying that the signatory knows of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds.

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the District will undertake, pursuant to the resolution authorizing issuance of the Bonds and a Continuing Disclosure Agreement, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the preliminary Official Statement and will also be set forth in the final Official Statement.

Dated: September 27, 2017

EXHIBIT D

FORM OF ESCROW AND DEPOSIT AGREEMENT

[Attached]

\$ _____
**NOVATO UNIFIED SCHOOL DISTRICT
(COUNTY OF MARIN, CALIFORNIA)
2017 GENERAL OBLIGATION REFUNDING BONDS**

ESCROW AND DEPOSIT AGREEMENT

This Escrow and Deposit Agreement (this "Escrow Agreement"), dated October 1, 2017, is by and between the NOVATO UNIFIED SCHOOL DISTRICT, a school district duly created and existing pursuant to the laws of the State of California, (the "District"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as escrow bank (the "Escrow Bank").

W I T N E S S E T H:

WHEREAS, the Governing Board (the "Board") of the Novato Unified School District (the "District") has previously issued or caused to be issued the Novato Unified School District (County of Marin, California) 2011 General Obligation Refunding Bonds, dated October 25, 2011 in the principal amount of \$24,290,000, of which \$18,410,000 principal amount is currently outstanding (the "2011 Refunding Bonds");

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

WHEREAS, the District has determined that it is in the best interests of the District to refund on an advance basis a portion of the outstanding 2011 Refunding Bonds (such refunded portion being referred to herein as the "Refunded Bonds") and it is necessary to enter into this Escrow Agreement to provide for the refunding of the Refunded Bonds;

WHEREAS, the Board, by resolution adopted on September 5, 2017 (the "Resolution"), has authorized the execution and delivery of the District's \$_____ 2017 General Obligation Refunding Bonds (the "Bonds"), and has determined to use a portion of the proceeds of the Bonds to redeem a portion of the outstanding 2011 Refunding Bonds on August 1, 2021, (the "Redemption Date") at a redemption price equal to 100% of the principal amount of such 2011 Refunding Bonds (the "Redemption Price"), together with accrued interest to the Redemption Date;

WHEREAS, the District, in the Resolution, has directed that a portion of the proceeds of the sale of the Bonds be deposited hereunder, and that such amount will be in an amount sufficient to provide for the payment and redemption of the Refunded Bonds as described above;

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

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

Section 1. Discharge of Bonds. The District hereby irrevocably elects to pay and discharge all indebtedness payable by the District under the Resolution adopted by the Board on September 6, 2011, (the "2011 Refunding Bonds Resolution") with respect to the Refunded Bonds, and to terminate all obligations of the District thereunder with respect thereto.

Section 2. Escrow Fund.

(a) There is hereby established a special fund, to be held by the Escrow Bank for the benefit of the owners of the Refunded Bonds, to be known as the "Escrow Fund." Upon the issuance of the Bonds, there shall be deposited into the Escrow Fund an amount equal to \$_____ derived from the proceeds of the Bonds. The Escrow Bank shall apply \$_____ of such funds to the purchase of certain securities as directed in paragraph (b) below and shall hold the remaining \$_____ in cash uninvested. The total cost of the Escrow Securities (as defined below) provided by _____ (the "Provider") is \$_____.

(b) The District hereby directs the Escrow Bank to take all necessary action to purchase the Escrow Securities (as defined below) listed on Schedule 1 hereto. The District acknowledges (and shall direct the Escrow Bank accordingly) that investments in such proportionate interests 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 or "Aaa" by Moody's Investor Service; and (ii) Non-callable obligations of government sponsored agencies that are rated "AAA" by Standard & Poor's or "Aaa" by Moody's Investors Service but are not backed by the full faith and credit of the U.S. Government. These include the following: (a) Federal Home Loan Mortgage Corp. (FHLMC) Debt obligations; (b) Farm Credit System (Formerly: Federal Land Banks; Intermediate Credit Banks, and Banks for Cooperatives) Consolidated System wide bonds and notes; (c) Federal Home Loan Banks (FHL Banks) Consolidated debt obligations; (d) Federal National Mortgage Association (FNMA) Debt Obligations and (e) Resolution Funding Corp. (REFCORP) Debt Obligations (the "Escrow Securities") listed in Schedule 1 hereto issued and registered in the name of the Escrow Bank, for the account of the Escrow Fund. The Escrow Bank shall use proceeds of the Bonds deposited into the Escrow Fund to purchase the Escrow Securities listed in Schedule 1.

