



Midpeninsula Regional
Open Space District

R-17-122
Meeting 17-28
November 8, 2017

AGENDA ITEM 6

AGENDA ITEM

Resolutions Authorizing the Issuance of the 2018 Series A Refunding Bonds, 2018 Series B Parity Bonds, 2018 Series General Obligation Bonds, and Approving Related Documents and Associated Actions.

GENERAL MANAGER AND CONTROLLER'S RECOMMENDATION

A handwritten signature in black ink, appearing to be "G.M.", is placed to the right of the section header.

Adopt Resolutions authorizing issuance of not to exceed \$30 million in 2018 Series A Refunding Bonds (Green Bonds), not to exceed \$20 million in 2018 Series B Parity Bonds, and not to exceed \$60 million in 2018 Series General Obligation Bonds (Green Bonds), and approving the related documents, such as supplemental indentures and escrow agreements.

SUMMARY

The Resolution authorizes the District to issue and sell, by negotiated sale, bonds not to exceed \$30 million in 2018 Series A Refunding Bonds (Green Bonds), not to exceed \$20 million in 2018 Series B Parity Bonds, and not to exceed \$60 million in 2018 Series General Obligation Bonds (Green Bonds), and approves the related documents, such as indentures and escrow agreements. The purpose of the 2018 Series A Refunding Bonds (Green Bonds) is to refinance the callable portion of the District's 2012 Refunding Promissory Notes ("Prior Bonds") to take advantage of today's very low interest rates and achieve significant debt service savings. The purpose of the 2018 Series B Parity Bonds (non-Measure AA) is to provide sufficient cash available for the remodel of new staffing facilities. The purpose of the 2018 Series General Obligation Bonds (Green Bonds) is to provide the next tranche of funding under Measure AA for capital projects and land acquisitions.

DISCUSSION

The proposal is to issue a new tranche of Measure AA Bonds, and to achieve a certain efficiency in document preparation and marketing, a new money bond for facilities, and a simultaneous advance refunding of the 2012 Refunding Promissory Notes:

- 2018 Series A Refunding Bonds (Green Bonds)
- 2018 Series B Parity Bonds
- 2018 Series General Obligation Bonds (Green Bonds)

2018 Series A Refunding Bonds (Green Bonds)

The 2012 Refunding Promissory Notes were issued by the District to advance refund the 1999 Revenue Bonds.

An advance refunding of the 2012 Refunding Promissory Notes provides the District the opportunity to generate approximately \$18.9 million in cash-flow savings, based on calculations on October 23, 2017. The net present value of these savings would be \$7.9 million and reduces the final maturity by five years, from 2041 to 2037. The projected savings and final maturity are subject to change due to market fluctuations.

Principal Amount	Not to exceed \$30 million
Debt Service Savings	At least 5.00%
Final Maturity	No later than September 1, 2041

2018 Series B Parity Bonds

The District is purchasing staff facilities, including a new Administrative Office (AO), which requires remodeling. The District currently has \$30 million in committed reserves for infrastructure. The acquisition cost is approximately \$35 million and the remodel costs are estimated to be \$9 million. The 2018 Series B Parity Bonds will provide adequate funds to complete the acquisitions and remodels. This series is expected to have a maturity of 10 years, with an anticipated call feature at 5 years.

Principal Amount	Not to exceed \$20 million
Total Interest Cost	Not to exceed 5.00%
Final Maturity	No later than September 1, 2032

2018 Series General Obligation Bonds (Green Bonds)

The first tranche of bonds authorized under Measure AA was issued in 2015 (\$40 million tax-exempt Series A and \$5 million taxable Series B). The proceeds from the tax-exempt bonds have been expended and need to be replenished by the proposed bond issue in order to continue progress on Measure AA capital projects, as well as potential land acquisitions under Measure AA.

Principal Amount	Not to exceed \$60 million
Total Interest Cost	Not to exceed 5.00%
Final Maturity	No later than September 1, 2048

Parties to the Transactions:

The external bond team is the same team that was in place for the successful 2016 Green Bonds Refunding:

- 1. Issuer: Midpeninsula Regional Open Space District
- 2. Trustee: Zions Bank
- 3. Escrow Agent: BNY Mellon
- 4. Underwriter: Morgan Stanley
- 5. Bond Counsel: Orrick Herrington & Sutcliffe
- 6. Disclosure Counsel: Schiff-Hardin
- 7. Financial Adviser: Backstrom McCarley Berry

Duties of the Parties:

- 1. Issuer: Issues bonds, makes principal and interest payments.
- 2. Trustee: Administers bonds for the benefit of the holders, collects principal and interest from the District, makes bond payments to to holders.
- 3. Escrow Agent: Hold the defeasance securities, make principal and interest payments on the defeased 2012 Bonds prior to call date; and redeems the 2012 Bonds.
- 4. Underwriter: Purchases bonds from the District and sells them to investors in the capital market.
- 5. Bond Counsel: Prepares bond documents, opines on the bonds’ validity; assures buyers of the tax-exempt status of the bonds.
- 6. Disclosure Counsel: Drafts District Official Statement and advises on compliance with federal securities laws.
- 7. Financial Advisor: Verify fair pricing on the bonds; verify bond purchase price.

FISCAL IMPACT

Based on current rates and calculations, the sale of the proposed 2018 Series A Refunding Bonds (Green Bonds) will reduce overall District debt service payments by approximately \$18.9 million over the next twenty-five years. The 2018 Series B Parity Bonds are currently estimated to have a \$1.64 million annual debt service for 10 years. The 2018 Series General Obligation Bonds are currently estimated to have a \$2.6-\$2.8 million annual debt service for 30 years.

The proposed bond issuances are consistent with the District’s long-term financial model.

BOARD COMMITTEE REVIEW

The sale of the proposed series of 2018 Bonds was not reviewed by a committee.

PUBLIC NOTICE

Notice was provided pursuant to the Brown Act. No additional notice is necessary.

CEQA COMPLIANCE

No compliance is required as this action is not a project under CEQA.

NEXT STEPS

If approved by the Board, staff will proceed with finalization of the documents to sell the bonds in 2018.

The timeline is as follows:

11/15/2017	FYI to the Board with the Draft Preliminary Official Statement
12/06/2017	Board Reviews and Approves Preliminary Official Statement
December, 2017	Marketing
January, 2018	Pricing and Sale of the Bonds
February, 2018	Closing of the Transaction
February, 2018	Post-sale evaluation report to the Board

Attachments:

1. Resolution authorizing Refunding and Parity Bonds 2018 Series A and B
2. First Supplemental Indenture for 2018 Series A and B
3. Escrow Agreement for 2018 Series A
4. Bond Purchase Agreement for 2018 Series A and B
5. Resolution authorizing 2018 Series General Obligation Bonds
6. Fiscal Agent Agreement for 2018 Series General Obligation Bonds
7. Bond Purchase Agreement for 2018 Series General Obligation Bonds

Responsible Manager:

Stefan Jaskulak, Chief Financial Officer

Prepared by:

Stefan Jaskulak, Chief Financial Officer

RESOLUTION NO. 17-_____**A RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
AUTHORIZING THE ISSUANCE AND PRESCRIBING THE TERMS OF SALE OF
NOT TO EXCEED \$50,000,000 OF BONDS; APPROVING THE FORMS AND
EXECUTION OF A FIRST SUPPLEMENTAL INDENTURE, A PURCHASE
CONTRACT, AN ESCROW AGREEMENT AND DOCUMENTS AND CERTIFICATES;
AND AUTHORIZING TAKING OF NECESSARY AND INCIDENTAL ACTIONS
RELATING TO SAID BONDS**

WHEREAS, the Midpeninsula Regional Open Space District (the “District”) previously issued its 1992 Promissory Notes (Santa Clara and San Mateo Counties, California) (the “1992 Notes”) in the aggregate principal amount of \$8,000,000 in order to finance the acquisition of open space lands and facilities;

WHEREAS, the District previously further entered into a Project Lease dated as of January 1, 1999 (the “1999 Project Lease”) with the Midpeninsula Regional Open Space District Financing Authority (the “Authority”) for the purpose of (i) financing the acquisition of open space and (ii) refunding on an advance basis all of the District’s outstanding 1992 Notes;

WHEREAS, the Authority previously issued its 1999 Revenue Bonds (the “1999 Authority Bonds”) pursuant to a Trust Agreement dated as of January 1, 1999, by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as successor trustee, in the aggregate principal amount of \$29,663,021.15;

WHEREAS, in order to refinance the 1999 Project Lease and to allow for the defeasance and refunding of the outstanding 1999 Authority Bonds, the District previously further issued its 2012 Refunding Promissory Notes (1999 Project Lease) (Current Interest Notes) (the “2012 Current Interest Notes”) currently outstanding in the aggregate principal amount of \$13,730,000, and its 2012 Refunding Promissory Notes (1999 Project Lease) (Capital Appreciation Notes) (the “2012 Capital Appreciation Notes” and, together with the 2012 Current Interest Notes, the “2012 Notes”) currently outstanding in the aggregate principal amount of \$15,474,707.20;

WHEREAS, the outstanding 2012 Current Interest Notes maturing on and after September 1, 2023 are subject to optional redemption on September 1, 2022 and on any date thereafter, and the outstanding 2012 Capital Appreciation Notes which are term notes maturing on September 1, 2037 and September 1, 2041, respectively, are subject to optional redemption on September 1, 2022 and on any date thereafter;

WHEREAS, the District has determined that it is in the best interests of the District and is necessary and proper for District purposes that the District issue its Midpeninsula Regional Open Space District Green Bonds, 2018 Refunding Series A (the “2018 Series A Refunding Bonds”) to advance refund all or a portion of its outstanding obligations under the 2012 Notes;

WHEREAS, the District has further determined that it is in the best interest of the District and is necessary and proper for District purposes that, pursuant to and in accordance with Section 5544.2 of the District Act (as hereinafter defined), the District issue new indebtedness, evidenced by contract in the form of bonds between the District and the owners thereof, to be designated as the Midpeninsula Regional Open Space District Parity Bonds, 2018 Series B (the “2018 Series B Parity Bonds”) to finance a portion of the cost of acquisition and improvement of staffing facilities (the “Project”);

WHEREAS, the District has further determined that the 2018 Series A Refunding Bonds and the 2018 Series B Parity Bonds may be issued as two series or in such series or subseries of bonds as shall be convenient (collectively, the “Bonds”) and shall be issued as parity obligations pursuant to the Indenture, dated as of September 1, 2016 (the “Indenture”), by and between the District and Zions Bank, a division of ZB, National Association, and a First Supplemental Indenture thereto (the “First Supplemental Indenture”);

WHEREAS, the District is designating the 2018 Series A Refunding Bonds as “Green Bonds” to allow investors to invest directly in bonds that finance environmentally beneficial projects, as the proceeds of the bonds will be used to refinance the acquisition and preservation of properties that have been dedicated for open space purposes;

WHEREAS, the District acquires and preserves, or returns to its natural state, such lands for scenic beauty and enjoyment, the protection of natural vegetation, wildlife and agriculture, and establishes boundaries for urban growth and enhances quality of life, recreation in nature and educational opportunities through the creation of a regional greenbelt;

WHEREAS, the District has determined that open space protects and restores the natural environment and promotes healthier living by providing opportunities for ecologically sensitive public enjoyment and education;

WHEREAS, the District has determined that expanded staffing facilities are critical to provide high quality District services, functions, programs, and the necessary staffing to ensure the continued protection of open space lands, restoration of natural resources, and provision for ecologically sensitive public enjoyment and education;

WHEREAS, this District is authorized, and now wishes, to issue the 2018 Series A Refunding Bonds pursuant to and in accordance with Article 3 of Chapter 3 of Division 5 of the Public Resources Code (the “District Act”), and all laws amendatory thereof or supplemental thereto, including Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (together with the District Act, the “Law”), to (i) refund all or a portion of the outstanding 2012 Notes (the refunded portion of the 2012 Notes, the “Prior Notes”) and (ii) pay costs of issuance of the 2018 Series A Refunding Bonds;

WHEREAS, this District is authorized, and now wishes, to issue the 2018 Series B Parity Bonds pursuant to and in accordance with Section 5544.2 of the District Act, and all laws amendatory thereof or supplemental thereto, to (i) to pay a portion of the cost of the Project and (ii) pay costs of issuance of the 2018 Series B Parity Bonds;

WHEREAS, this Board acknowledges that refinancing any of the Prior Notes more than 90 days in advance of the date of redemption thereof shall preclude any tax-exempt advance refunding of the portion of bonds issued for such purpose;

WHEREAS, this Board has been presented with forms of:

- a First Supplemental Indenture by and between the District and Zions Bank, a division of ZB, National Association;
- an Escrow Agreement by and between the District, the Authority and The Bank of New York Mellon Trust Company, N.A.; and
- a Bond Purchase Agreement (the “Bond Purchase Contract”) by and between the District and Morgan Stanley & Co., LLC (the “Underwriter”);

WHEREAS, a preliminary form of an official statement with respect to the Bonds (the “Official Statement”) will be presented to the Board for approval at its meeting of December 6, 2017;

WHEREAS, Backstrom McCarley Berry & Co., LLC shall serve as the Financial Advisor to the District;

WHEREAS, Orrick, Herrington & Sutcliffe, LLP shall serve as Bond Counsel to the District, and Schiff Hardin LLP shall serve as Disclosure Counsel to the District;

WHEREAS, the Board deems it necessary and desirable to authorize the sale of said bonds by a negotiated sale to the Underwriter;

WHEREAS, Zions Bank, a division of ZB, National Association, has been retained by the District to, and will, act as Trustee (the “Trustee”) with respect to the Bonds;

WHEREAS, the Board has examined and approved each form of document presented to it and desires to authorize and direct the execution and delivery of such documents (with such changes as are permitted below) and the consummation of the financing contemplated herein and therein; and

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

NOW, THEREFORE, BE IT RESOLVED by the Midpeninsula Regional Open Space District, as follows:

Section 1. Recitals. The District hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the District and that the statements, findings and determinations of the District set forth above are true and correct.

Section 2. Authorization of Issue of Bonds. The District hereby authorizes the issuance and sale, from time to time, by negotiated sale, of not to exceed \$30,000,000 aggregate principal amount of 2018 Series A Refunding Bonds and not to exceed \$20,000,000 aggregate principal amount of 2018 Series B Parity Bonds. The Bonds may be issued as tax-exempt or taxable bonds in one or more series or subseries. The 2018 Series A Refunding Bonds shall be designated the “Midpeninsula Regional Open Space District Green Bonds, 2018 Refunding Series A” with such revised or additional designations as the General Manager or his written designee, the Controller, or the Chief Financial Officer / Director of Administrative Services, (each an “Authorized Officer”) may deem necessary or desirable. The 2018 Series B Parity Bonds shall be debt obligations issued under Section 5544.2 of the District Act, and shall be evidenced by a contract in the form of bonds between the District and the owners thereof. The 2018 Series B Parity Bonds shall be designated the “Midpeninsula Regional Open Space District Parity Bonds, 2018 Series B,” with such revised or additional designations as the Authorized Officers may deem necessary or desirable. The principal of and interest on the Bonds shall be payable solely from the District’s portion of the one percent *ad valorem* property tax levy within the District (the “Revenue”) as pledged under the Indenture and the District is not obligated to pay the principal or interest on such Bonds except from such pledged Revenue.

Section 3. First Supplemental Indenture. The form of First Supplemental Indenture by and between the District and the Trustee, on file with the District Clerk of the Board (the “Clerk”), is hereby approved and the Authorized Officers are hereby severally authorized and directed to execute and deliver the First Supplemental Indenture in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. Sale of Bonds; Bond Purchase Contract. The Board hereby authorizes the issuance of the Bonds by negotiated sale to the Underwriter and the Board has found and determined the following reasons therefor: (1) provide more flexibility in the timing of the sale of the bonds; (2) result in a lower overall cost of borrowing; (3) provide more flexibility in the debt structure; (4) allow the District to work with participants familiar with the District; and (5) increase the opportunity to pre-market the Bonds for sale to local residents and other investors.

The form of Bond Purchase Contract by and between the Underwriter and the District on file with the Clerk, is hereby approved. The Authorized Officers are hereby severally authorized and directed to execute and deliver the Bond Purchase Contract in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof and pursuant thereto to sell the Bonds to the Underwriter for the purchase price set forth in the Bond Purchase Contract; provided, however, that said price to be not less than the principal amount of the Bonds less an underwriting discount which shall not exceed 0.475% (exclusive of any original issue discount) of the principal amount of the Bonds (which this Board hereby determines reflects an underwriter’s spread that is both reasonable and customary under the prevailing market conditions).

With respect to the 2018 Series A Refunding Bonds, the Bond Purchase Contract shall provide that: (i) no such bond shall mature later than September 1, 2041 and (ii) the present value

of the debt service savings with respect to the Prior Notes shall be at least 5.00% of the aggregate principal amount of such Prior Notes.

With respect to the 2018 Series B Parity Bonds, the Bond Purchase Contract shall provide that: (i) no such bond shall mature later than September 1, 2032; (ii) no such bond shall bear interest at a rate greater than 5.50% per annum; and (iii) the true interest cost of such bonds shall not exceed 5.00%.