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

(d) Any money left on deposit in the Escrow Fund after the payments listed on Attachment A are made, and the payment of all amounts due to the Escrow Bank hereunder, shall be paid to the Treasurer-Tax Collector of Marin County (the "County"), for deposit in the debt service fund established and maintained by the Treasurer-Tax Collector for the District.

(e) If the Escrow Bank learns that the Department of the Treasury or the Bureau of Fiscal Service will not, for any reason, accept a subscription of state and local government series securities ("SLGS") that is to be submitted pursuant to this Agreement, the Escrow

Bank shall promptly request alternative written investment instructions from the District with respect to funds which were to be invested in SLGS. The Escrow Bank shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Bank shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the District. In the absence of investment instructions from the District, the Escrow Bank shall not be responsible for the investment of such funds or interest thereon. The Escrow Bank may conclusively rely upon the District's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

Section 3. Instructions as to Application of Deposit. The moneys deposited in the Escrow Fund pursuant to Section 2 shall be applied by the Escrow Agent for the purpose of paying the Redemption Price on the Redemption Date as set forth in Attachment A attached hereto and by this reference incorporated herein.

Section 4. Irrevocable Refunding Instructions for Refunded Bonds. As set forth in Attachment A, the Refunded Bonds outstanding on their Redemption Date will be redeemed on that date. At least 30 days but not more than 45 days prior to that date, the Escrow Bank, in its capacity as Paying Agent for the Refunded Bonds and on behalf of the District, is instructed by the District to cause notice of the redemption of the Refunded Bonds to be given pursuant to these instructions and shall carry out the redemption as directed by the District. The notice shall be in the form attached hereto as Exhibit A.

Section 5. Escrow Bank.

(a) The Escrow Bank shall look solely to the District for compensation for its duties under this Escrow Agreement and shall have no right whatsoever against the Escrow Fund for fees, compensation, costs or expenses, except as provided in Section 2(d) hereof. The District shall also reimburse the Escrow Bank for out-of-pocket costs such as cost of giving notice of redemption of the Refunded Bonds, legal fees and other costs and expenses relating hereto, but under no circumstances shall amounts deposited in the Escrow Fund be deemed to be available for said purposes.

(b) The District agrees to indemnify the Escrow Bank, its agents and its officers, directors and employees for, and hold the Escrow Bank, its agents and its officers, directors and employees harmless from, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind (including without limitation, reasonable fees and disbursements of counsel or accountants for the Escrow Bank) which may be imposed on, incurred by, or asserted against the Escrow Bank or such other party at any time by reason of, or in connection with, the performance of its duties as Escrow Bank hereunder, unless due to the negligence or willful misconduct of any indemnified party. Such indemnity shall survive the termination or discharge of this Escrow Agreement and the earlier removal or resignation of the Escrow Bank.

(c) The Escrow Bank shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. The Escrow Bank shall have no duty or responsibility under this Escrow Agreement in the case of any default by the District in the performance of the covenants or agreements contained in the 2011 Refunding Bonds Resolution or in the Resolution.

(d) The Escrow Bank may consult with counsel of its own choice (which may be counsel for the District) and the opinion of such counsel shall be full and complete

authorization to take or suffer in good faith any action hereunder in accordance with such opinion of counsel.

(e) The Escrow Bank shall not be responsible for any of the recitals or representations contained herein, in the 2011 Refunding Bonds Resolution or in the Resolution.