Section 5. Costs of Issuing the Bonds. The estimated costs of issuance of the Bonds, excluding the underwriting discount, do not exceed 1.00% of the principal amount of the Bonds sold.

Section 6. Escrow Agreement. The form of Escrow Agreement by and between the District, the Authority and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent, on file with the Clerk is hereby approved. The Authorized Officers are hereby severally authorized and directed to execute and deliver the Escrow Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. Ratification of Actions. All actions heretofore taken by the officers and agents of the District with respect to the sale, execution and delivery of the Bonds and the other transactions authorized and contemplated herein are hereby approved, confirmed and ratified.

Section 8. Approval of Further Actions. The officers of the District are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, but not limited to: preparation of the form of Official Statement and presenting such form to the Board; authorizing the preparation and distribution of all rating and marketing materials necessary for the sale of the Bonds; purchase of escrow securities; engaging certified public accountants to verify the sufficiency of funds deposited in escrow; and paying costs of issuance. The President of the Board, the Clerk, the Authorized Officers, and the other officers of the District are hereby severally authorized and directed to execute and deliver any and all documents, written requests, certificates and representations, including but not limited to signature certificates, no-litigation certificates, tax and rebate certificates, the letter of representations to The Depository Trust Company and certificates concerning the contents of the Official Statement distributed in connection with the sale of the Bonds, necessary or desirable to accomplish the transactions set forth above and to administer the documents authorized hereby. The Authorized Officers may execute and deliver one or more of each of the documents the form of which were presented to the Board herewith and approved hereby.

Section 9. Notice to California Debt and Investment Advisory Commission. The Board hereby authorizes and directs Bond Counsel to cause notices of the proposed sale and final sale of the Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Section 8855 of the Government Code. The issuance of the Bonds will be made in compliance with the District's adopted debt policy.

Section 10. Contract with Bond Owners. The provisions of this Resolution shall be a contract with each and every owner of Bonds and the duties of the District and of the Board and the officers of the District shall be enforceable by any bond owner by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

Section 11. Effective Date. This Resolution shall take effect from and after its date of adoption.

* * * * *

PASSED AND ADOPTED this 8th day of November, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

Clerk
Board of Directors

President
Board of Directors

APPROVED AS TO FORM:

General Counsel

CLERK'S CERTIFICATE

I, Jennifer Woodworth, District Clerk of the Board of the Midpeninsula Regional Open Space District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of said District duly and regularly held at the regular meeting place thereof on the 8th day of November, 2017, of which meeting all of the members of said Board had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 330 Distel Circle, Los Altos, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

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

WITNESS my hand and the seal of the Midpeninsula Regional Open Space District this ___ day of November, 2017.

District Clerk

FIRST SUPPLEMENTAL INDENTURE

Dated as of February 1, 2018

by and between the

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

and

ZIONS BANK, A DIVISION OF ZB, NATIONAL ASSOCIATION,
as Trustee

Relating to the

Midpeninsula Regional Open Space District
Green Bonds, 2018 Refunding Series A

and

Midpeninsula Regional Open Space District
Parity Bonds, 2018 Series B

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FIRST SUPPLEMENTAL INDENTURE

THIS FIRST SUPPLEMENTAL INDENTURE, dated as of February 1, 2018 (this “First Supplemental Indenture”), between the MIDPENINSULA REGIONAL OPEN SPACE DISTRICT, a regional open space district duly organized and existing under and by virtue of the laws of the State of California (the “District”), and ZIONS BANK, A DIVISION OF ZB, NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States of America and authorized to accept and execute trusts of the character herein set forth, as trustee (the “Trustee”):

WITNESSETH:

WHEREAS, this First Supplemental Indenture is supplemental to the Indenture, dated as of September 1, 2016 (as supplemented and amended from time to time pursuant to its terms, the “Indenture”), between the District and the Trustee;

WHEREAS, the Indenture provides that the District may issue Parity Obligations from time to time as authorized by a Supplemental Indenture, which Parity Obligations are to be payable from Revenues and from such other sources as may be specified with respect to a particular series of Parity Obligations in the Supplemental Indenture authorizing such Series;

WHEREAS, the District desires to provide at this time for the issuance of a series of Bonds to be designated the “Midpeninsula Regional Open Space District Green Bonds, 2018 Refunding Series A” (the “2018 Series A Refunding Bonds”), all for the purpose of providing funds to redeem all or a portion of the District’s outstanding 2012 Refunding Promissory Notes (1999 Project Lease) (Current Interest Notes) (the “2012 Current Interest Notes”) currently outstanding in the aggregate principal amount of \$13,730,000 and 2012 Refunding Promissory Notes (1999 Project Lease) (Capital Appreciation Notes) (the “2012 Capital Appreciation Notes”) and, together with the 2012 Current Interest Notes, the “2012 Notes”) currently outstanding in the aggregate principal amount of \$15,474,707.20 and (ii) paying costs of issuance of the 2018 Series A Refunding Bonds; and

WHEREAS, the District desires to provide at this time for the issuance of a second series of Bonds to be designated the “Midpeninsula Regional Open Space District Parity Bonds, 2018 Series B” (the “2018 Series B Parity Bonds” and, together with the 2018 Series A Refunding Bonds, the “2018 Bonds”), all for the purpose of (i) financing a portion of the cost of acquisition and improvement of staffing facilities (the “Project”, as further defined in Section 12.01) and (ii) paying costs of issuance of the 2018 Series B Parity Bonds;

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE XII
DEFINITIONS

Section 12.01. Definitions.

(a) Definitions. Unless the context otherwise requires, or as otherwise provided in subsection (b) of this Section, all terms that are defined in Section 1.01 of the Indenture shall have the same meanings in this First Supplemental Indenture.

(b) Additional Definitions. Unless the context otherwise requires, the following terms shall, for all purposes of this First Supplemental Indenture, have the following meanings:

“Authorized Denominations” means, with respect to 2018 Bonds, \$5,000 and any integral multiple thereof.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate of the District relating to the 2018 Bonds.

“Interest Payment Date” means for the 2018 Bonds each [March 1] and [September 1], commencing [March 1, 2018] and, in any event, the final maturity date or redemption date of each 2018 Bond.

“Issue Date” means, with respect to the 2018 Bonds, the date on which the 2018 Bonds are first delivered to the purchasers thereof.

“Redemption Price” means, with respect to any 2018 Bonds or a portion thereof, 100% of the principal amount thereof to be redeemed, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this First Supplemental Indenture.

“First Supplemental Indenture” means this First Supplemental Indenture, between the District and the Trustee, as amended and supplemented from time to time.

“Project” means the acquisition and improvement of District staffing facilities [additional project details to be inserted].

“2012 Notes” means the District’s outstanding 2012 Refunding Promissory Notes (1999 Project Lease) (Current Interest Notes) and 2012 Refunding Promissory Notes (1999 Project Lease) (Capital Appreciation Notes), issued under an Indenture dated as of February 1, 2012, by and between the District and the 2012 Trustee.

“2012 Notes Escrow Agent” means The Bank of New York Trust Company, N.A., as escrow agent, relating to the defeasance of the outstanding 2012 Notes.

“2012 Notes Escrow Agreement” means the Escrow Agreement, dated as of February 1, 2018, between the District and 2012 Notes Escrow Agent, relating to the defeasance of the outstanding 2012 Notes.

“**2012 Trustee**” means The Bank of New York Mellon Trust Company, N.A.

“**2018 Bonds**” means, collectively, the 2018 Series A Refunding Bonds and the 2018 Series B Parity Bonds.

“**2018 Bonds Tax Certificate**” means the Tax Certificate executed on behalf of the District in connection with the issuance of the 2018 Bonds.

“**2018 Project Fund**” means the 2018 Project Fund established pursuant to Section 15.02.

“**2018 Series A Costs of Issuance Account**” means the 2018 Series A Costs of Issuance Account established pursuant to Section 15.03.

“**2018 Series A Refunding Bonds**” means the “Midpeninsula Regional Open Space District Green Bonds, 2018 Refunding Series A” issued under this First Supplemental Indenture.

“**2018 Series B Costs of Issuance Account**” means the 2018 Series B Costs of Issuance Account established pursuant to Section 15.04.

“**2018 Series B Parity Bonds**” means the “Midpeninsula Regional Open Space District Parity Bonds, 2018 Series B” issued under this First Supplemental Indenture.

ARTICLE XIII FINDINGS, DETERMINATIONS AND DIRECTIONS

Section 13.01. Findings and Determinations. The District hereby finds and determines that the 2018 Bonds shall be issued pursuant to Section 2.12 and upon the issuance of the 2018 Bonds, any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the issuance thereof, will exist, will have happened and will have been performed, in due time, form and manner, as required by the Constitution and statutes of the State.

Section 13.02. Recital in Bonds. There shall be included in each of the definitive 2018 Bonds, and also in each of the temporary 2018 Bonds, if any are issued, a certification and recital that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by that 2018 Bonds, and in the issuing of that 2018 Bonds, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State and the Act, and that said 2018 Bonds, together with all other indebtedness of the District payable out of Revenues, is within every debt and other limit prescribed by the Constitution and statutes of the State and the Act, and that such certification and recital shall be in such form as is set forth in the form of the 2018 Bonds attached hereto as Exhibit A.

Section 13.03. Effect of Findings and Recital. From and after the issuance of the 2018 Bonds, the findings and determinations herein shall be conclusive evidence of the existence of

the facts so found and determined in any action or proceeding in any court in which the validity of the 2018 Bonds is at issue.

**ARTICLE XIV
AUTHORIZATION AND REDEMPTION OF 2018 BONDS**

Section 14.01. Principal Amount, Designation and Series. Pursuant to each and every requirement of the Law and hereof, a series of Bonds entitled to the benefit, protection and security of such provisions is hereby authorized in the aggregate principal amount of \$[Series A Principal]. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, “Midpeninsula Regional Open Space District Green Bonds, 2018 Refunding Series A.”

Pursuant to each and every requirement of the Law and hereof, a series of Bonds entitled to the benefit, protection and security of such provisions is hereby authorized in the aggregate principal amount of \$[Series B Principal]. Such Bonds shall be debt obligations issued under Section 5544.2 of Article 3 of Chapter 3 of Division 5 of the Public Resources Code and shall be evidenced by contract in the form of bonds between the District and the Owners thereof for repayment of the debt evidenced thereby, and shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, “Midpeninsula Regional Open Space District Parity Bonds, 2018 Series B.”

The 2018 Bonds may contain or have endorsed thereon such descriptive provisions, specifications and words not inconsistent with the provisions hereof as may be desirable or necessary to comply with custom or the rules of any securities exchange or commission or brokerage board or otherwise as may be determined by the District prior to the delivery thereof.

Section 14.02. Purpose and Application of Proceeds. The 2018 Series A Refunding Bonds are issued for the purpose of refunding all or a portion of the District’s outstanding obligations under the 2012 Notes (the refunded portion of the 2012 Notes, the “Prior Notes”). The 2018 Series B Parity Bonds are issued for the purpose of financing, refinancing and/or reimbursing the District for its payment of the costs of the Project. In addition, a portion of the proceeds will be applied to pay Costs of Issuance of the 2018 Bonds. The net proceeds from the sale of the 2018 Bonds in the amount of \$[_____] shall be received by the Trustee, and the Trustee shall deposit such funds as follows:

- (a) \$[_____] of the proceeds of the 2018 Series A Refunding Bonds shall be deposited with the 2012 Notes Escrow Agent for the purpose of defeasing the Prior Notes pursuant to the 2012 Notes Escrow Agreement;
- (b) \$[_____] of the proceeds of the 2018 Series B Parity Bonds shall be deposited in the 2018 Project Fund;
- (c) \$[_____] of the proceeds of the 2018 Series A Refunding Bonds shall be deposited in the 2018 Series A Costs of Issuance Account; and

(d) \$[_____] of the proceeds of the 2018 Series B Parity Bonds shall be deposited in the 2018 Series B Costs of Issuance Account.

Section 14.03. Form of 2018 Bonds. The 2018 Bonds and the authentication and registration endorsement and assignment to appear thereon shall be substantially in the forms attached hereto as Exhibit A.

Section 14.04. Date, Maturities and Interest Rates. (a) The 2018 Bonds shall be shall be dated the date of the initial delivery thereof, and shall mature on the dates and in the principal amounts and shall bear interest at the rates per annum as follows:

Maturity Date ([September] 1)	Principal Amount	Interest Rate
20__	\$	%

* Term Bond

Interest on the 2018 Bonds shall be computed on the basis of a 360-day year composed of twelve 30 day months.

Section 14.05. Interest Payment of 2018 Bonds. The interest on the 2018 Bonds shall be computed on the basis of a 360-day year of twelve (12) 30-day calendar months, and shall be payable on [March 1, 2018], and semiannually thereafter on [March 1] and [September 1] in each year. The 2018 Bonds shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless they are authenticated on a day during

the period from the Record Date for an Interest Payment Date to such Interest Payment Date, both dates inclusive, in which event they shall bear interest from such Interest Payment Date, or unless they are authenticated on a day on or before the Record Date for the first Interest Payment Date, in which event they shall bear interest from their date; provided, that if at the time of authentication of any 2018 Bond interest is then in default on the Outstanding 2018 Bonds, such 2018 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding 2018 Bonds.

Section 14.06. Redemption of the 2018 Bonds.

(a) Optional Redemption. The 2018 Bonds maturing on or after [September] 1, 20__ shall be subject to redemption prior to their respective stated maturity dates at the option of the District, from any source of available funds, as a whole or in part on any date on or after [September] 1, 20__, at a redemption price equal to the principal amount of such 2018 Bonds called for redemption, together with accrued interest thereon to the date fixed for redemption, without premium.

(b) Mandatory Sinking Fund Redemption. The \$[_____] Term Bond maturing on [September] 1, 20__, is also subject to mandatory sinking fund redemption on each Mandatory Sinking Fund Redemption Date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

Mandatory Sinking Fund Redemption Date ([September] 1)	Principal Amount To be Redeemed
20__	\$
20__†	

† Maturity.

(c) The District shall give the Trustee written notice at least thirty (30) days (or such lesser time period acceptable to the Trustee) before any date fixed for the redemption of the 2018 Bonds called for redemption pursuant to Section 14.06(a), designating the portion thereof called for redemption and the date of such redemption and the Trustee shall mail a notice of redemption in accordance with Section 4.03 pursuant to such Written Request of the District.

**ARTICLE XV
ESTABLISHMENT OF FUNDS AND ACCOUNTS
AND APPLICATION THEREOF**

Section 15.01. Funds and Accounts. The following funds and accounts are hereby established in connection with the 2018 Bonds:

(a) To ensure the proper application of such portion of proceeds from the sale of the 2018 Series B Parity Bonds to be applied to pay costs of the Project, there is hereby established the 2018 Project Fund, such fund to be held by the Trustee.

(b) To ensure the proper application of such portion of proceeds from the sale of the 2018 Series A Refunding Bonds to be applied to pay Costs of Issuance of the 2018 Series A Refunding Bonds, there is hereby established the 2018 Series A Costs of Issuance Account, such account to be established within the Costs of Issuance Fund and held by the Trustee.

(c) To ensure the proper application of such portion of proceeds from the sale of the 2018 Series B Parity Bonds to be applied to pay Costs of Issuance of the 2018 Bonds, there is hereby established the 2018 Series B Costs of Issuance Account, such account to be established within the Costs of Issuance Fund and held by the Trustee.

Section 15.02. 2018 Project Fund. The Trustee shall establish the 2018 Project Fund. The monies set aside and placed within the 2018 Project Fund shall remain therein until from time to time expended for the purpose of paying the costs of the Project with respect to the 2018 Series B Parity Bonds and shall not be used for any other purpose whatsoever.

(a) Before any payment from the 2018 Project Fund shall be made by the Trustee, the District shall file or cause to be filed with the Trustee a Written Request of the District, such Written Request to be signed by an authorized officer of the District and to include: (i) the item number of such payment; (ii) the name and address of the person to whom each such payment is due, which may be the District in the case of reimbursement for costs theretofore paid by the District; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; (v) that obligations in the stated amounts have been incurred by the District and are presently due and payable and that each item thereof is a proper charge against the 2018 Project Fund and has not been previously paid from said fund; and (vi) that there has not been filed with or served upon the District notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the amounts payable to any of the persons named in such Written Request, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

(b) When the District determines that the portion of the Project funded with the 2018 Series B Parity Bonds has been completed, a Certificate of the District shall be delivered to the Trustee by the District stating: (i) the fact and date of such completion; (ii) that all of the costs thereof have been determined and paid (or that all of such costs have been paid less specified claims that are subject to dispute and for which a retention in the 2018 Project Fund is to be maintained in the full amount of such claims until such dispute is resolved); and

(iii) that the Trustee is to transfer the remaining balance in the 2018 Project Fund, less the amount of any such retention, to the Revenue Fund.

Section 15.03. 2018 Series A Costs of Issuance Account. The Trustee shall establish the 2018 Series A Costs of Issuance Account. All money on deposit in the 2018 Series A Costs of Issuance Account shall be applied solely for the payment of authorized Costs of Issuance. Before any payment from the 2018 Series A Costs of Issuance Account shall be made by the Trustee, the District shall file or cause to be filed with the Trustee a Written Request of the District, such Written Request to be signed by an authorized officer of the District and to include: (i) the item number of such payment; (ii) the name and address of the person to whom each such payment is due, which may be the District in the case of reimbursement for costs theretofore paid by the District; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; (v) that obligations in the stated amounts have been incurred by the District and are presently due and payable and that each item thereof is a proper charge against the 2018 Series A Costs of Issuance Account and has not been previously paid from said account.

Any amounts remaining in the 2018 Series A Costs of Issuance Account one hundred eighty (180) days after the date of issuance of the 2018 Bonds shall be transferred to the Interest Fund and the 2018 Series A Costs of Issuance Account shall be closed.

Section 15.04. 2018 Series B Costs of Issuance Account. The Trustee shall establish the 2018 Series B Costs of Issuance Account. All money on deposit in the 2018 Series B Costs of Issuance Account shall be applied solely for the payment of authorized Costs of Issuance. Before any payment from the 2018 Series B Costs of Issuance Account shall be made by the Trustee, the District shall file or cause to be filed with the Trustee a Written Request of the District, such Written Request to be signed by an authorized officer of the District and to include: (i) the item number of such payment; (ii) the name and address of the person to whom each such payment is due, which may be the District in the case of reimbursement for costs theretofore paid by the District; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; (v) that obligations in the stated amounts have been incurred by the District and are presently due and payable and that each item thereof is a proper charge against the 2018 Series B Costs of Issuance Account and has not been previously paid from said account.

Any amounts remaining in the 2018 Series B Costs of Issuance Account one hundred eighty (180) days after the date of issuance of the 2018 Bonds shall be transferred to the 2018 Project Fund and the 2018 Series B Costs of Issuance Account shall be closed.

ARTICLE XVI MISCELLANEOUS

Section 16.01. Continuing Disclosure. The District covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, dated the date of issuance of the 2018 Bonds, executed by the District. Notwithstanding any other provision hereof, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default hereunder; provided, that the Trustee may, and at the

request of the Owners of at least twenty-five per cent (25%) in aggregate principal amount of Outstanding Bonds whose Owners are beneficiaries of the Continuing Disclosure Certificate, shall (but only to the extent it is indemnified to its satisfaction, including indemnification from and against attorneys' fees), or any Owner or Beneficial Owner (as that term is defined in the Continuing Disclosure Certificate) may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this section.

Section 16.02. Tax Certificate. The District will comply with the provisions and procedures of the 2018 Bonds Tax Certificate.

Section 16.03. Severability. If any covenant, agreement or provision, or any portion thereof, contained in this First Supplemental Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this First Supplemental Indenture, and the application of any such covenant, agreement or provision, or portion thereof, to other Persons or circumstances, shall be deemed severable and shall not be affected thereby, and this First Supplemental Indenture and the 2018 Bonds issued pursuant hereto shall remain valid, and the Holders of the 2018 Bonds shall retain all valid rights and benefits accorded to them under this Indenture, the Act, and the Constitution and statutes of the State.

Section 16.04. Parties Interested Herein. Nothing in this First Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the District, the Trustee and the Holders of the 2018 Bonds, any right, remedy or claim under or by reason of this First Supplemental Indenture or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this First Supplemental Indenture contained by and on behalf of the District shall be for the sole and exclusive benefit of the District, the Trustee and the Holders of the 2018 Bonds.

Section 16.05. Headings Not Binding. The headings in this First Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this First Supplemental Indenture.

Section 16.06. Indenture to Remain in Effect. Save and except as supplemented by this First Supplemental Indenture, the Indenture shall remain in full force and effect.

Section 16.07. Effective Date of First Supplemental Indenture. This First Supplemental Indenture shall take effect upon its execution and delivery.

Section 16.08. Execution in Counterparts. This First Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Midpeninsula Regional Open Space District has caused the Indenture to be executed in its name and on its behalf by the General Manager and to be attested by the Clerk of the Board of Directors of the District, and Zions Bank, a division of ZB, National Association, as Trustee, in token of its acceptance of the trusts created hereunder, has caused the First Supplemental Indenture to be executed in its corporate name by its duly authorized officer, all as of the date and year first above written.

MIDPENINSULA REGIONAL OPEN
SPACE DISTRICT

By: _____
General Manager

ATTEST:

Clerk of the Board of Directors

ZIONS BANK, A DIVISION OF ZB,
NATIONAL ASSOCIATION, AS TRUSTEE

By: _____
Authorized Officer

EXHIBIT A-1

[FORM OF 2018 SERIES A REFUNDING BONDS]

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTIES OF SANTA CLARA AND SAN MATEO

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
GREEN BOND, 2018 REFUNDING SERIES A

Interest Rate	Maturity Date	Bond Date	CUSIP
_____ %	[September] 1, _____	February __, 2018	598022__

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The Midpeninsula Regional Open Space District, a regional open space district duly organized and existing under and pursuant to the laws of the State of California (the "District"), for value received hereby promises to pay (but only from the Revenues and the other funds hereinafter referred to) to the registered owner set forth above on the maturity date set forth above the principal amount set forth above (subject to any right of prior redemption hereinafter provided for), together with interest thereon computed on the basis of a 360-day year of twelve (12) 30-day calendar months from the interest payment date next preceding the date of authentication of this Bond (unless this Bond is authenticated on a day during the period from the Record Date (as that term is hereinafter defined) for an interest payment date to such interest payment date, both dates inclusive, in which event it shall bear interest from such interest payment date, or unless it is authenticated on a day on or before the Record Date for the first interest payment date, in which event it shall bear interest from its date) until the principal hereof shall have been paid, at the interest rate per annum set forth above, payable on [March] 1, 2018, and semiannually thereafter on [September] 1 and [March] 1 in each year. The interest on this Bond due on or before the maturity or prior redemption hereof shall be payable only to the person whose name appears in the registration books required to be kept by Zions Bank, a division of ZB, National Association, as trustee or any successor thereto (the "Trustee") at its Principal Corporate Trust Office (as that term is defined in the Indenture hereinafter referred to, and herein the "Principal Corporate Trust Office") as the registered owner hereof at the close of business as of the fifteenth (15th) day of the month next preceding each interest payment date (each, a "Record Date"), with such interest to be paid by check mailed by first class mail on each interest payment date to such registered owner at his address as it appears on such books, except that in the case of a registered owner of one million dollars (\$1,000,000) or more in aggregate

principal amount of Bonds then outstanding, payment shall be made at such owner's option by wire transfer on each interest payment date of immediately available funds to an account in a bank or trust company or savings bank that is a member of the Federal Reserve System and that is located in the United States of America according to written instructions given by such owner to the Trustee by the applicable Record Date. The principal of and redemption premium, if any, on this Bond shall be payable only to the person whose name appears in such registration books as the registered owner hereof, such principal and redemption premium, if any, to be paid upon surrender of this Bond to the Trustee at its Principal Corporate Trust Office at maturity or upon prior redemption. The interest on and principal of and redemption premium, if any, on this Bond are payable in lawful money of the United States of America.

This Bond is one of a duly authorized issue of Midpeninsula Regional Open Space District Green Bonds (the "Bonds") of the series and designation indicated above issued in the aggregate principal amount of _____ (\$_____) by the District to refinance certain outstanding obligations of the District issued to refinance the acquisition and preservation of certain properties that have been dedicated for open space purposes, which Bonds are issued under and pursuant to the District's Act, Article 3 of Chapter 3 of Division 5 of the Public Resources Code and all laws amendatory thereof or supplemental thereto, including Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the "Law"), and under and pursuant to the provisions of an Indenture dated as of September 1, 2016, as supplemented, including as supplemented by a First Supplemental Indenture, dated as of February 1, 2018 (the "First Supplemental Indenture"), each by and between the District and the Trustee hereinafter referred to collectively as the "Indenture", all of like tenor and date (except for such variations, if any, as may be required to designate varying numbers, denominations, maturities, interest rates or redemption provisions). All the Bonds are equally and ratably secured in accordance with the terms and conditions of the Indenture (copies of which are on file at the office of the Clerk of the Board of Directors of the District and at the Principal Corporate Trust Office of the Trustee), and reference is hereby made to the Law and to the Indenture and any and all amendments thereof and supplements thereto for a description of the terms on which the Bonds are issued and for the rights of the registered owners of the Bonds; and all the terms of the Law and the Indenture are hereby incorporated herein and constitute a contract between the District and the registered owner from time to time of this Bond, to all the provisions of which the registered owner of this Bond, by his acceptance hereof, agrees and consents; and each registered owner hereof shall have recourse to all the provisions of the Law and the Indenture and shall be bound by all the terms and conditions thereof.

[The Bonds maturing on or before [September] 1, 20__ are not subject to optional redemption prior to maturity. The Bonds maturing on or after [September] 1, 20__ are subject to redemption prior to their respective stated maturity dates at the option of the District, from any source of available funds, as a whole or in part on any date on or after [September] 1, 20__, at a redemption price equal to the principal amount of such Bonds called for redemption, together with accrued interest thereon to the date fixed for redemption, without premium.

The Bonds maturing on [September] 1, 20__ are also subject to mandatory sinking fund redemption on each [September] 1, commencing [September] 1, 20__, in the respective principal amounts as set forth in the Indenture, at a redemption price equal to 100% of

the principal amount to be redeemed, without premium, together with accrued interest thereon to the date fixed for redemption.]

The Bonds are limited obligations of the District and are payable, as to the interest thereon and the principal thereof and the redemption premiums, if any thereon, solely from the Revenues (as that term is defined in the Indenture and herein the “Revenues”), and the District is not obligated to pay them except from the Revenues. All the Bonds, together with any Parity Obligations executed by the District payable from the Revenues and any additional Bonds or Parity Obligations issued by the District payable from the Revenues (all as provided in the Indenture), are equally secured by a pledge of, and charge and lien upon, the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest on and the principal of and the redemption premiums, if any, on the Bonds and such Parity Obligations, as provided in the Indenture. No persons executing the Bonds are liable on the Bonds personally by reason of their issuance. Additional Bonds and Parity Obligations payable from the Revenues may be executed by the District which will rank equally as to security with the Bonds, but only subject to the terms and conditions set forth in the Indenture.

The District has covenanted and warranted that, for the payment of the interest on and principal of and redemption premium, if any, on this Bond and all such existing Parity Obligations and all such additional Bonds and Parity Obligations when due, there has been created and will be maintained by the District the Midpeninsula Regional Open Space District Revenue Fund (as that term is defined in the Indenture) into which all Revenues (as that term is defined in the Indenture) shall be deposited, and as an irrevocable charge the District has allocated the Revenues to the payment of the interest on and principal of and redemption premiums, if any, on and any sinking fund account payments for the Bonds and all such existing and additional Parity Obligations and Bonds, and the District will pay promptly when due the interest on and principal of and redemption premium, if any, on this Bond and all other Bonds of this issue and all such existing and additional Bonds and Parity Obligations out of the Revenues, all in accordance with the terms and provisions set forth in the Indenture.

The Bonds are issuable in the form of fully registered bonds in denominations of five thousand dollars (\$5,000) or any integral multiple of five thousand dollars (\$5,000) (not exceeding the principal amount of Bonds maturing at any one time). The registered owner of any Bond or Bonds may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of Bonds of the same maturity date of authorized denominations in the same aggregate principal amount, subject to the conditions and upon payment of the charges provided in the Indenture.

The registration of this Bond is transferable on the registration books kept by the Trustee by the registered owner hereof or by his duly authorized attorney upon surrender of this Bond, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new Bond or Bonds of the same maturity date of authorized denominations in the same aggregate principal amount will be issued to the transferee in exchange therefor in the manner, subject to the conditions and terms and upon payment of the charges provided in the Indenture. The District and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for

the purpose of receiving payment of, or on account of, the interest hereon and principal hereof and redemption premium, if any, hereon and for all other purposes.

The rights and obligations of the District and of the registered owners of the Bonds may be amended or supplemented at any time in the manner, to the extent and upon the terms provided in the Indenture, and in certain circumstances without the consent of such registered owners, but no such amendment or supplement shall (1) extend the maturity of this Bond or reduce the interest rate hereon or otherwise alter or impair the obligation of the District to pay the interest hereon or principal hereof or redemption premium, if any, hereon or to pay any sinking fund account payment herefor at the time and place and at the rate and in the currency and from the funds provided in the Indenture without the express written consent of the registered owner of this Bond; or (2) permit the creation by the District of any mortgage, pledge or lien upon the Revenues and such other funds superior to or on a parity with the pledge and lien created in the Indenture for the benefit of the Bonds and the Parity Obligations; or (3) reduce the percentage of Bonds required for the written consent to an amendment of or supplement to the Indenture; or (4) modify any rights or obligations of the Trustee without its prior written assent thereto; all as more fully set forth in the Indenture.

This Bond shall not be entitled to any benefits under the Indenture or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been manually signed by an authorized signatory of the Trustee.

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

IN WITNESS WHEREOF, the Midpeninsula Regional Open Space District has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signatures of the President and the Secretary of the Board of Directors of the District and has caused this Bond to be dated _____, 2018.

MIDPENINSULA REGIONAL OPEN SPACE
DISTRICT

President of the Board of Directors of the
Midpeninsula Regional Open Space District

Secretary of the Board of Directors of the
Midpeninsula Regional Open Space District

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION
TO APPEAR ON 2016 REFUNDING BONDS]

This is one of the Bonds described in the within-mentioned Indenture which has been authenticated on _____, 2018.

ZIONS BANK, A DIVISION OF ZB, NATIONAL
ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

[DTC LEGEND]

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

[FORM OF ASSIGNMENT TO APPEAR ON 2016 REFUNDING BONDS]

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within Bond and do(es) hereby irrevocably constitute and appoint _____ attorney to transfer the same on the bond register of the Trustee, with full power of substitution in the premises.

Dated: _____

SIGNATURE GUARANTEED BY:

NOTE: The signature(s) to 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, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

EXHIBIT A-1

[FORM OF 2018 SERIES B PARITY BONDS]

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTIES OF SANTA CLARA AND SAN MATEO

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
PARITY BOND, 2018 SERIES B

Interest Rate	Maturity Date	Bond Date	CUSIP
_____ %	[September] 1, _____	February __, 2018	598022__

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The Midpeninsula Regional Open Space District, a regional open space district duly organized and existing under and pursuant to the laws of the State of California (the "District"), for value received hereby promises to pay (but only from the Revenues and the other funds hereinafter referred to) to the registered owner set forth above on the maturity date set forth above the principal amount set forth above (subject to any right of prior redemption hereinafter provided for), together with interest thereon computed on the basis of a 360-day year of twelve (12) 30-day calendar months from the interest payment date next preceding the date of authentication of this Bond (unless this Bond is authenticated on a day during the period from the Record Date (as that term is hereinafter defined) for an interest payment date to such interest payment date, both dates inclusive, in which event it shall bear interest from such interest payment date, or unless it is authenticated on a day on or before the Record Date for the first interest payment date, in which event it shall bear interest from its date) until the principal hereof shall have been paid, at the interest rate per annum set forth above, payable on [March] 1, 2018, and semiannually thereafter on [September] 1 and [March] 1 in each year. The interest on this Bond due on or before the maturity or prior redemption hereof shall be payable only to the person whose name appears in the registration books required to be kept by Zions Bank, a division of ZB, National Association, as trustee or any successor thereto (the "Trustee") at its Principal Corporate Trust Office (as that term is defined in the Indenture hereinafter referred to, and herein the "Principal Corporate Trust Office") as the registered owner hereof at the close of business as of the fifteenth (15th) day of the month next preceding each interest payment date (each, a "Record Date"), with such interest to be paid by check mailed by first class mail on each interest payment date to such registered owner at his address as it appears on such books, except that in the case of a registered owner of one million dollars (\$1,000,000) or more in aggregate

principal amount of Bonds then outstanding, payment shall be made at such owner's option by wire transfer on each interest payment date of immediately available funds to an account in a bank or trust company or savings bank that is a member of the Federal Reserve System and that is located in the United States of America according to written instructions given by such owner to the Trustee by the applicable Record Date. The principal of and redemption premium, if any, on this Bond shall be payable only to the person whose name appears in such registration books as the registered owner hereof, such principal and redemption premium, if any, to be paid upon surrender of this Bond to the Trustee at its Principal Corporate Trust Office at maturity or upon prior redemption. The interest on and principal of and redemption premium, if any, on this Bond are payable in lawful money of the United States of America.