(f) The Escrow Bank may become the owner of, or acquire any interest in, any of the Bonds with the same rights that it would have if it were not the Escrow Bank, and may engage or be interested in any financial or other transaction with the District.

(g) The Escrow Bank shall not be liable for the accuracy of any calculations provided as to the sufficiency of the moneys deposited with it to pay the principal, interest, or premiums, if any, on the Refunded Bonds.

(h) The Escrow Bank shall not be liable for any action or omission of the District under this Escrow Agreement, under the 2011 Refunding Bonds Resolution or the Resolution.

(i) Whenever in the administration of this Escrow Agreement, the Escrow Bank 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 negligence or willful misconduct on the part of the Escrow Bank, be deemed to be conclusively proved and established by a certificate of the District and shall, in the absence of negligence or willful misconduct on the part of the Escrow Bank, be full warrant to the Escrow Bank for any action taken or suffered by it under the provisions of this Escrow Agreement upon the faith thereof.

(j) The Escrow Bank may conclusively rely, as to the truth and accuracy of the statements and correctness of the opinions and the calculations provided to it in connection with this Escrow Agreement, and shall be protected in acting, or refraining from acting, upon any written notice, instruction, request, certificate, document or opinion furnished to the Escrow Bank in accordance with this Escrow Agreement and reasonably believed by the Escrow Bank to have been signed or presented by the proper party, and it need not investigate any fact or matter stated in such notice, instruction, request, certificate or opinion.

(k) The Escrow Bank may at any time resign by giving written notice to the District of such resignation. The District shall promptly appoint a successor Escrow Bank by the resignation date. Resignation of the Escrow Bank will be effective only upon acceptance of appointment by a successor Escrow Bank. If the District does not appoint a successor within 45 days after the date of the Escrow Bank's resignation notice, the Escrow Bank may petition any court of competent jurisdiction for the appointment of a successor Escrow Bank, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Bank. After receiving a notice or resignation of an Escrow Bank, the District may appoint a temporary Escrow Bank until the District appoints a successor Escrow Bank. Any such temporary Escrow Bank so appointed by the District shall immediately and without further act be superseded by the successor Escrow Bank so appointed.

(l) The Escrow Bank shall perform such duties and only such duties as are specifically set forth in this Escrow Agreement, and no implied actions, covenants or obligations shall be read into this Escrow Agreement against the Escrow Bank.

(m) None of the provisions of this Escrow Agreement shall require the Escrow Bank to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder. The Escrow Bank may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed. Anything in this Escrow Agreement to the contrary notwithstanding, in no event shall the Escrow Bank be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Bank has been advised of the likelihood of such loss or damage and regardless of the form of action.

(n) Any company into which the Escrow Bank may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Bank may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under this Escrow Agreement, shall be the successor to such Escrow Bank without the execution or filing of any paper or any further act, notwithstanding anything herein to the contrary._____

(o) The Escrow Bank shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the Escrow Bank and could not have been avoided by exercising due care. *Force majeure* shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

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

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

Section 6. No Rights to Others. Nothing in this Escrow Agreement expressed or implied is intended or shall be construed to give to any person other than the District, the Escrow Bank and the owners of the Refunded Bonds any legal or equitable right, remedy or claim under or in respect to this Escrow Agreement or any covenants, conditions or provisions herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the District, the Escrow Bank and the owners of the Refunded Bonds.

Section 7. Defeasance Notice. The Escrow Bank will provide notice of defeasance in substantially the same form set forth in Exhibit B attached hereto to the Municipal Securities Rulemaking Board ("MSRB") with respect to the Refunded Bonds. The sole remedy for the failure to file such notice with the MSRB shall be an action by the holders of the Refunded Bonds in mandamus for specific performance or a similar remedy to compel performance.

Section 8. Notices. All notices, requests, demands and other communications under this Escrow Agreement by any person shall be in writing (unless otherwise specified herein) and shall be sufficiently given on the date of service if served personally upon the person to whom notice is to be given or on receipt if sent by email or other telecommunication facility or courier or if mailed by registered or certified mail, postage prepaid, and properly addressed as follows:

(a) if to the District, to Novato Unified School District, 1015 7th Street, Novato, California 94945, Attention: Superintendent; and

(b) if to the Escrow Bank, to The Bank of New York Mellon Trust Company, N.A., 2001 Bryan Street, 11th Floor, Dallas, Texas 75201, Attention: Corporate Trust.

Section 9. Amendment. This Escrow Agreement may be modified or amended at any time by a supplemental agreement which shall become effective when the written consents of the owners of one hundred percent (100%) in aggregate principal amount of the Refunded Bonds then outstanding shall have been filed with the Escrow Bank. This Escrow Agreement may be modified or amended at any time by a supplemental agreement without the consent of any such owners, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein or therein reserved to the County, (2) to cure, correct or supplement any ambiguous or defective provision contained herein, (3) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which, in the opinion of counsel, shall not materially adversely affect the interests of the owners of the Refunded Bonds or the Bonds, and that such amendment will not cause interest on the Refunded Bonds or on the Bonds to become subject to federal income taxation.

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

Section 11. Severability. In case any one or more of the provisions contained in this Escrow Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Escrow Agreement, but this Escrow Agreement shall be construed as if such invalid or illegal or unenforceable provisions had never been contained herein.

Section 12. Counterparts. This Escrow Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and such counterparts, or as many of them as the District and the Escrow Bank shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 13. Business Days. Whenever any act is required by this Escrow Agreement to be done on a specified day or date, and such day or date shall be a day other than a business day for the Escrow Bank, then such act may be done on the next succeeding business day.

-

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

NOVATO UNIFIED SCHOOL DISTRICT

By _____
[Name, Title]

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as
Escrow Bank

By _____
Authorized Officer

Schedule 1

SCHEDULE OF ESCROWED FEDERAL SECURITIES

Type of Security	Maturity Date	Par Amount	Rate	Yield	Price	Total Cost
		<u> </u>				
	<u> </u>	<u> </u>	<u> </u>		<u> </u>	<u> </u>

ATTACHMENT A
PAYMENT AND REDEMPTION SCHEDULE

2011 Refunding Bonds

Payment Dates	Principal Redeemed	Interest	Redemption Price	Total Payments
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EXHIBIT A

**NOTICE OF REDEMPTION OF A PORTION OF
\$24,290,000
NOVATO UNIFIED SCHOOL DISTRICT
(COUNTY OF MARIN, CALIFORNIA)
2011 GENERAL OBLIGATION REFUNDING BONDS**

Original Issuance Date: October 25, 2011

Maturity Date (August 1)	Principal Amount	Rate	Redemption Price	CUSIP (669878)
2022	\$1,435,000	4.50%	100%	DA5
2023	2,190,000	4.75	100	DB3
2024	2,415,000	5.00	100	DC1
2025	2,665,000	5.00	100	DD9
2026	2,935,000	5.00	100	DE7

NOTICE is hereby given to the holders of the above-captioned bonds that the Novato Unified School District (the "District") has called for redemption on August 1, 2021 (the "Redemption Date"), the outstanding Novato Unified School District, (County of Marin, California) 2011 General Obligation Refunding Bonds, as described above (the "2011 Refunding Bonds"), at a price equal to 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption (the "Redemption Price"). The 2011 Refunding Bonds are being called for redemption on the Redemption Date subject to the provisions of the succeeding paragraph of this notice, and pursuant to the provisions of the governing documents of the 2011 Refunding Bonds. From and after the Redemption Date, provided that moneys for the payment of the Redemption Price of the 2011 Refunding Bonds from the source described below are on deposit with The Bank of New York Mellon Trust Company, N.A., as escrow bank (the "Escrow Bank"), together with interest accrued thereon to the Redemption Date, the 2011 Refunding Bonds will become due and payable on the Redemption Date and interest on the 2011 Refunding Bonds shall cease to accrue.