This Bond is one of a duly authorized issue of Midpeninsula Regional Open Space District Parity Bonds (the "Bonds") of the series and designation indicated above issued in the aggregate principal amount of _____ (\$_____) by the District to refinance certain outstanding obligations of the District issued to refinance the acquisition and preservation of certain properties that have been dedicated for open space purposes, which Bonds are issued under and pursuant to the District's Act, Article 3 of Chapter 3 of Division 5 of the Public Resources Code and all laws amendatory thereof or supplemental thereto, including Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the "Law"), and under and pursuant to the provisions of an Indenture dated as of September 1, 2016, as supplemented, including as supplemented by a First Supplemental Indenture, dated as of February 1, 2018 (the "First Supplemental Indenture"), each by and between the District and the Trustee hereinafter referred to collectively as the "Indenture", all of like tenor and date (except for such variations, if any, as may be required to designate varying numbers, denominations, maturities, interest rates or redemption provisions). All the Bonds are equally and ratably secured in accordance with the terms and conditions of the Indenture (copies of which are on file at the office of the Clerk of the Board of Directors of the District and at the Principal Corporate Trust Office of the Trustee), and reference is hereby made to the Law and to the Indenture and any and all amendments thereof and supplements thereto for a description of the terms on which the Bonds are issued and for the rights of the registered owners of the Bonds; and all the terms of the Law and the Indenture are hereby incorporated herein and constitute a contract between the District and the registered owner from time to time of this Bond, to all the provisions of which the registered owner of this Bond, by his acceptance hereof, agrees and consents; and each registered owner hereof shall have recourse to all the provisions of the Law and the Indenture and shall be bound by all the terms and conditions thereof.

[The Bonds maturing on or before [September] 1, 20__ are not subject to optional redemption prior to maturity. The Bonds maturing on or after [September] 1, 20__ are subject to redemption prior to their respective stated maturity dates at the option of the District, from any source of available funds, as a whole or in part on any date on or after [September] 1, 20__, at a redemption price equal to the principal amount of such Bonds called for redemption, together with accrued interest thereon to the date fixed for redemption, without premium.

The Bonds maturing on [September] 1, 20__ are also subject to mandatory sinking fund redemption on each [September] 1, commencing [September] 1, 20__, in the respective principal amounts as set forth in the Indenture, at a redemption price equal to 100% of

the principal amount to be redeemed, without premium, together with accrued interest thereon to the date fixed for redemption.]

The Bonds are limited obligations of the District and are payable, as to the interest thereon and the principal thereof and the redemption premiums, if any thereon, solely from the Revenues (as that term is defined in the Indenture and herein the “Revenues”), and the District is not obligated to pay them except from the Revenues. All the Bonds, together with any Parity Obligations executed by the District payable from the Revenues and any additional Bonds or Parity Obligations issued by the District payable from the Revenues (all as provided in the Indenture), are equally secured by a pledge of, and charge and lien upon, the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest on and the principal of and the redemption premiums, if any, on the Bonds and such Parity Obligations, as provided in the Indenture. No persons executing the Bonds are liable on the Bonds personally by reason of their issuance. Additional Bonds and Parity Obligations payable from the Revenues may be executed by the District which will rank equally as to security with the Bonds, but only subject to the terms and conditions set forth in the Indenture.

The District has covenanted and warranted that, for the payment of the interest on and principal of and redemption premium, if any, on this Bond and all such existing Parity Obligations and all such additional Bonds and Parity Obligations when due, there has been created and will be maintained by the District the Midpeninsula Regional Open Space District Revenue Fund (as that term is defined in the Indenture) into which all Revenues (as that term is defined in the Indenture) shall be deposited, and as an irrevocable charge the District has allocated the Revenues to the payment of the interest on and principal of and redemption premiums, if any, on and any sinking fund account payments for the Bonds and all such existing and additional Parity Obligations and Bonds, and the District will pay promptly when due the interest on and principal of and redemption premium, if any, on this Bond and all other Bonds of this issue and all such existing and additional Bonds and Parity Obligations out of the Revenues, all in accordance with the terms and provisions set forth in the Indenture.

The Bonds are issuable in the form of fully registered bonds in denominations of five thousand dollars (\$5,000) or any integral multiple of five thousand dollars (\$5,000) (not exceeding the principal amount of Bonds maturing at any one time). The registered owner of any Bond or Bonds may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of Bonds of the same maturity date of authorized denominations in the same aggregate principal amount, subject to the conditions and upon payment of the charges provided in the Indenture.

The registration of this Bond is transferable on the registration books kept by the Trustee by the registered owner hereof or by his duly authorized attorney upon surrender of this Bond, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new Bond or Bonds of the same maturity date of authorized denominations in the same aggregate principal amount will be issued to the transferee in exchange therefor in the manner, subject to the conditions and terms and upon payment of the charges provided in the Indenture. The District and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for

the purpose of receiving payment of, or on account of, the interest hereon and principal hereof and redemption premium, if any, hereon and for all other purposes.

The rights and obligations of the District and of the registered owners of the Bonds may be amended or supplemented at any time in the manner, to the extent and upon the terms provided in the Indenture, and in certain circumstances without the consent of such registered owners, but no such amendment or supplement shall (1) extend the maturity of this Bond or reduce the interest rate hereon or otherwise alter or impair the obligation of the District to pay the interest hereon or principal hereof or redemption premium, if any, hereon or to pay any sinking fund account payment herefor at the time and place and at the rate and in the currency and from the funds provided in the Indenture without the express written consent of the registered owner of this Bond; or (2) permit the creation by the District of any mortgage, pledge or lien upon the Revenues and such other funds superior to or on a parity with the pledge and lien created in the Indenture for the benefit of the Bonds and the Parity Obligations; or (3) reduce the percentage of Bonds required for the written consent to an amendment of or supplement to the Indenture; or (4) modify any rights or obligations of the Trustee without its prior written assent thereto; all as more fully set forth in the Indenture.

This Bond shall not be entitled to any benefits under the Indenture or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been manually signed by an authorized signatory of the Trustee.

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

IN WITNESS WHEREOF, the Midpeninsula Regional Open Space District has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signatures of the President and the Secretary of the Board of Directors of the District and has caused this Bond to be dated _____, 2018.

MIDPENINSULA REGIONAL OPEN SPACE
DISTRICT

President of the Board of Directors of the
Midpeninsula Regional Open Space District

Secretary of the Board of Directors of the
Midpeninsula Regional Open Space District

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION
TO APPEAR ON 2016 REFUNDING BONDS]

This is one of the Bonds described in the within-mentioned Indenture which has been authenticated on _____, 2018.

ZIONS BANK, A DIVISION OF ZB, NATIONAL
ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

[DTC LEGEND]

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

[FORM OF ASSIGNMENT TO APPEAR ON 2016 REFUNDING BONDS]

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within Bond and do(es) hereby irrevocably constitute and appoint _____ attorney to transfer the same on the bond register of the Trustee, with full power of substitution in the premises.

Dated: _____

SIGNATURE GUARANTEED BY:

NOTE: The signature(s) to 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, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

ESCROW AGREEMENT

Dated as of February 1, 2018

by and between the

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

and

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

RELATING TO THE
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
2012 REFUNDING PROMISSORY NOTES (1999 PROJECT LEASE)

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ESCROW AGREEMENT

This Escrow Agreement (the “Escrow Agreement”), dated as of February 1, 2018, by and between the Midpeninsula Regional Open Space District, a regional open space district duly organized and existing under and by virtue of the laws of the State of California (the “District”) and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States of America, and having a corporate trust office in Los Angeles, California, and being qualified to accept and administer the escrow hereby created (the “Escrow Agent”);

WITNESSETH:

WHEREAS, the District previously issued its 1992 Promissory Notes (Santa Clara and San Mateo Counties, California) (the “1992 Notes”) in the aggregate principal amount of \$8,000,000 in order to finance the acquisition of open space lands and facilities;

WHEREAS, the District previously entered into a Project Lease dated as of January 1, 1999 (the “1999 Project Lease”) with the Midpeninsula Regional Open Space District Financing Authority (the “Authority”) for the purpose of (i) financing the acquisition of open space and (ii) refunding on an advance basis all of the District’s outstanding 1992 Notes;

WHEREAS, the Authority previously issued its 1999 Revenue Bonds (the “1999 Authority Bonds”) pursuant to a Trust Agreement dated as of January 1, 1999, by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as successor trustee, in the aggregate principal amount of \$29,663,021.15;

WHEREAS, the District previously duly issued certain outstanding 2012 Refunding Promissory Notes (1999 Project Lease) (Current Interest Notes) (the “2012 Current Interest Notes”) currently outstanding in the aggregate principal amount of \$13,730,000 and 2012 Refunding Promissory Notes (1999 Project Lease) (Capital Appreciation Notes) (the “2012 Capital Appreciation Notes” and, together with the 2012 Current Interest Notes, the “2012 Notes”) currently outstanding in the aggregate principal amount of \$15,474,707.20, in order to perform a refinancing of the 1999 Project Lease and to allow for the defeasance and refunding of the 1999 Authority Bonds (the “2012 Refunding”);

WHEREAS, the District duly issued the 2012 Notes under an Indenture (the “Indenture”) dated as of February 1, 2012, by and between the District and The Bank of New York Mellon Trust Company, N.A., as trustee (the “2012 Trustee”); and

WHEREAS, the outstanding 2012 Current Interest Notes maturing on and after September 1, 2023 are subject to optional redemption on September 1, 2022 (the “Redemption date”) and on any date thereafter, and the outstanding 2012 Capital Appreciation Notes which are term notes maturing on September 1, 2037 and September 1, 2041, respectively, are subject to optional redemption on the Redemption Date and on any date thereafter; and

WHEREAS, pursuant to a Resolution of the District adopted on [_____, 2017], the District is issuing its Midpeninsula Regional Open Space District Green Bonds, 2018

Refunding Series A (the “2018 Green Refunding Bonds”), in part to advance refund certain of its outstanding obligations under the 2012 Notes (the “Refunded Notes”) and to cause the redemption of the Refunded Notes on the Redemption Date; and

WHEREAS, the Escrow Agent hereby confirms that the Refunded Notes are Outstanding (as defined in the Indenture) under the Indenture as of the date hereof and have not been previously defeased and redeemed and the District hereby confirms that the right to defease and redeem the Refunded Notes had not been sold or previously exercised; and

WHEREAS, in order to implement the foregoing, the District has taken action to cause to be delivered to the Escrow Agent, for deposit in the Escrow Fund hereinafter referred to, the sum of \$[_____] from the proceeds of the 2018 Green Refunding Bonds, a portion of which sum will be used to purchase those certain United States Treasury obligations (the “Escrow Securities”) listed in Schedule 2 attached hereto, the receipts from the interest on and principal of which Escrow Securities, together with the unexpended money from such initial deposit into the Escrow Fund, will be sufficient, as certified by [Verification Agent], certified public accountants, in their Verification Report on file with the District and the Escrow Agent, to provide for the redemption of the Refunded Notes at the times and in the amounts and subject to the limitations provided in Section 2 hereof;

NOW, THEREFORE, the District and the Escrow Agent hereby agree as follows:

Section 1. Establishment and Maintenance of the Escrow Fund. The Escrow Agent agrees to establish and maintain the Escrow Fund (the “Escrow Fund”) until all the Refunded Notes have been paid and redeemed as provided in Section 2 hereof, and to hold the Escrow Securities and the money (whether constituting the initial deposit in the Escrow Fund or constituting receipts from the sale of or the maturity of the Escrow Securities) in the Escrow Fund at all times as a separate escrow account wholly segregated from all other securities, investments or money held by it. All Escrow Securities and money in the Escrow Fund are hereby irrevocably pledged to secure the payment and redemption of the Refunded Notes as provided in Section 2 hereof (the “Refunding Requirements”); provided, that any money held in the Escrow Fund that is not used for the payment and redemption of the Refunded Notes as provided in Section 2 hereof shall be repaid to the District free from the trust created by the Escrow Agreement.

The Escrow Agent shall hold all Escrow Securities, whether acquired as initial investments, subsequent investments or reinvestments hereunder, and the money received from time to time as principal and interest thereon, in trust, to secure, and for the payment of the Refunding Requirements, and shall collect the principal of and interest on the Escrow Securities held by it hereunder promptly as such principal and interest become due.

If the Escrow Agent 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 Escrow Agreement, the Escrow Agent shall promptly request alternative written investment instructions from the District with respect to funds which were to be invested in SLGS. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent 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 Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent 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 2. Payment from the Escrow Fund. The Escrow Agent is hereby irrevocably instructed to, and the Escrow Agent hereby agrees to, sell and collect and deposit in the Escrow Fund the proceeds of the Escrow Securities held in the Escrow Fund, and to use such proceeds, together with any other money deposited in the Escrow Fund, to make the interest payments on the Refunded Notes as they come due until the Redemption Date to (as such payments are set forth on Schedule 3 attached hereto) and on the Redemption Date to redeem all Refunded Notes at the redemption price thereof, together with the interest accrued thereon to, but not including, the Redemption Date, at the times and places and in the manner specified in the Indenture.

Section 3. Accounting for Escrow; Substitutions. The moneys and the Escrow Securities from time to time accounted for in the Escrow Fund shall not be subject to withdrawal by the District nor otherwise subject to the order of the District except as otherwise provided in Section 2 hereof.

There shall be no exchange or substitution of the Escrowed Securities, except upon (i) the written direction of the District, (ii) receipt by the District and the 2012 Trustee of a new verification report, prepared by an independent certified public accountant, verifying the sufficiency of the escrow to pay the Refunding Requirements of the Refunded Notes in full on their respective interest payment dates or redemption dates and (iii) receipt of an opinion of nationally recognized bond counsel to the effect that such exchange or substitution will not adversely affect the exemption from federal income tax of interest on the 2018 Green Refunding Bonds or Refunded Notes.

Section 4. Investments and Reinvestments. The Escrow Agent shall have no obligation by virtue of the Escrow Agreement, general trust law or otherwise to make any investment or reinvestment of any moneys in the Escrow Fund at any time except as otherwise provided in this Escrow Agreement or as hereafter directed by the District and upon (i) receipt of an opinion of nationally recognized bond counsel to the effect that such investment or reinvestment will not adversely affect the exemption from federal income tax of interest on the 2018 Green Refunding Bonds or the Refunded Notes and (ii) receipt by the District and the 2012 Trustee of a new verification report, prepared by an independent certified public accountant, verifying the sufficiency of the escrow to pay the Refunding Requirements of the Refunded Notes in full on their respective interest payment dates or redemption dates. Except as is otherwise directed by the District in accordance with the provisions of this Escrow Agreement, any moneys in the Escrow Fund not needed to pay the principal of, premium, if any, or interest on the Refunded Notes on any payment date therefor shall be held by the Escrow Agent uninvested.

The District acknowledges that to the extent regulations of the Comptroller of the Currency of other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District will not receive such confirmations to the extent permitted by law. The Escrow Agent will furnish the District periodic cash transaction

statement which shall include detail for all investment transactions made by the Escrow Agent hereunder.

Section 5. Deficiencies in the Escrow Fund. If at any time it shall appear to the Escrow Agent that the money in the Escrow Fund will not be sufficient to make all payments required by Section 2, the Escrow Agent shall notify the District in writing as soon as reasonably practicable of such fact, stating the amount of such deficiency, and the District shall use its best efforts to obtain and deposit with the Escrow Agent for deposit in the Escrow Fund, from any legally available moneys, all such additional money as may be required to provide for the payment and redemption of the Refunded Notes in accordance with the conditions and terms of the Indenture and hereof; provided, that the Escrow Agent shall in no event or manner be responsible for the failure of the District to make any such deposit.

Section 6. Notice of Redemption; Notice of Defeasance.

(a) The District hereby irrevocably instructs the Escrow Agent to give timely notice of the redemption of the Refunded Notes to Bondholders in accordance with Section 11 of the Indenture, and said notice shall be substantially in the form attached hereto as Exhibit A.

(b) The Escrow Agent, acting as 2012 Trustee and dissemination agent (the “Dissemination Agent”), is hereby irrevocably instructed to provide notice, on the earliest practicable date, of the defeasance of the Refunded Notes in accordance with Section 5(f) of the Continuing Disclosure Agreement between the District and the Escrow Agent, in its capacity as Dissemination Agent thereunder, related to the Refunded Notes in the form set forth in Exhibit B.

Section 7. Compensation and Indemnification of the Escrow Agent.

(a) The District shall pay the Escrow Agent a one-time fee for its services hereunder and shall reimburse the Escrow Agent for its reasonable out-of-pocket expenses (including but not limited to the reasonable fees and expenses, if any, of its counsel or accountants) incurred by the Escrow Agent in connection with these services, all as more particularly agreed upon by the District and the Escrow Agent; provided, that these fees and expenses shall in no event be deducted from the Escrow Fund.

(b) The District agrees to indemnify the Escrow Agent and its agents, directors, officers and employees, and hold the Escrow Agent and its agents, directors, officers 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 Agent) which may be imposed on, incurred by, or asserted against the Escrow Agent or such other party at any time by reason of its performance of Escrow Agent’s services, in any transaction arising out of the Escrow Agreement or any of the transactions contemplated herein, unless due to the negligence or willful misconduct of the particular indemnified party. The provisions of this section shall survive the removal or resignation of the Escrow Agent and the termination of this Escrow Agreement.

Section 8. Functions of the Escrow Agent.

(a) The Escrow Agent undertakes to perform only such duties as are expressly and specifically set forth in the Escrow Agreement and no implied duties or obligations shall be read into the Escrow Agreement against the Escrow Agent.

(b) The Escrow Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, and shall be protected and indemnified as stated in the Escrow Agreement, in acting, or refraining from acting, upon any written notice, instruction, request, certificate, document, electronic mail, facsimile transmission, report or opinion furnished to the Escrow Agent and believed by the Escrow Agent 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, document, electronic mail, facsimile transmission, report or opinion.