The Escrow Bank has established a fund with the proceeds of the District's "Novato Unified School District 2017 General Obligation Refunding Bonds (the "2017 Refunding Bonds"), which will provide the funds necessary to pay the Redemption Price of the 2011 Refunding Bonds. Payment of the Redemption Price on the 2011 Refunding Bonds called for redemption will be paid only upon presentation and surrender thereof at the principal office of the Escrow Bank at the location shown below. Registered or certified insured mail is suggested when submitting 2011 Refunding Bonds for payment.

By First Class/Registered/Certified
The Bank of New York Mellon Trust
Company, N.A.
Global Corporate Trust
P.O. Box 396 111
East Syracuse, NY 13057

Mail: By Express Delivery Only:
The Bank of New York Mellon Trust
Company, N.A.
Global Corporate Trust
Sanders Creek Parkway
East Syracuse, NY 13057

By Hand Delivery Only:

The Bank of New York Mellon Trust
Company, N.A.
Global Corporate Trust
101 Barclay Street, 1st Floor East _____
New York, NY 10286

IMPORTANT NOTICE

Under the provisions of the Jobs and Growth Tax Relief Reconciliation Act of 2003, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time the payment is made if the tax identification number is not properly certified. The Form W-9 may be obtained from the Internal Revenue Service.

Dated: _____, 2021

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Escrow
Agent**

**The District and the Escrow Agent shall not be responsible for the use of the CUSIP or certificate number(s) selected, nor is any representation made as to their correctness indicated in the notice, or as printed on any bond. They are included solely for the convenience of the holders.*

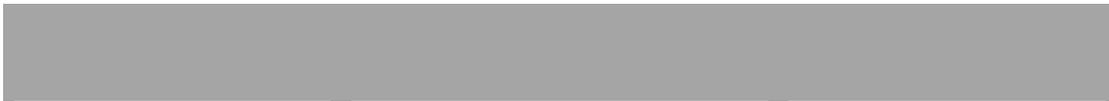


EXHIBIT B

DISCLOSURE NOTICE

NOTICE OF DEFEASANCE

**Certain of the Outstanding
Novato Unified School District (County of Marin, California)
2011 General Obligation Refunding Bonds**

Notice is hereby given to the MSRB (as such term is defined in the Continuing Disclosure Certificate dated October 25, 2011, executed by Novato Unified School District in connection with the Novato Unified School District (County of Marin, California) 2011 General Obligation Refunding Bonds (the "2011 Refunding Bonds")) that, with respect to the 2011 Refunding Bonds designated below (the "Refunded Bonds"): (i) there has been deposited with The Bank of New York Mellon Trust Company, N.A., as Escrow Bank (the "Escrow Bank"), moneys and investment securities in accordance with an Escrow Deposit Agreement, dated October 1, 2017, by and between the Escrow Bank and Novato Unified School District (the "Escrow Agreement"), the principal of and the interest on such money and investment securities when due will provide moneys which shall be sufficient and available (as evidenced by the report of a verification agent delivered to the Escrow Bank) to pay interest on the Refunded Bonds as and when due until August 1, 2021, when the Refunded Bonds will be optionally redeemed and paid in full (all in accordance with the conditions and terms of the Refunded Bonds); (ii) the Escrow Bank has been irrevocably instructed to optionally redeem on August 1, 2021 all of the outstanding Refunded Bonds; and (iii) that pursuant to the Escrow Agreement, the Refunded Bonds are deemed to be defeased.

Refunded Bonds Maturing August 1	Principal Amount	CUSIP (669878)
2022	\$1,435,000	DA5
2023	2,190,000	DB3
2024	2,415,000	DC1
2025	2,665,000	DD9
2026	2,935,000	DE7

Dated: _____, 2021

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
as Escrow Bank

Authorized Officer

EXHIBIT E

FORM OF AGREEMENT RELATING TO PAYING AGENCY, REGISTRAR AND DEPOSITORY

[Attached]

\$ _____
NOVATO UNIFIED SCHOOL DISTRICT
(County of Marin, California)
2017 General Obligation Refunding Bonds

AGREEMENT RELATING TO PAYING AGENCY, REGISTRAR AND DEPOSITORY

THIS AGREEMENT RELATING TO PAYING AGENCY, REGISTRAR AND DEPOSITORY (this "Agreement") is entered into as of October 1, 2017 by and between Novato Unified School District (the "District") and The Bank of New York Mellon Trust Company, N.A. (the "Bank"), as Paying Agent and Bond Registrar.

RECITALS

WHEREAS the District has duly authorized and provided for the issuance of its Bonds, entitled Novato Unified School District (County of Marin, California) 2017 General Obligation Refunding Bonds in an aggregate principal amount of \$ _____ (the "Bonds") to be issued as fully registered bonds without coupons;

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

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

WHEREAS the Bank has agreed to serve in such capacities for and on behalf of the District and has full power and authority to perform and serve as Paying Agent and Bond Registrar for the Bonds;

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

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE
DEFINITIONS

Section 1.01. Definitions.

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

"Bank" means The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America.

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

"Closing Date" means _____, 2017.

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

"District" means Novato Unified School District.

"Electronic Means" means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Bank, or another method or system specified by the Bank as available for use in connection with its services hereunder.

"Fiscal Year" means the fiscal year of the District ending on June 30 of each year.

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

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

"Registered Owner" means a Person in whose name a Bond is registered in the Bond Register.

"Registrar" means the Bank when it is performing the function of registrar for the Bonds.

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

ARTICLE TWO
APPOINTMENT OF BANK AS
PAYING AGENT AND BOND REGISTRAR

Section 2.01. Appointment and Acceptance.

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

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

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

Section 2.02. Compensation.

As compensation for the Bank's services as Paying Agent and Bond Registrar, the District hereby agrees to pay the Bank the fees and amounts set forth in a separate agreement between the District and the Bank for the first year of this Agreement, and thereafter the fees and amounts set forth in the Bank's current fee schedule then in effect for services as Paying Agent/Bond Registrar for municipalities, which shall be supplied by the Bank to the District on or before 90 days prior to the close of the Fiscal Year of the District if there are any changes, and shall be effective upon the first day of the following Fiscal Year.

In addition, the District agrees to reimburse the Bank, upon its request, for all reasonable and necessary out-of-pocket expenses, disbursements, and advances, including without limitation the reasonable fees, expenses, and disbursements of its agents and attorneys, made or incurred by the Bank in connection with entering into and performing under this Agreement and in connection with investigating and defending itself against any claim or liability in connection with its performance hereunder.

ARTICLE THREE
PAYING AGENT

Section 3.01. Duties of Paying Agent.

As Paying Agent, the Bank, provided sufficient collected funds have been provided to it for such purpose by or on behalf of the District, shall pay on behalf of the District the principal of, redemption premium, if any, and interest on each Bond in accordance with the provisions of the Bond.

Section 3.02. Payment Dates.

The District hereby instructs the Bank to pay the principal of, redemption premium (if any) and interest on the Bonds on the dates specified in the Bond, to the extent such funds have herein been provided by the District.

The Bank shall not be required to pay interest on any funds of the District for any period during which such funds are held by the Bank awaiting the presentation of the Bonds for payment.

ARTICLE FOUR
REGISTRAR

Section 4.01. Initial Delivery of Bonds.

The Bonds will be initially registered and delivered to the purchaser designated by the District as one Bond for each maturity. If such purchaser delivers a written request to the Bank not later than five business days prior to the date of initial delivery, the Bank will, on the date of initial delivery, deliver Bonds of authorized denominations, registered in accordance with the instructions in such written request.

Section 4.02. Duties of Registrar.

The Bank shall provide for the proper registration of transfer, exchange and replacement of the Bonds. Every Bond surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has

been guaranteed by an eligible guarantor institution, in form acceptable to the Bank, duly executed by the Registered Owner thereof or his/her attorney duly authorized in writing. The Registrar may request any supporting documentation it deems necessary or appropriate to effect a re-registration.