(c) The Escrow Agent shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. In no event shall the Escrow Agent be liable for any special, indirect or consequential damages, even if parties know of the possibility of such damages. The Escrow Agent shall have no duty or responsibility under the Escrow Agreement in the case of any default in the performance of agreements or covenants contained in the Indenture or in the case of the receipt of any written demand with respect to such default. The Escrow Agent is not required to resolve conflicting demands to money or property in its possession under the Escrow Agreement.

(d) The Escrow Agent may consult with counsel of its own choice (which may be counsel to the District) and, notwithstanding anything to the contrary contained herein, the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action in accordance with such opinion of counsel.

(e) The Escrow Agent shall not be responsible for any of the recitals or representations contained herein, and shall not be liable for any action or omission of the District under the Escrow Agreement.

(f) The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the Escrow Securities and money in the Escrow Fund to pay and redeem the Refunded Notes as provided in Section 2 hereof.

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

(h) None of the provisions of this Escrow Agreement shall require the Escrow Agent 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.

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

(j) The Escrow Agent may at any time resign by giving 30 days written notice of resignation to the District. Upon receiving such notice of resignation, the District shall promptly appoint a successor and, upon the acceptance by the successor of such appointment, release the resigning Escrow Agent from its obligations hereunder by written instrument, a copy of which instrument shall be delivered to each of the District, the resigning Escrow Agent and the successor. If no successor shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor.

[Section 9.](#) [Amendment of the Escrow Agreement.](#) The Escrow Agreement may not be revoked or amended by the parties hereto unless there shall first have been filed with the District and the Escrow Agent (i) an unqualified opinion of a nationally recognized bond counsel that such amendment will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Notes, and (ii) unless such amendment is not materially adverse to the interests of the registered owners of the Refunded Notes as evidenced by an opinion of nationally recognized bond counsel delivered to the Escrow Agent, the written consent of the registered owners of all the Refunded Notes.

[Section 10.](#) [Notices.](#) All notices and communications hereunder shall be in writing and shall be deemed to be duly given if received or sent by first class mail, as follows:

If to the District:

Midpeninsula Regional Open Space District
330 Distel Circle
Los Altos, California 94022
Attention: General Manager

If to the Escrow Agent:

The Bank of New York Mellon Trust Company, N.A.
400 South Hope Street, Suite 500
Los Angeles, California 90071
Attention: Corporate Trust Department

[Section 11.](#) [Severability.](#) If any section, paragraph, sentence, clause or provision of the Escrow Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, sentence, clause or provision shall not affect any of the remaining provisions of the Escrow Agreement.

Section 12. Governing Law. The Escrow Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 13. Execution. The Escrow Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the District and the Escrow Agent have caused the Escrow Agreement to be executed each on its behalf as of the day and year first above written.

MIDPENINSULA REGIONAL OPEN SPACE
DISTRICT

By _____
General Manager

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

By _____
Authorized Officer

SCHEDULE 1

Refunded Notes

The Refunded Notes constitute the portion of the currently outstanding Midpeninsula Regional Open Space District 2012 Refunding Promissory Notes (1999 Project Lease) that are subject to optional redemption on September 1, 2022, as follows:

Current Interest Notes

<u>Maturity Date (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Call Date</u>	<u>Call Price</u>
2023	\$470,000.00	5.00%	09/01/2022	100%
2024	495,000.00	5.00	09/01/2022	100
2026 [‡]	1,740,000.00	5.00	09/01/2022	100
2027	935,000.00	4.00	09/01/2022	100
2028	4,370,000.00	5.00	09/01/2022	100
2029	3,595,000.00	5.00	09/01/2022	100

Capital Appreciation Notes

<u>Maturity Date (September 1)</u>	<u>Principal Amount</u>	<u>Yield</u>	<u>Call Date</u>	<u>Call Price</u>
2037 [‡]	\$4,992,286.50	6.00	09/01/2022	\$9,331,347.00
2041 [‡]	3,901,820.00	6.04	09/01/2022	7,323,398.55

[‡] Term Notes.

SCHEDULE 2

Escrow Securities

[To come.]

SCHEDULE 3

Refunding Requirements

[To come.]

EXHIBIT A

Form of Notice of Redemption

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT 2012 REFUNDING PROMISSORY NOTES (1999 PROJECT LEASE)

Issue Date: February 2, 2012

Current Interest Notes

<u>Maturity Date (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* (598022)</u>
2023	\$470,000.00	5.00%	EH0
2024	495,000.00	5.00	EJ6
2026 [‡]	1,740,000.00	5.00	EL1
2027	935,000.00	4.00	EM9
2028	4,370,000.00	5.00	EN7
2029	3,595,000.00	5.00	EP2

Capital Appreciation Notes

<u>Maturity Date (September 1)</u>	<u>Principal Amount</u>	<u>Yield</u>	<u>CUSIP* (598022)</u>
2037 [‡]	\$4,992,286.50	6.00	EY3
2041 [‡]	3,901,820.00	6.04	FC0

[‡] Term Notes.

NOTICE IS HEREBY GIVEN pursuant to Section 11 of that certain Indenture of Trust, dated as of February 1, 2012 (the “Indenture”), by and between the Midpeninsula Regional Open Space District (the “District”) and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), that the District hereby calls for redemption on September 1, 2022 (the “Redemption Date”) the above-referenced notes (the “Notes”). The Notes will be redeemed at a redemption price equal to 100% of principal amount of the Notes, plus accrued and unpaid interest thereon to the Redemption Date, without premium (the “Redemption Price”). Capitalized terms used herein and not defined have the meaning assigned thereto in the Indenture.

The Notes are to be redeemed from funds, including investment earnings thereon, deposited pursuant to the Escrow Agreement, dated as of February 1, 2018, by and between the District and the Trustee, as escrow agent.

Payment of the Redemption Price of the Notes called for redemption will be paid only upon presentation and surrender thereof at the office of the Trustee in the following manner:

Delivery Instructions:

First Class / Registered / Certified

The Bank of New York Mellon
Global Corporate Trust
P O Box 396
East Syracuse, New York 13057

Express Delivery Only

The Bank of New York Mellon
Global Corporate Trust
111 Sanders Creek Parkway
East Syracuse, New York 13057

By Hand Only

The Bank of New York Mellon
Global Corporate Trust
Corporate Trust Window
101 Barclay Street, 1st Floor East
New York, New York 10286

If delivery is by mail, registered mail with return receipt requested is recommended.

On the Redemption Date there will become due and payable on each of said Notes, the Redemption Price thereof and, from and after the Redemption Date, interest on the Notes subject to Redemption shall cease to accrue on the Notes and the Owners of the Notes shall have no rights in respect thereof except to receive payment of the Redemption Price thereof in accordance with the provisions of the Indenture.

Failure to receive this notice or any defect herein shall not invalidate the proceedings for redemption of the Notes or the cessation of accrual of interest from any after the redemption date.

Dated: _____, 2021

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

IMPORTANT NOTICE

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), unless the Trustee has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.

**NOTE: The District and the Trustee shall not be responsible for the selection or use of the CUSIP numbers 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

Form of Notice of Defeasance

**S.E.C. RULE 15C2-12
NOTICE OF LISTED EVENT**

The Bank of New York Mellon Trust Company, N.A., acting on behalf of the Midpeninsula Regional Open Space District (the “District”), hereby provides notice of the following events related to the Midpeninsula Regional Open Space District 2012 Refunding Promissory Notes (1999 Project Lease) (the “Notes”).

Event:

The Notes maturing as set forth in Schedule I attached hereto have been defeased on September 22, 2018 and will be called for redemption on September 1, 2022.

Other Matters:

This notice is provided solely for the purposes of the Continuing Disclosure Agreement delivered in connection with the above-referenced Notes. The filing of this notice does not constitute or imply any representation: (i) that the foregoing Specified Event is material to investors; (ii) regarding any other financial, operating or other information about the District or the Notes; or (iii) that no other circumstances or events have occurred or that no other information exists concerning the District, the Notes or the Specified Event, which may have a bearing on the District’s financial condition, the security for the Notes, or an investor’s decision to buy, sell, or hold the Notes.

Dated: _____, 2018

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

By: _____
Authorized Officer

SCHEDULE I

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT 2012 REFUNDING PROMISSORY NOTES (1999 PROJECT LEASE)

Issue Date: February 2, 2012

<u>Maturity Date (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* (598022)</u>
2023	\$470,000.00	5.00%	EH0
2024	495,000.00	5.00	EJ6
2026 [‡]	1,740,000.00	5.00	EL1
2027	935,000.00	4.00	EM9
2028	4,370,000.00	5.00	EN7
2029	3,595,000.00	5.00	EP2

Capital Appreciation Notes

<u>Maturity Date (September 1)</u>	<u>Principal Amount</u>	<u>Yield</u>	<u>CUSIP* (598022)</u>
2037 [‡]	\$4,992,286.50	6.00	EY3
2041 [‡]	3,901,820.00	6.04	FC0

[‡] Term Notes.

**NOTE: The District and the Trustee shall not be responsible for the selection or use of the CUSIP numbers 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.*

Hawkins Delafield & Wood LLP
Draft of November 2, 2017

<p>[\$[Series A Principal Amount] MIDPENINSULA REGIONAL OPEN SPACE DISTRICT GREEN BONDS, 2018 REFUNDING SERIES A</p>	<p>[\$[Series B Principal Amount] MIDPENINSULA REGIONAL OPEN SPACE DISTRICT PARITY BONDS, 2018 SERIES B</p>
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[Pricing Date], 2018

BOND PURCHASE AGREEMENT

Midpeninsula Regional Open Space District
330 Distel Circle
Los Altos, CA 94022-1404

Ladies and Gentlemen:

The undersigned, Morgan Stanley & Co. LLC, as underwriter (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with the Midpeninsula Regional Open Space District (the "District") which, upon the District's written acceptance of this offer, will be binding upon the District and upon the Underwriter. This offer is made subject to the written acceptance hereof by the District and the delivery of such acceptance to the Underwriter at or prior to 6:00 P.M., California time on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice given to the District any time prior to the acceptance hereof by the District.

1. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of \$[Series A Principal Amount] aggregate principal amount of the District's Green Bonds, 2018 Refunding Series A (the "Series A Bonds") and \$[Series B Principal Amount] aggregate principal amount of the District's Parity Bonds, 2018 Series B (the "Series B Bonds" and together with the Series A Bonds, the "Bonds"). The Bonds shall be dated the date of delivery thereof and shall be payable in the years and the amounts, and bear interest at the rates, set forth in Schedule I hereto, such interest being payable on [September 1 and March 1 of each year, commencing March 1, 2018]. The aggregate purchase price of the Series A Bonds shall be \$_____ (representing the principal amount of the Series A Bonds, plus original issue premium in the amount of \$_____, less the Underwriter's discount of \$_____). The aggregate purchase price of the Series B Bonds shall be \$_____ (representing the principal amount of the Series B Bonds, plus original issue premium in the amount of \$_____, less the Underwriter's discount of \$_____).

2. The Bonds are being issued by the District pursuant to the Constitution and laws of the State of California (the "State"), including the provisions of Article 3 of Chapter 3 of

Division 5 of the Public Resources Code (the “District Act”), and all laws amendatory thereof or supplemental thereto, including Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (together with the District Act, the “Law”) and an Indenture, dated as of September 1, 2016, between the District and Zions Bank, a division of ZB, National Association, as trustee (the “Trustee”), as supplemented by that certain First Supplemental Indenture thereto (as supplemented, the “Indenture”).

The Bonds are payable from and secured by the District’s share of the general one percent ad valorem tax levied by the County of Santa Clara County and the County of San Mateo County (together, the “Counties”) upon all property subject to taxation and allocated to the District.

The District has delivered or caused to be delivered to the Underwriter the District’s preliminary official statement relating to the Bonds, dated [POS Date], 2018, (the preliminary official statement, together with the cover page, inside cover page and any and all appendices thereto, being herein referred to as the “Preliminary Official Statement”). The District confirms that the Preliminary Official Statement was “deemed final” as of its date, for purposes of Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”), except for certain information permitted to be omitted by said Rule. The District hereby ratifies, confirms and approves the use by the Underwriter of the Preliminary Official Statement. The Bonds are being offered pursuant to the District’s final official statement relating to the Bonds, dated [Pricing Date], 2018 (the final official statement, together with the cover page, inside cover page and any and all appendices thereto and including any amendments or supplements thereto prior to the Closing (as defined herein), being herein referred to as the “Official Statement”). Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings given such terms in the Official Statement.

The Bonds are being issued to provide funds to finance and refinance the Project, as described in the Official Statement (the "Project").

The Bonds shall be substantially in the form described in, and shall be issued and secured under and pursuant to, the Indenture. The Bonds shall be subject to redemption as provided in Schedule I hereto, in the Official Statement and the Indenture.

3. The Underwriter agrees to make a bona fide public offering of all the Bonds at prices not greater than (or yields lesser than) the respective initial public offering prices (or yields) set forth on Schedule I attached hereto and incorporated herein by reference. The Underwriter reserves the right to (i) over allot or effect transactions which stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth on Schedule I. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

4. The District hereby authorizes the use by the Underwriter of the Indenture, the Continuing Disclosure Certificate dated the Closing Date (as defined in Section 7) (the

“Continuing Disclosure Certificate”), the Official Statement, and any supplements or amendments thereto, and the information contained in each of such documents, in connection with the public offering and sale of the Bonds.

5. Within seven (7) business days from the date hereof, and in any event not later than two (2) business days before the Closing Date, the District hereby agrees to deliver, or to cause to be delivered, the Official Statement in “designated electronic format” (as defined in Rule G-32 of the Municipal Securities Rulemaking Board (the “MSRB”)) to such addresses as the Underwriter shall specify, in order to enable the Underwriter to comply with its obligations pursuant to Rule 15c2-12(b)(4), Rule G-32 and all other applicable rules of the MSRB. The Underwriter agrees to file the Official Statement (including the Official Statement as it may be amended or supplemented) with the MSRB through its Electronic Municipal Market Access system within one (1) Business Day after receipt from the District, but in no event later than the Closing Date (as defined in Section 7 below).

6. The District will undertake, pursuant to the Continuing Disclosure Certificate, to provide certain annual financial information and notices of certain events, as described in the Official Statement.

7. At 8:00 A.M., Pacific Time, on [Closing Date], 2018, or at such other time or on such other Business Day as shall have been mutually agreed upon by the District and the Underwriter (the “Closing Date”), the District, subject to the terms and conditions hereof, will cause the delivery of the Bonds to the Underwriter through the facilities of The Depository Trust Company, New York, New York (“DTC”) and delivery of the other documents required hereby at the offices of Orrick, Herrington & Sutcliffe LLP in San Francisco, California, or at such other place as the District and the Underwriter may mutually agree upon, such Bonds to be in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC; and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds by wire transfer in immediately available funds to, or in care of, the Trustee as directed in a certificate of an Authorized Representative of the District as shall have been mutually agreed upon by the District and the Underwriter; such delivery of and payment for the Bonds is referred to herein as the “Closing.” The Bonds in electronic format shall be made available for inspection by the Underwriter at least one Business Day before the Closing.

8. The District represents, warrants and covenants to the Underwriter that:

a. The District is a regional open space district, duly organized and validly existing pursuant to the laws of the State of California, with full legal right, power and authority to undertake the activities described in and contemplated by the Preliminary Official Statement, the Official Statement and this Bond Purchase Agreement, including without limitation the adoption, execution and delivery of the documents and agreements described therein and herein as documents and agreements to which it is a party;

b. (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds and the performance of its obligations thereunder; (ii) the District has full legal right, power and authority to enter into the

Indenture, the Continuing Disclosure Certificate, the Escrow Agreement, dated as of [Dated Date], 2018 (the “Escrow Agreement”) between the District, the Authority and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent (the “Escrow Agent”) and this Bond Purchase Agreement (collectively, the “Legal Documents”) and to carry out and consummate the transactions contemplated by the Legal Documents, the Resolution and the Official Statement; and (iii) this Bond Purchase Agreement has been duly executed and delivered and constitutes a valid and legally binding obligation of the District enforceable in accordance with its terms; (iv) the Bonds, when issued, authenticated and delivered to the Underwriter in accordance with the terms of the Indenture, will constitute legal, valid and binding instruments, entitled to the benefits of the Indenture and enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;

c. Between the date of this Bond Purchase Agreement and the date of the Closing, except as contemplated by the Official Statement, the District will not incur any material liabilities, direct or contingent, or enter into any material transaction, in either case other than in the ordinary course of its business;

d. The District to its knowledge is not in in any material respect breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District is otherwise subject, except as disclosed in the Official Statement, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute a default or event of default under any such instrument; and the execution and delivery of the Legal Documents, the adoption and of the Resolution, and compliance with the provisions of the Legal Documents will not in any material respect conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, court decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is subject, or by which it is bound;

e. Except as disclosed in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending against the District (with service of process against the District having been accomplished) or, to the best knowledge of the District, threatened against the District, (i) in any way questioning the existence of the District or the titles of the officers of the District to their respective offices; (ii) affecting or seeking to prohibit, restrain or enjoin the execution or delivery of any of the Bonds, or the application of the proceeds of sale of the Bonds, or the collection of revenues pledged or to be pledged to pay the principal or interest or other amounts due with respect to the Bonds, or the execution and delivery by the District of this Bond Purchase Agreement; (iii) in any way contesting or affecting the validity of the Bonds, the Resolution, the Legal Documents or the tax-exempt status of interest due with respect to the Bonds; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or

amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

f. The District will furnish such information, execute such instruments and take such other action not inconsistent with law as the Underwriter may reasonably request (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use commercially reasonable efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the District shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction;

g. All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the District of its obligations in connection with, the execution, sale and delivery of the Bonds under this Bond Purchase Agreement have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; and, except as disclosed in the Preliminary Official Statement and the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission, having jurisdiction in the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the District of its respective obligations under the Bonds or the Legal Documents have been duly obtained;

h. The Preliminary Official Statement (other than information permitted to be omitted from the deemed final Preliminary Official Statement under Rule 15c2-12) as of its date did not, and as of the date hereof does not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (excluding therefrom the information contained under the caption "UNDERWRITING" and all information concerning the book-entry system set forth under the caption "THE 2018 BONDS" and in [Appendix G] as to which no representations or warranties are made);

i. At the time of the District's acceptance hereof and (unless an event occurs of the nature described in Section 8(k)) at all times during the period from the date of this Bond Purchase Agreement to and including the date which is twenty-five (25) days following the end of the underwriting period for the Bonds (as determined in accordance with Section 14 hereof), the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (excluding therefrom the information contained under the caption "UNDERWRITING" and all information concerning

the book-entry system set forth under the caption “THE 2018 BONDS” and in Appendix G as to which no representations or warranties are made);

j. If the Official Statement is supplemented or amended pursuant to Section 8(k), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such Section) at all times during the period from the date of this Bond Purchase Agreement to and including the date which is twenty-five (25) days following the end of the underwriting period for the Bonds (as determined in accordance with Section 14 hereof), the Official Statement as so supplemented or amended, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

k. If during the period from the date of this Bond Purchase Agreement to and including the date which is twenty-five (25) days following the end of the underwriting period for the Bonds (as determined in accordance with Section 14 hereof) any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter of any such event and, if in the opinion of the Underwriter and District Counsel such event requires the preparation and publication of a supplement or amendment to the Official Statement, the District will prepare and furnish to the Underwriter a reasonable number of copies of the supplement or amendment to the Official Statement in form and substance acceptable to the Underwriter, and certification, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement;

l. The financial statements of, and other financial information regarding, the District contained in the Official Statement fairly present the financial position and results of the operations of the District as of the dates and for the periods therein set forth, and (i) the annual audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied; (ii) the other historical financial information has been determined on a basis substantially consistent with that of the District’s audited financial statements included in the Official Statement; (iii) there has not been any material increase in long-term debt or commitments or any material decrease in fund equity of the District, other than through the normal course of operations of the District as compared to the audited financial statements of the District for the year ended June 30, 2017 included in the Preliminary Official Statement and the Official Statement; (iv) no events have occurred which would require adjustments of or disclosures in the audited financial statements of the District as of and for the year ended June 30, 2017, included in the Preliminary Official Statement and the Official Statement, in order for them to be in conformity with generally accepted accounting principles; and (v) the audited financial statements of the District as of and for the year ended June 30, 2017, included in the Preliminary Official Statement and the Official Statement, do not require adjustments or additional disclosures essential to a fair presentation in conformity with generally accepted accounting principles;

m. The consent of Chavan & Associates, LLP, Certified Public Accountants, independent certified public accountants to the District, is not required for inclusion of their

report on the District's financial statements for the fiscal year ended June 30, 2017 and reference to such firm included in the Preliminary Official Statement and the Official Statement; and

n. Except as disclosed in the Official Statement, the District has not in the previous five years failed to comply, in all material respects, with any previous continuing disclosure undertakings with regard to Rule 15c2-12 to provide annual reports or notices of events required by such undertakings.

All representations, warranties and agreements of the District shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or on the Underwriter's behalf, and shall survive delivery of the Bonds.

9. The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations and warranties of the District contained herein, the covenants of the District contained in the Bonds, the Legal Documents, and the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's obligations under this Bond Purchase Agreement are and shall be subject to the following further conditions:

a. The representations and warranties of the District contained herein shall be true and correct in all material respects on the date hereof and at and as of the Closing, as if made at and as of the Closing, except that all representations in respect of the Preliminary Official Statement shall be deemed to have been made as of the date of this Bond Purchase Agreement, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true and correct in all material respects at the Closing; the District shall be in compliance with each of the agreements made by it in this Bond Purchase Agreement (unless such agreements are waived by the Underwriter); and there shall not have occurred a material adverse change in the financial position, results of operations or financial condition of the District which would have a material adverse effect on the ability of the District to meet its obligations under the Bonds, the Legal Documents and the Indenture;

b. At the time of the Closing, the Official Statement, the Resolution, the Legal Documents and the Bonds, shall be in full force and effect, and shall not have been amended, modified or supplemented (except as may be agreed to in writing by the Underwriter and the District); all actions which, in the opinion of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and the District shall perform or have performed its obligations required under or specified in the Legal Documents, the Official Statement, the Resolution and the Bonds to be performed at or prior to the Closing;

c. At the time of the Closing, the Official Statement (as amended and supplemented) shall be true and correct in all material respects, shall not contain an untrue statement of a material fact and shall not omit any statement or information necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

d. At the time of the Closing, except as disclosed in the Official Statement, (i) no default by the District shall have occurred and be continuing in the payment of the principal and

redemption premium, if any, of or interest on any bond, note or other evidence of indebtedness issued by the District and (ii) no bankruptcy, insolvency or other similar proceeding in respect of the District shall be pending or to the knowledge of the District contemplated;

e. At or prior to the Closing, the Underwriter shall receive the following documents:

(1) Copies of the Resolution, certified by the District as having been duly adopted by the District and as being in full force and effect on the date of Closing;

(2) The opinion of Bond Counsel, dated the Closing Date, in substantially the form included in the Official Statement as Appendix D, addressed to the District and accompanied by a reliance letter addressed to the Underwriter;

(3) A supplemental opinion of Bond Counsel, dated the Closing Date, in form and substance satisfactory to the Underwriter and Counsel to the Underwriter, addressed to the Underwriter, to the effect that (i) the District has duly and validly executed the Bond Purchase Agreement, and assuming due authorization, execution and delivery by the Underwriter, the Bond Purchase Agreement constitutes the valid and binding agreement of the District, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion in appropriate cases; (ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; and (iii) the statements set forth in the Official Statement (or if either shall be amended or supplemented, the statements in the Official Statement as so amended or supplemented addressing the matters addressed in the statements) contained in the front portion of the Official Statement under the headings "THE 2018 BONDS," "SECURITY AND SOURCE OF PAYMENT FOR THE 2018 BONDS," and "TAX MATTERS," and in [Appendices D and F] thereto, insofar as such statements purport to summarize certain provisions of the Bonds, the Indenture and the opinion of Bond Counsel concerning certain tax matters relating to the Bonds, are accurate in all material respects;

(4) A defeasance opinion of Bond Counsel relating to the 2012 Notes that are defeased, dated the Closing Date, and addressed to the District or the prior trustee;

(5) An opinion of Schiff Hardin LLP, disclosure counsel to the District, dated the Closing Date, and addressed to the District and the Underwriter, substantially in the form attached as Appendix A hereto;

(6) An opinion of General Counsel to the District, in form and substance satisfactory to the Underwriter, dated the Closing Date, and addressed to the District and the Underwriter, substantially in the form attached as Appendix B hereto,;

(7) The opinion of Hawkins Delafield & Wood LLP, counsel to the Underwriter dated the Closing Date addressed to the Underwriter, in form and substance satisfactory to the Underwriter;

(8) A certificate signed by a duly authorized official of the District in form and substance satisfactory to the Underwriter dated the Closing Date to the effect that (A) each and all of the representations and warranties of the District contained in this Bond Purchase Agreement and the Legal Documents are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date, except that all representations in respect of the Preliminary Official Statement shall be deemed to have been made as of the date of this Bond Purchase Agreement, and no event affecting the District has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date any statement or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein, in light of the circumstances under which they were or are made, not misleading in any material respect; and (B) other than as set forth in the Preliminary Official Statement and the Official Statement, no litigation is pending (with service of process against the District having been accomplished) or, to the District's knowledge, threatened against the District in any court to restrain or enjoin the execution or delivery of any of the Bonds, or the application of the proceeds of sale of the Bonds, or the collection of the revenues or other income or moneys pledged or to be pledged to pay the principal or interest or other amounts due with respect to the Indenture or the Bonds, or in any way contesting or affecting the adoption of the Resolution or the execution, delivery or validity or the Indenture or the Bonds or the security therefor or the Indenture, or involving any of the property or assets of the District or under the control of the District wherein an unfavorable decision, ruling or finding would materially adversely affect the ability of the District to perform its obligations under the Resolution, the Legal Documents or the Bonds or the security for the Bonds or the exclusion of interest due with respect to the Bonds from gross income for purposes of federal or state income taxation;

(9) A certificate signed by an authorized officer of the Trustee, in form and substance satisfactory to the Underwriter dated the Closing Date to the effect that (i) the Trustee is a duly organized and validly existing national banking association and has full power and authority to carry out its activities under the Indenture, (ii) the Bonds have been duly authenticated and delivered by the Trustee in accordance with the Indenture, (iii) each of the Indenture has been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery by the other party thereto, each of the Indenture is the valid, legal and binding agreement of the Trustee, enforceable in accordance with its terms, (iv) the execution and delivery of the Indenture and the authentication and delivery of the Bonds, and compliance with the provisions thereof, will not conflict with, or constitute a breach of or default under, any law, administrative regulation, court decree, resolution, charter, by-law or agreement to which the Trustee is subject or by which it is bound, and (v) no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is served and pending or threatened in any way affecting the existence of the Trustee or the titles of its directors or officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds or the application of

proceeds thereof in accordance with the Indenture, or in any way contesting or affecting the Bonds or the Indenture;

(10) An opinion of counsel to the Trustee, addressed to the Underwriter, in form and substance satisfactory to the Underwriter dated the Closing Date to the effect that (i) the Trustee has duly authorized, executed and delivered the Indenture the Indenture constitutes a valid and legally binding agreements of the Trustee enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditor's rights, (ii) the Trustee has lawful authority for the authentication and delivery of the Bonds, (iii) the Trustee has duly authenticated and delivered the Bonds in accordance with the Indenture; and (iv) the Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States having full power and authority and being qualified to enter into, accept and administer the trust created under the Indenture and to enter into such Indenture;

(11) A certificate signed by an authorized officer of the Escrow Agent, addressed to the Underwriter, in form and substance satisfactory to the Underwriter dated the Closing Date to the effect that (i) the Escrow Agent is a duly organized and validly existing national banking association and has full power and authority to carry out its activities under the Escrow Agreement, (ii) the Escrow Agreement has been duly authorized, executed and delivered by the Escrow Agent and, assuming due authorization, execution and delivery by the other party thereto, each of the Escrow Agreement is the valid, legal and binding agreement of the Escrow Agent, enforceable in accordance with its terms, and (iv) to the knowledge of the Escrow Agent, the execution and delivery of the Escrow Agreement, and compliance with the provisions thereof, will not conflict with, or constitute a breach of or default under, any law, administrative regulation, court decree, resolution, articles of association, by-law or material agreement to which the Escrow Agent is subject or by which it is bound;

(12) An opinion of counsel to the Escrow Agent, addressed to the Underwriter, in form and substance satisfactory to the Underwriter dated the Closing Date, in substantially the form attached hereto as Appendix C;

(13) Executed copies of this Bond Purchase Agreement, the Indenture, the Continuing Disclosure Certificate, the Escrow Agreement and the Official Statement, together with a copy of the record of proceedings for the Bonds;

(14) A Tax Certificate of the District signed by an authorized officer of the District;

(15) Evidence that the underlying credit ratings on the Bonds of "[AAA]" and "[AAA]", have been assigned by Standard & Poor's Global Ratings ("S&P") and Fitch Ratings ("Fitch"), respectively, and that each is in full force and effect on the Closing Date;

(16) A copy of the Blue Sky Survey with respect to the Bonds;

(17) A copy of the District's executed Blanket Letter of Representation to The Depository Trust Company; and

(18) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably request to evidence compliance by the District with legal requirements, the accuracy, as of the time of Closing, of the District's representations herein contained and the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

If the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Bond Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the District nor the Underwriter shall have any further obligation hereunder, nor any liability to any other party with respect to such termination.

10. The Underwriter may terminate this Bond Purchase Agreement by notification to the District if at any time after the date hereof and prior to the Closing any of the following events occur and, in the reasonable judgment of the Underwriter (A) materially affects the market price or marketability of the Bonds or (B) the ability of the Underwriter to enforce contracts for the sale of the Bonds, at the contemplated offering prices (or yields) of the Bonds:

a. Legislation shall have been favorably reported for passage in either house of the Congress of the United States of America by any committee of such house to which legislation has been referred for consideration or has been enacted (or resolution passed) by the Congress of the United States of America or recommended to the Congress by the President of the United States, the Department of the Treasury, the Internal Revenue Service, or any member of Congress, or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department of the United States of America or the Internal Revenue Service;

b. Legislation shall have been favorably reported for passage by either house of the United States Congress by any committee of such house to which such legislation has been referred for consideration, or has been enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the

Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws as amended and then in effect;

c. A general suspension of trading in securities on the New York Stock Exchange, or the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter, or a general banking moratorium or limits on loans or the amounts of loans to investment banking firms in general shall have been declared by federal, State of New York or State of California officials authorized to do so;

d. The introduction, proposal or enactment of any amendment to the United States Constitution or California Constitution or any action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the District, its property, income, securities (or interest thereon), the validity or enforceability of the Resolution, the Indenture or the Bonds;

e. Any event occurring, or information becoming known which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement, as of its date or as of the date hereof, or in the Official Statement, or has the effect that the Preliminary Official Statement, as of its date or as of the date hereof, or in the Official Statement, contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and, in either such event, (A) the District refuses to permit the Official Statement to be supplemented to supply such statement or information in a manner satisfactory to the Underwriter or (B) the effect of the Official Statement as so supplemented is, in the judgment of the Underwriter, to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Bonds;

f. There shall have occurred any outbreak or increase of hostilities or terrorism or other local, national or international event, act, occurrence, calamity or crisis, or there shall have occurred a financial crisis or a default with respect to the debt obligations of, or the institution of proceedings under the federal or applicable state bankruptcy laws by or against, any agency or instrumentality of the State of California, any state of the United States or agency thereof, or any District located in the United States having a population of over one million the effect of which on the financial markets of the United States of America;

g. There shall have been any material change in the affairs of the District, or the Official Statement shall have been supplemented pursuant to Section 8(k) hereof;

h. Any rating of the Bonds shall have been downgraded, suspended or withdrawn by a national rating service;

i. An order, decree or injunction of any court of competent jurisdiction, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Preliminary Official Statement or the Official Statement, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities law as amended and then in effect;

j. A stop order, ruling, regulation or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been made or any other event occurs, the effect of which is that the issuance, offering or sale of the Bonds, or the execution and delivery of the Legal Documents as contemplated hereby or by the Preliminary Official Statement or the Official Statement, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws, including the Securities Act of 1933, the Securities and Exchange Act of 1934, or the Trust Indenture Act of 1939, each as amended and as then in effect; or

k. Any litigation shall be instituted or pending (with service of process against the District having been accomplished) at the time of the Closing to restrain or enjoin the issuance, sale or delivery of the Bonds, or in any way contesting or affecting any authority for or the validity of the proceedings, authorizing and approving the Bonds, the Resolution, the Legal Documents or the existence or powers of the District with respect to its obligations under the Legal Documents or the Bonds.

11. The District shall, except as set forth in the next succeeding paragraph, pay any expenses incident to the performance of the District's obligations hereunder, including but not limited to the following: (i) the cost of the preparation, printing and delivery of the Bonds, (ii) the fees for bond ratings, (iii) the cost of printing and distribution of the Indenture, the Continuing Disclosure Certificate, the Preliminary Official Statement and the Official Statement, (iv) the fees and disbursements of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel, and of Schiff Hardin LLP, as Disclosure Counsel, (v) any fees and disbursements of the District's accountants (vii) the fees and disbursements of the Trustee and its counsel, (vii) the fees and expenses of Backstrom McCarley Berry & Co., LLC, financial advisor to the District, (viii) the fees and disbursements of any accountants, attorneys, auditors, experts, consultants or advisors retained by the District, and (ix) any other costs and disbursements incurred by the District in connection with the transaction. To the extent that the Underwriter, in order to facilitate the transactions hereunder, has advanced funds to pay any expenses of the District incidental to this Bond Purchase Agreement and the transactions hereunder (including, but not limited to, transportation, lodging, meals and other ancillary costs of District representatives associated with the financing), the District shall reimburse the Underwriter for such advances as part of the Underwriter's discount.