Section 4.03. Unauthenticated Bonds.

The District shall provide to the Bank on a continuing basis, an adequate inventory of unauthenticated Bonds to facilitate transfers. The Bank agrees that it will maintain such unauthenticated Bonds in safekeeping in accordance with the Bank's general practices and procedures in effect from time to time.

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

Section 4.05. Reports. The Bank will not release or disclose the content of the Bond Register to any person other than to the District at its written request, except upon receipt of a subpoena or court order or as may otherwise be required by law. Upon receipt of a subpoena or court order the Bank will notify the District.

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

Section 4.07. Mutilated, Lost, Stolen or Destroyed Bonds.

In case any Bond shall become mutilated or be destroyed, stolen or lost, the Bank shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Bank in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing by the owner with the Bank of evidence satisfactory to the Bank that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Bank of an appropriate bond of indemnity in form, substance and amount as may be required by law and as is satisfactory to the Bank. All Bonds so surrendered to the Bank shall be canceled by it and evidence of such cancellation shall be given to the District. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment, provided that the owner shall first provide the Bank with a bond of indemnity as set forth above.

ARTICLE FIVE
CUSTODIAN AND DISBURSING AGENT

Section 5.01. Receipt of Moneys. The Custodian and Disbursing Agent has received, from _____, the purchaser of the Bonds, the sum of \$_____ for deposit in a special account to be held and maintained by the Custodian and Disbursing Agent in the name of

the District (the "Costs of Issuance Account").

Section 5.02. Investment. The Custodian and Disbursing Agent will hold and invest funds in the Costs of Issuance Account until 180 days after the Closing Date (which date is _____, 2018), unless fully expended on an earlier date, or upon prior written order of the District. The Custodian and Disbursing Agent shall invest moneys in accordance with the written direction of the District, and in the absence of such direction, shall hold such moneys uninvested. The Custodian and Disbursing Agent shall not be liable for any loss from investments made at the direction of the District, in accordance with this Agreement.

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

Section 5.04. Transfer of Remaining Amounts. Any balances remaining in the Costs of Issuance Account (including any earnings) on _____, 2018 (the 180th day after the Closing Date), will be transferred to the Treasurer-Tax Collector of Marin County for deposit in the Debt Service Fund maintained for the District.

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

ARTICLE SIX THE BANK

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

Section 6.02. Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions expressed therein, on certificates or opinions furnished to the Bank by the District. The Bank shall not be charged with knowledge or notice of any fact or circumstance not specifically set forth herein.

(b) The Bank shall not be liable for any error of judgment made in good faith. The Bank shall not be liable except to the extent that a court of competent jurisdiction determines that the Bank's negligence or willful misconduct in breach of its obligations hereunder was the sole cause of any loss to the District. In no event shall the Bank be liable for incidental, indirect, special, consequential or punitive damages or penalties (including, but not limited to lost profits), even if the Bank has been advised of the likelihood of such damages or penalty and regardless of the form of action.

(c) No provision of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Bank shall not be obligated to take any legal action or commence any proceeding in connection with this Agreement, the Bonds or money held or disbursed by the Bank pursuant to this Agreement.

(d) The Bank shall not be charged with knowledge or notice of any fact or circumstance not specifically set forth herein. The Bank may conclusively rely and be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Bank need not examine the ownership of any Bond, but shall be protected in acting upon receipt of Bonds containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Registered Owner or agent of the Registered Owner.

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

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

(g) The Bank shall not be responsible for delays or failures in performance resulting from acts beyond its control, including without limitation acts of God, strikes, lockouts, riots, acts of war or terror, epidemics, governmental regulations, fire, communication line failures, computer viruses, power failures, earthquakes or other disasters.