The Underwriter shall pay (i) the fees and disbursements of Hawkins Delafield & Wood LLP, retained by the Underwriter in connection with the purchase and sale of the Bonds pursuant hereto as Underwriter's counsel, (ii) the fee payable to the California Debt and Investment Advisory Commission with respect to the sale of the Bonds, (iii) advertising expenses and all other expenses incurred by the Underwriter in connection with the public offering and

distribution of the Bonds, (iv) fees and expenses related to obtaining CUSIP numbers, and (v) expenses to qualify the Bonds for sale under any Blue Sky laws. Notwithstanding that the fees payable to the California Debt and Investment Advisory Commission are solely the legal obligation of the Underwriter, the District agrees to reimburse the Underwriter for such fees as part of the Underwriter's discount.

12. Any notice or other communication to be given to the District under this Bond Purchase Agreement may be given by delivering the same in writing to Midpeninsula Regional Open Space District, 330 Distel Circle, Los Altos, CA 94022-1404, Attention: Chief Financial Officer, or to such other person as she may designate in writing, and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement (other than the acceptance hereof as specified in the first Paragraph hereof) may be given by delivering the same in writing to Morgan Stanley & Co. LLC, 555 California Street, 21st Floor, San Francisco, California 94104, Attention: Adam Aranda.

13. The validity, interpretation and performance of this Bond Purchase Agreement shall be governed by the laws of the State of California.

14. The term "end of the underwriting period" means the later of such time as (i) the District delivers the Bonds to the Underwriter or (ii) the Underwriter does not retain directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the "end of the underwriting period" shall be deemed the Closing Date. Any notice delivered pursuant to this Section shall be written notice, delivered to the District at or prior to the Closing, and shall specify a date, other than the Closing Date (or other date specified by notice delivered pursuant to this Section), to be deemed the "end of the underwriting period."

15. This Bond Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

16. The District acknowledges and agrees that: (i) the transaction contemplated by this Bond Purchase Agreement is an arm's length, commercial transaction between the District and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the District; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the District with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Underwriter has provided other services or is currently providing other services to the District on other matters); (iii) the only contractual obligations the Underwriter has to the District with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Agreement; and (iv) the District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

17. Issue Price.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Securities and shall execute and deliver to the District at Closing an "issue price" or similar

certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix D, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the District under this section to establish the issue price of the Bonds may be taken on behalf of the District by the District's municipal advisor identified herein and any notice or report to be provided to the District may be provided to the District's municipal advisor.

(b) [Except as otherwise set forth in Schedule I attached hereto,] the District will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

[Subsection (c) shall apply only if the Underwriter agrees to apply the hold-the-offering-price rule, as described below.]

(c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The District acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(e) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as

applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

- (iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

18. This Bond Purchase Agreement when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter and is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No other person shall acquire or have any right hereunder or by virtue hereof.

Very truly yours,

MORGAN STANLEY & CO. LLC

By: _____
Executive Director

Agreed and Accepted this

____ day of _____ at ____ p.m.

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

By: _____
Chief Financial Officer

SCHEDULE I

**[\$[Series A Principal Amount]
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
GREEN BONDS, 2018 REFUNDING SERIES A**

2018 REFUNDING SERIES A SERIAL BONDS

<u>Maturity Date</u> <u>(Sept. 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Sold</u>
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					

2018 REFUNDING SERIES A TERM BONDS

\$ _____ % Term Bond due September 1, 20__; Yield ____%; Price: _____

C Price to par call on September 1, 20__.

**[\$[Series B Principal Amount]
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
PARITY BONDS, 2018 SERIES B**

2018 SERIES B SERIAL BONDS

Maturity Date (Sept. 1)	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				

2018 SERIES B TERM BONDS

\$_____ % Term Bond due September 1, 20__; Yield ____%; Price: _____

C Price to par call on September 1, 20__.

APPENDIX A

FORM OF DISCLOSURE COUNSEL OPINION

[Closing Date], 2018

Midpeninsula Regional Open Space District
Los Altos, California

Morgan Stanley & Co. LLC
San Francisco, California

Re: Midpeninsula Regional Open Space District Green Bonds, 2018 Refunding Series
A

Midpeninsula Regional Open Space District Parity Bonds, 2018 Series B

Ladies and Gentlemen:

We have acted as disclosure counsel to the Midpeninsula Regional Open Space District (the “District”) in connection with the issuance by the District of \$[Series A Principal Amount] principal amount of Midpeninsula Regional Open Space District Green Bonds, 2018 Refunding Series A (the “2018 Series A Bonds”) and \$[Series B Principal Amount] principal amount of Midpeninsula Regional Open Space District Parity Bonds, 2018 Series B (the “2018 Series B Bonds” and together with the 2018 Series A Bonds, the “2018 Bonds”). The 2018 Bonds are issued pursuant to the Constitution and laws of the State of California (the “State”), including the provisions of Article 3 of Chapter 3 of Division 5 of the Public Resources Code (the “District Act”), and all laws amendatory thereof or supplemental thereto, including Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (together with the District Act, the “Law”) and an Indenture, dated as of [Dated Date], 2018 (the “Indenture”), between the District and Zions Bank, a division of ZB, National Association, as trustee (the “Trustee”), and are more fully described in the Official Statement relating to the 2018 Bonds, dated [Pricing Date], 2018 (the “Official Statement”). The 2018 Bonds were purchased by Morgan Stanley & Co. LLC (the “Underwriter”) pursuant to the terms and conditions of a Bond Purchase Agreement, dated [Pricing Date], 2018 (the “Purchase Agreement”), by and between the Underwriter and the District. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms as set forth in the Official Statement.

We have examined originals, or copies certified or otherwise identified to our satisfaction, of such documents, records, certificates and other instruments as we have deemed necessary or appropriate for the purpose of rendering this opinion, including, without limitation, the Indenture; the Escrow Agreement, dated as of [Dated Date], 2018 (the “2018 Escrow Agreement”) by and among the District, the Midpeninsula Regional Open Space District Financing Authority (the “Authority”), and The Bank of New York Mellon Trust Company, N.A., as escrow agent; the

Official Statement; the Continuing Disclosure Certificate, dated [Closing Date], 2018 (the “Continuing Disclosure Certificate”) executed by the District and agreed to and accepted by Goodwin Consulting Group, as dissemination agent (the “Dissemination Agent”); opinions of counsel to the District and to the Trustee; certificates of the District, the Authority, and others; and such other documents, reports, certificates, opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth herein.

In arriving at the opinions and conclusions hereinafter expressed, we are not expressing any opinion or view on, and with your permission are assuming and relying on, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above, including the accuracy of all factual matters represented and legal conclusions contained therein, including, without limitation, any representations and legal conclusions regarding the due authorization, issuance, delivery, validity and enforceability of the 2018 Bonds; the exclusion of interest thereon from gross income for federal income tax purposes; the legality, validity and enforceability of the Continuing Disclosure Certificate, and any laws, documents and instruments that may be related to the issuance, payment or security of the 2018 Bonds.

We have assumed that all documents, records, reports, certificates and opinions that we have reviewed, and the signatures thereto, are genuine. Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. The 2018 Bonds constitute exempt securities under Section 3(a)(2) of the Securities Act of 1933, as amended; the offer, sale and delivery of the 2018 Bonds do not require registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

2. In our capacity as disclosure counsel to the District in connection with the issuance of the 2018 Bonds, we have rendered certain legal advice and assistance in connection with the preparation of the Official Statement. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal matters, review of certain records, documents and proceedings, and participation in meetings, discussions and telephone conferences with, among others, representatives of the District, the Underwriter, Backstrom McCarley Berry & Co., LLC, as Financial Advisor to the District, Causey Demgen & Moore P.C., as Verification Agent, Bond Counsel, General Counsel to the District, Underwriter’s Counsel, counsel to the Trustee, and the Dissemination Agent, during which meetings and telephone conferences the contents of the Official Statement and related matters were discussed. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof.

Based upon our participation in the above-referenced conferences (which did not extend beyond the date of the Official Statement, the information made available to us in the course of our participation in the preparation of the Official Statement, and in reliance on the documents, certificates, records, instruments and opinions herein mentioned, and without passing on or assuming any responsibility for the accuracy, completeness or fairness of the statements made in the Official Statement and without having made any independent investigation or verification thereof,

we confirm that nothing has come to our attention which would lead us to believe that the Official Statement (excluding therefrom financial, engineering, demographic and statistical data, forecasts, projections, estimates, assumptions and expressions of opinions, CUSIP numbers, statements relating to DTC and the operation of its book-entry system and the appendices to the Official Statement (excluding APPENDIX E—"FORM OF CONTINUING DISCLOSURE CERTIFICATE" as to all of which no view need be expressed) as of its date and the date hereof contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect. In this connection, however, we must advise you that the limitations inherent in the examination made by us and the knowledge available to us are such that we are unable to assume, and are not passing upon and do not assume responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements.

We are admitted to the Bar in the State of California. Our opinion herein is limited to matters governed by the laws of the State of California and the federal securities laws of the United States, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

This letter is furnished by us as disclosure counsel to the District. This letter is delivered to the addressees hereof, solely for their benefit, and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person without our prior written consent, although it may be included in a closing transcript prepared for the 2018 Bonds. Our engagement with respect to this matter has terminated as of the date hereof, and we disclaim any obligation to update this letter. This letter is not intended to, and may not, be relied upon by owners of the 2018 Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

APPENDIX B

FORM OF DISTRICT COUNSEL OPINION

[Closing Date], 2018

Midpeninsula Regional Open Space District
Los Altos, California

Morgan Stanley & Co. LLC
San Francisco, California

**Re: \$[Principal Amount]
 Midpeninsula Regional Open Space District Green Bonds, 2018 Refunding Series A
 Midpeninsula Regional Open Space District Parity Bonds, 2018 Series B**

Ladies and Gentlemen:

We have acted as counsel to the Midpeninsula Regional Open Space District (the "District") in connection with the issuance by the District of its Green Bonds, 2018 Refunding Series A (the "2018 Series A Bonds") and its Parity Bonds, 2018 Series B (the "2018 Series B Bonds" and, together with the 2018 Series A Bonds, the "Bonds") in the aggregate principal amount of \$[Principal Amount] and the sale of such Bonds pursuant to the Bond Purchase Agreement dated [Pricing Date], 2018 (the "Bond Purchase Agreement") between the District and Morgan Stanley & Co. LLC.

In connection therewith, we have examined originals or copies certified or otherwise identified to our satisfaction of such documents, records and other instruments as we have deemed necessary or appropriate for the purpose of this opinion, including (i) Resolution No. 19-97 adopted by the District of Directors of the District (the "Board") on [Resolution Date] (the "Board Resolution"), (ii) a First Supplemental Indenture, dated as of [Dated Date], 2018, by and between the District and Zions Bank, a division of ZB, National Association, as trustee (the "Trustee"), supplementing the Indenture, dated as of September 1, 2016 (collectively, the "Indenture"), (iii) the Preliminary Official Statement of the District relating to the Bonds dated [POS Date] (the "Preliminary Official Statement") and the Official Statement of the District relating to the Bonds dated [Pricing Date], 2018 (the "Official Statement"), (iv) the Escrow Agreement, dated as of [Dated Date], 2018 (the "Escrow Agreement"), by and between the District and The Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent"), (v) the Continuing Disclosure Certificate, dated [Closing Date], 2018 (the "Continuing Disclosure Certificate"), executed by the District, (vi) the Tax Certificate, dated the date hereof and executed by the District, and (vii) the various proceedings of the District and certificates and counsel opinions executed and delivered in connection with the sale of the Bonds.

Based upon the foregoing and upon consideration of applicable law, and subject to the qualifications provided herein, we are of the opinion that:

1. The District is duly organized and validly existing under the laws of the State of California.

2. The District Resolution was duly adopted, and the Indenture, the Bond Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate (the “District Legal Documents”) and the Preliminary Official Statement and the Official Statement were duly approved and authorized to be executed, at a meeting of the governing body of the District, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout.

3. The District has the right and power under law to adopt the District Resolution and to enter into the District Legal Documents. The District Legal Documents are valid and binding upon the District and enforceable in accordance with its terms (except as enforcement may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditor’s rights generally). No other authorization for the adoption of the District Resolution, the execution and delivery of the Indenture and the issuance of the Bonds is required (except for “Blue Sky” laws and other securities regulation of which we express no opinion).

4. Other than as described in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, or investigation at law or in equity before or by any court, public board or body, pending (with service of process against the District having been accomplished) or, to the best of our knowledge, threatened against or affecting the District (i) to restrain or enjoin the issuance or the delivery of the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity of the Bonds, the Indenture or the District Resolution, (iii) in any way contesting the existence or powers of the District with respect to the issuance of the Bonds or the security therefore, or (iv) if determined adversely to the District, would have a material, adverse impact on the operations or finances of the District.

5. The execution and delivery of the District Legal Documents by the District, and performance by the District of its obligations thereunder, will not in any material manner conflict with or result in a breach of any of the terms, conditions or provisions of any agreement or instrument to which the District is a party or by which it is bound or constitute a default thereunder.

6. The District is not in material breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any lease agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or is otherwise subject which breach or default would, materially adversely affect the District’s ability to enter into or perform its obligations under the District Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach or default.

7. To the best of my knowledge, the information in the Preliminary Official Statement and the Official Statement concerning the District (excluding therefrom financial statements and other statistical data included in the Official Statement, and the information contained under the caption “UNDERWRITING” and all information concerning the book-entry system set forth under the caption “The 2018 Bonds” and in [Appendix G], as to which no view is expressed) does not contain any untrue statement of a material fact or omit to state a material

fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

APPENDIX C

FORM OF ESCROW AGENT COUNSEL OPINION

[Closing Date], 2018

Midpeninsula Regional Open Space District
Los Altos, California

Morgan, Stanley & Co. LLC
San Francisco, California

Re: Midpeninsula Regional Open Space District Financing Authority 2011 Revenue Bonds

Ladies and Gentlemen:

I am a Managing Counsel in the Legal Department of The Bank of New York Mellon Trust Company, N.A. (“BNY Mellon”) and I am delivering this opinion in connection with the execution and delivery of that certain Escrow Agreement dated as of [Dated Date], 2018 (the “Agreement”), between the Midpeninsula Regional Open Space District and BNY Mellon, as escrow agent. All capitalized terms used herein not otherwise defined shall be as defined in the Agreement.

In rendering the opinions set forth below, I have examined the originals, or copies certified to my satisfaction, of such agreements (including, without limitation, the Agreement), certificates and other statements of government officials and corporate officers of BNY Mellon, documents and other papers as I deemed relevant and necessary as a basis for such opinion and have relied as to factual matters on representations, warranties and other statements therein. With respect to parties other than BNY Mellon, in such examination, I have assumed the authenticity of all documents submitted to me as originals, the genuineness of all signatures, the legal capacity of natural persons and the conformity to the originals of all documents submitted to me as copies. In my examination of documents (including, without limitation, the Agreement) executed by parties other than BNY Mellon, I have also assumed that, if the opinions set forth in paragraphs (1) through (4) below referred to such parties and such documents, such opinions would be true and correct with respect to such parties and such documents.

The opinions expressed herein are limited to the laws of the State of California and the Federal law of the United States, and I do not express any opinion herein concerning any other law.

Based upon the foregoing, I am of the opinion that:

(1) BNY Mellon is a national banking association duly organized and validly existing under the laws of the jurisdiction of its organization and has the corporate power to execute and

deliver the Agreement and any other documentation relating to the Agreement, and to perform its obligations under the Agreement.

(2) The execution and delivery by BNY Mellon of the Agreement and any other documentation relating to the Agreement, and its performance of its obligations under the Agreement, have been and are as of the date hereof duly authorized by all necessary corporate action.

(3) No approval, authorization or other action by, or filing with, any governmental body or regulatory authority (which has not been obtained) is required in connection with the due execution, delivery and performance by BNY Mellon of the Agreement.

(4) The Agreement has been duly executed and delivered and constitutes the valid and legally binding obligation of BNY Mellon enforceable against it in accordance with its terms except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought as a proceeding in equity or at law).

My opinions are subject to the following assumptions and qualifications:

I express no opinion as to (a) any transactions not specifically referred to herein; (b) any provision of the Agreement to the extent it provides that a party is entitled to recover more than its actual damages under the Agreement; (c) any right, remedy or provision of the Agreement (including without limitation any termination payment provisions thereof) which, if determined to be a penalty, a court or other authority or body may have the discretion to invalidate or decline to enforce; (d) the enforcement of rights with respect to indemnification and contribution obligations; (e) any provision relating to severability; (f) any provision purporting to waive or limit rights to trial by jury, oral amendments to written agreements or rights of set-off; (g) any provision relating to submission to jurisdiction, venue or service of process; (h) any provision purporting to prohibit, restrict or require the consent of the other party for the transfer of, or the creation, attachment or perfection of a security interest in, the Agreement or an interest therein, which may be limited by applicable law or considerations of public policy; (i) any provision that provides that the rights of the parties to the Agreement may not be assigned by a party without the prior written consent of the other party or parties, which may be limited by Sections 9406 or 9408 of the Uniform Commercial Code; (j) the tax consequences of any transaction under the Agreement; (k) any Federal securities laws, pension and employee benefit laws (e.g., ERISA), anti-money laundering laws, trading with the enemy laws, or other laws of special or general application not normally covered in an opinion on capacity and enforceability, in accordance with market practice; or (l) the priority, perfection, attachment or validity of any security interest created under the Agreement or the enforcement of remedies in connection therewith.