(h) The Bank is authorized, in its sole discretion, to comply with final orders issued or process entered by any court with respect to any money held by the Bank hereunder, without determination by the Bank of such court's jurisdiction in the matter. If any portion of money held by the Bank hereunder is at any time attached, garnished or levied upon under any court order, or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case any order, judgment or decree shall be made or entered by any court affecting such property or any part thereof, then and in any such event, the Bank is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree which it is advised by legal counsel selected by it is binding upon it without the need for appeal or other action; and if the Bank complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person or entity by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

(i) The Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means; provided, however, that the District shall provide to the Bank an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the District whenever a person is to be added or deleted from the listing. If the District elects to give the Bank Instructions using Electronic Means and the Bank in its discretion elects to act upon such Instructions, the Bank's understanding of such Instructions shall be deemed controlling. The District

understands and agrees that the Bank cannot determine the identity of the actual sender of such Instructions and that the Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Bank have been sent by such Authorized Officer. The District shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Bank and that the District and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the District. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The District agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Bank, including without limitation the risk of the Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the District; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

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

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

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

Any money deposited with or otherwise held by the Bank for the payment of the principal, redemption premium (if any) or interest on any Bond and remaining unclaimed, by the Registered Owner (or by the District (which claim by the District shall be made in writing) after maturity and prior to escheatment) will be escheated pursuant to the applicable state law. If funds are returned to the District, the District and the Bank agree that the Registered Owner of such Bond shall thereafter look only to the District for payment thereof, and that all liability of the Bank with respect to such moneys shall thereupon cease.

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

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

Section 6.08. Indemnification. The District shall indemnify the Bank, its officers, directors, employees and agents (Indemnified Parties) for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the Bank's acceptance or administration of the Bank's duties hereunder (except any loss, liability or expense as may be adjudged by a court of competent jurisdiction to be directly caused solely by the Bank's negligence or misconduct), including the cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement and of enforcing its rights to indemnification hereunder. Such indemnity shall survive the resignation or removal of the Bank as Paying Agent or/or Bond Registrar, termination or discharge of this Agreement and discharge of the Bonds.

ARTICLE SEVEN
MISCELLANEOUS PROVISIONS

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

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

Section 7.03. Notices. Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the District or the Bank shall be mailed, sent by fax or email as an electronic image of a manually executed document or delivered to the District or the Bank, respectively, at the address shown below, or such other address as may have been given by one party to the other by fifteen (15) days written notice:

If to the District: Novato Unified School District
 1015 7th Street
 Novato, California 94945
 Attention: Superintendent

If to the Bank: The Bank of New York Mellon Trust Company, N.A.
 2001 Bryan Street, 11th Floor
 Dallas, Texas 75201
 Attention: Corporate Trust

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

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

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

Section 7.07. Benefits of Agreement. Nothing in this Agreement, express or implied, is intended to or shall confer upon any other person or entity, other than the signatory parties hereto, any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.08. Entire Agreement. This Agreement shall constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent and Bond Registrar.

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

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

The Bank may at any time resign by giving written notice to the District of such resignation. The District shall promptly appoint a successor Bank by the resignation date. Resignation of the Bank will be effective only upon acceptance of appointment by a successor Bank. If the District does not appoint a successor, the Bank may petition any court of competent jurisdiction for the appointment of a successor Bank, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Bank. After receiving a notice or resignation of the Bank, the District may appoint a temporary Bank until the District appoints a successor Bank. Any such temporary Bank so appointed by the District shall immediately and without further act be superseded by the successor Bank so appointed.

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

Section 7.12. Documents to be filed with Bank. At the time of the Bank's appointment as Paying Agent, Registrar and Custodian, the District shall file with the Bank the following documents: (a) a specimen Bond; (b) a copy of the opinions of bond counsel and special tax counsel provided to the District in connection with the issuance of the Bonds; and (c) such other information that the Bank may request.

Section 7.13. Patriot Act Compliance. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

IN WITNESS WHEREOF, the District and the Bank have caused this agreement to be executed in their respective names by their duly authorized representatives, in two counterparts, each of which shall be deemed an original.

Novato Unified School District

By _____
Its: Superintendent

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Paying Agent, Bond
Registrar and Custodian and Disbursing
Agent

By _____
Authorized Representative