This opinion is based upon facts and law in existence on the date hereof and I disclaim any obligation to advise you of any changes therein occurring after the date hereof. This opinion is given for the use and benefit of the addressee and no other party or entity is entitled to rely on it.

Very truly yours,

APPENDIX D

FORM OF ISSUE PRICE CERTIFICATE

**[\$[PRINCIPAL AMOUNT]
[BOND CAPTION]
ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of MORGAN STANLEY & CO. LLC (the “Underwriter”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

Select appropriate provisions below:

1. [Alternative 1¹ – All Maturities Use General Rule: *Sale of the Bonds*. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.][Alternative 2² – Select Maturities Use General Rule: *Sale of the General Rule Maturities*. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.]

2. ***Initial Offering Price of the [Bonds][Hold-the-Offering-Price Maturities].***

(a) [Alternative 1³ – All Maturities Use Hold-the-Offering-Price Rule: The Underwriter offered the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.] [Alternative 2⁴ – Select Maturities Use Hold-the-Offering-Price Rule: The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.]

(b) [Alternative 1 – All Maturities use Hold-the-Offering-Price Rule: As set forth in the Bond Purchase Agreement, the Underwriter has agreed in writing that, (i) for each Maturity of the Bonds, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such

¹ If Alternative 1 is used, delete the remainder of paragraph 1 and all of paragraph 2 and renumber paragraphs accordingly.

² If Alternative 2 is used, delete Alternative 1 of paragraph 1 and use each Alternative 2 in paragraphs 2(a) and (b).

³ If Alternative 1 is used, delete all of paragraph 1 and renumber paragraphs accordingly.

⁴ Alternative 2(a) of paragraph 2 should be used in conjunction with Alternative 2 in paragraphs 1 and 2(b).

agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period. [Alternative 2 - Select Maturities Use Hold-the-Offering-Price Rule: As set forth in the Bond Purchase Agreement, the Underwriter has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

[(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”]

[(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”]

[(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([DATE]), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means Midpeninsula Regional Open Space District.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

(g) *Related Party* means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(h) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [DATE].

(i) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate

in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the [Tax Certificate] and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP, bond counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

M

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES
(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

RESOLUTION NO. _____

A RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AUTHORIZING THE ISSUANCE AND PRESCRIBING THE TERMS OF SALE OF NOT TO EXCEED \$60,000,000 OF GENERAL OBLIGATION BONDS; APPROVING THE FORMS AND EXECUTION OF A FISCAL AGENT AGREEMENT AND A BOND PURCHASE CONTRACT; AND AUTHORIZING TAKING OF NECESSARY AND INCIDENTAL ACTIONS AND PREPARATION, EXECUTION AND DELIVERY OF NECESSARY DOCUMENTS RELATING TO SAID BONDS

WHEREAS, a special bond election was duly called and regularly held in the Midpeninsula Regional Open Space District (herein called the “District”), on June 3, 2014, pursuant to Article 3, commencing with Section 5500, of Chapter 3 of Division 5 of the Public Resources Code, at which a bond measure (“Measure AA”) summarized as follows was submitted to the electors of the District:

“To improve access to hiking and biking opportunities, protect and preserve redwood forests, natural open spaces, the scenic beauty of our region and coastline, critical wildlife habitat, restore creeks to protect water quality, and reduce forest fire risk; shall Midpeninsula Regional Open Space District be authorized to issue up to \$300 million in bonds, at a tax rate not to exceed \$3.18 per \$100,000 of assessed value of property owned, with expenditures verified by an independent citizen oversight committee?”

WHEREAS, passage of said measure required at least a two-thirds affirmative vote of the votes cast thereon, and at least two-thirds of the votes cast on said measure were in favor of issuing said bonds;

WHEREAS, the District has previously issued its “Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds, Series 2015A” (the “Series 2015A Bonds”) in the original principal amount of \$40,000,000 and its “Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds, Series 2015B (Federally Taxable)” (the “Series 2015B Bonds,” and, collectively with the Series 2015A Bonds, the “Series 2015 Bonds”) in the original principal amount of \$5,000,000, for authorized purposes;

WHEREAS, for the purpose of financing the projects authorized by Measure AA (the “Projects”), the Board of Directors of the District (the “Board”) has determined at this time to issue its General Obligation Bonds (Green Bonds), Series 2018 in the aggregate principal amount of not to exceed \$60,000,000 (the “Bonds”) pursuant to Article 3, commencing with Section 5500, of Chapter 3 of Division 5 of the Public Resources Code and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the “Act”);

WHEREAS, Backstrom McCarley Berry & Co., LLC shall serve as the Municipal Advisor to the District (the “Municipal Advisor”) with respect to the Bonds;

WHEREAS, Orrick, Herrington & Sutcliffe, LLP shall serve as Bond Counsel to the District (the “Bond Counsel”), and Schiff Hardin LLP shall serve as Disclosure Counsel to the District (the “Disclosure Counsel”) with respect to the Bonds;

WHEREAS, the Board deems it necessary and desirable to authorize the sale of the Bonds by a negotiated sale to Morgan Stanley & Co. LLC (the “Underwriter”);

WHEREAS, Zions First National Bank has been retained by the District to, and will, act as Fiscal Agent (the “Fiscal Agent”) with respect to the Bonds;

WHEREAS, pursuant to Measure AA, the District projected that the tax rate necessary to pay debt service on bonds of the District issued under Measure AA in each year would not exceed \$3.18 per \$100,000 of assessed valuation;

WHEREAS, it is estimated, based on the current assessed value of property in the District, that the combined tax rate necessary to pay the debt service on the Series 2015 Bonds and the Bonds will not exceed \$3.18 per \$100,000 of assessed valuation in any year;

WHEREAS, the District hereby determines that the Bonds shall be issued as unlimited property tax bonds pursuant to the Act and as authorized by the voters, and the District shall provide a schedule of the estimated amount of money that will be required for the payment of principal and interest on the Bonds and the tax rate necessary to pay the outstanding bonds issued pursuant to Measure AA to the Counties of Santa Clara, San Mateo and Santa Cruz, California (collectively, the “Counties”), which Counties are obligated to levy and collect *ad valorem* taxes upon all property subject to taxation by the District in each year that the Bonds are outstanding in amounts necessary and sufficient to pay debt service on the Bonds, and without limitation as to rate or amount;

WHEREAS, the District is designating the Bonds as “Green Bonds” to allow investors to invest directly in bonds that finance environmentally beneficial projects, as the proceeds of the Bonds will be used to finance the acquisition and preservation of properties that have been dedicated for open space purposes;

WHEREAS, the District acquires and preserves, or returns to its natural state, such lands for scenic beauty and enjoyment, the protection of natural vegetation, wildlife and agriculture, and establishes boundaries for urban growth and enhances quality of life, recreation in nature and educational opportunities through the creation of a regional greenbelt;

WHEREAS, the District has determined that open space protects and restores the natural environment and promotes healthier living by providing opportunities for ecologically sensitive public enjoyment and education; and

WHEREAS, there have been submitted and are on file with the Clerk of this Board (the “Clerk”) proposed forms of a Bond Purchase Contract, by and between the District and the Underwriter (the “Bond Purchase Contract”), and a Fiscal Agent Agreement, by and

between the District and the Fiscal Agent (the “Fiscal Agent Agreement”), each with respect to not to exceed \$60,000,000 aggregate principal amount of “Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds (Green Bonds), Series 2018,” proposed to be sold; and

WHEREAS, a preliminary form of an official statement with respect to the Bonds (the “Official Statement”) will be presented to the Board for approval at its meeting of December 6, 2017;

NOW, THEREFORE, BE IT RESOLVED by the Midpeninsula Regional Open Space District, as follows:

Section 1. Recitals. The District hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the District and that the statements, findings and determinations of the District set forth above are true and correct.

Section 2. Authorization of Issue of Bonds. The Board hereby authorizes the issuance and sale, from time to time, by negotiated sale, of one or more series of taxable or tax-exempt Bonds of the District and tentatively designates said Bonds as the “Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds (Green Bonds), Series 2018” in an aggregate principal amount not to exceed \$60,000,000, with such revised or additional designations as the General Manager or his written designee, the Controller, or the Chief Financial Officer / Director of Administrative Services (each an “Authorized Officer”) may deem necessary or desirable.

Section 3. Fiscal Agent Agreement. The form of Fiscal Agent Agreement, on file with the Clerk, is hereby approved and the Authorized Officers are hereby severally authorized and directed to execute and deliver the Fiscal Agent Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. Sale of Bonds; Bond Purchase Contract. The Board hereby authorizes the issuance of the Bonds by negotiated sale to the Underwriter, and pursuant to Section 53508.9 of the Government Code of the State of California, the Board has found and determined the following reasons therefor: to (1) better ensure that the tax rate estimated to voters at the time of the election will be maintained; (2) provide more flexibility in the timing of the sale of the bonds; (3) result in a lower overall cost of borrowing; (4) provide more flexibility in the debt structure; (5) allow the District to work with participants familiar with the District; and (6) increase the opportunity to pre-market the Bonds for sale to local residents and other investors.

The form of Bond Purchase Contract by and between the Underwriter and the District on file with the Clerk, is hereby approved. The Authorized Officers are hereby severally authorized and directed to execute and deliver the Bond Purchase Contract in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof and pursuant thereto to sell the Bonds to the Underwriter for the purchase price set forth in the Bond Purchase Contract, provided, however, that said price to be not less than the principal amount of the Bonds

less an underwriting discount which shall not exceed 0.475% (exclusive of any original issue discount) of the principal amount of the Bonds (which this Board hereby determines reflects an underwriter's spread that is both reasonable and customary under the prevailing market conditions), no Bond shall mature later than September 1, 2048, no Bond shall bear interest at a rate greater than 5.50% per annum, and the true interest cost of the Bonds shall not exceed 5.00%.

Section 5. Costs of Issuing the Bonds. The estimated costs of issuance of the Bonds, excluding the underwriting discount, do not exceed 1.00% of the principal amount of the Bonds sold.

Section 6. Request to Counties to Levy Tax. The Boards of Supervisors and officers of the Counties are obligated by statute to provide for the levy and collection of property taxes in each year upon all the real and personal property within the District and within their respective County at a rate sufficient to meet the proportion of taxes necessary to be raised in the County to pay all principal and interest coming due on the Bonds in such year. The amount of taxes to be raised in each County shall be in the same proportion as the assessed valuation of the taxable property in the District within the County is to the assessed valuation of all property in the District. The District, in each year, shall provide the Board of Supervisors of the Counties with the information necessary to make the levy and hereby requests the Counties to annually levy a tax upon all taxable property in the District sufficient to redeem the Bonds and to transfer such monies to or as requested by the District for deposit in the District's debt service fund for the Bonds held by the treasurer of the District. The Authorized Officers are hereby authorized and directed to deliver certified copies of this Resolution to the appropriate officials of each of the Counties. The tax for these Bonds is levied specifically for the purpose of paying the Bonds issued to finance the projects specified in Measure AA.

Section 7. Pledge of Tax Revenues. The District hereby pledges all revenues from the property taxes collected from the levy by the Counties for the payment of the Bonds and amounts on deposit in the interest and sinking fund of the District collected for the Bonds to the payment of the principal or redemption price of and interest on the Bonds. This pledge shall be valid and binding from the date hereof for the benefit of the owners of the Bonds and successors thereto. The property taxes and amounts held in the debt service fund of the District shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the debt service fund of the District to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. This pledge is an agreement between the District and the bondholders to provide security for the Bonds in addition to the statutory lien set forth in Section 53515 of the Government Code of the State of California, and "Bonds" for purposes of this pledge contained herein means all bonds of the District issued pursuant to voter approved Measure AA of the District, including the Bonds, the Series 2015 Bonds and any bonds issued to refund the Bonds or any other bonds issued pursuant to Measure AA.

Section 8. Ratification of Actions. All actions heretofore taken by the officers and agents of the District with respect to the sale, execution and delivery of the Bonds and the other transactions authorized and contemplated herein are hereby approved, confirmed and ratified.

Section 9. Approval of Further Actions. The officers of the District are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution including, but not limited to: preparation of the form of the Official Statement and presenting such form to the Board; authorizing the preparation and distribution of all rating and marketing materials necessary for the sale of the Bonds; and paying costs of issuance. The President of the Board, the Clerk, the Authorized Officers, and the other officers of the District are hereby severally authorized and directed to execute and deliver any and all documents, written requests, certificates and representations, including but not limited to signature certificates, no-litigation certificates, tax and rebate certificates, the letter of representations to The Depository Trust Company and certificates concerning the contents of the Official Statement distributed in connection with the sale of the Bonds, necessary or desirable to accomplish the transactions set forth above and to administer the documents authorized hereby. The Authorized Officers may execute and deliver one or more of each of the documents the form of which were presented to the Board herewith and approved hereby.

Section 10. Notice to California Debt and Investment Advisory Commission. The Board hereby authorizes and directs Bond Counsel to cause notices of the proposed sale and final sale of the Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Section 8855 of the Government Code. The issuance of the Bonds will be made in compliance with the District's adopted debt policy.

Section 11. Validity of Bonds. The Bonds are subject to California Code of Civil Procedure Section 860 et. seq. In order to insure the validity of the Bonds, the District will proceed to issue the Bonds only after the 60-day period from the date of adoption of this resolution for actions to be brought pursuant to Section 863 of the California Code of Civil Procedure has expired.

Section 12. Contract with Bond Owners. The provisions of this Resolution shall be a contract with each and every owner of Bonds and the duties of the District and of the Board and the officers of the District shall be enforceable by any bond owner by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

Section 13. Effective Date. This Resolution shall take effect from and after its date of adoption.

* * * * *

PASSED AND ADOPTED this 8th day of November, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

Clerk
Board of Directors

President
Board of Directors

APPROVED AS TO FORM:

General Counsel

CLERK'S CERTIFICATE

I, Jennifer Woodworth, District Clerk of the Board of the Midpeninsula Regional Open Space District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of said District duly and regularly held at the regular meeting place thereof on the 8th day of November, 2017, of which meeting all of the members of said Board had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 330 Distel Circle, Los Altos, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

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

WITNESS my hand and the seal of the Midpeninsula Regional Open Space District this ___ day of November, 2017.

District Clerk

FISCAL AGENT AGREEMENT

Between the

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

and

**ZIONS FIRST NATIONAL BANK,
as Fiscal Agent**

Dated as of [_____] 1, 2018

Relating to

**[\$[PAR AMOUNT]
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
(COUNTIES OF SANTA CLARA, SAN MATEO AND SANTA CRUZ, CALIFORNIA)
GENERAL OBLIGATION BONDS (GREEN BONDS), SERIES 2018**

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FISCAL AGENT AGREEMENT

This Fiscal Agent Agreement (this “Agreement”) is made and entered into and dated as of [_____] 1, 2018, between the MIDPENINSULA REGIONAL OPEN SPACE DISTRICT, a regional open space district organized and existing under the laws of the State of California (the “District”) and ZIONS FIRST NATIONAL BANK, a national banking association duly organized and existing under the laws of the United States of America, as Fiscal Agent (the “Fiscal Agent”)

WITNESSTH:

WHEREAS, a special bond election was duly and regularly held in the Midpeninsula Regional Open Space District (the “District”) on June 3, 2014, pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of the Public Resources Code, for the purpose of submitting a ballot measure to the qualified electors of the District (the “2014 Authorization”), and more than two-thirds of the votes cast at the election approved the issuance of up to \$300 million of general obligation bonds to finance certain projects specified in the 2014 Authorization; and

WHEREAS, the District is empowered to issue general obligation bonds that are authorized by two-thirds of the qualified electors of the District pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of the Public Resources Code and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the “Act”); and

WHEREAS, the District has previously issued its “Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds, Series 2015A” in the original principal amount of \$40,000,000 and its “Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds, Series 2015B (Federally Taxable)” (together, the “Series 2015 Bonds”) in the original principal amount of \$5,000,000, to finance projects authorized by the 2014 Authorization; and

WHEREAS, for the purpose of financing further projects authorized by the 2014 Authorization (the “Projects”), the District has determined at this time to issue an additional series of bonds pursuant to the Act, designated the “Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds (Green Bonds), Series 2018” in the aggregate principal amount of \$[_____] (the “Bonds”); and

WHEREAS, pursuant to the 2014 Authorization, the District projected that the tax rate necessary to pay debt service on bonds of the District issued under the 2014 Authorization in each year would not exceed \$3.18 per \$100,000 of assessed valuation (the “Tax Rate Target”); and

WHEREAS, it is estimated, based on the current assessed value of property in the District, that the combined tax rate necessary to pay the debt service on the Series 2015 Bonds and the Bonds will not exceed \$3.18 per \$100,000 of assessed valuation in any year, and the Bonds have been structured in order to comply with the Tax Rate Target; and

WHEREAS, the District has determined that the Bonds shall be issued as unlimited property tax bonds pursuant to the Act and as authorized by the voters, and the District shall provide a schedule of the estimated amount of money that will be required for the payment of principal and interest on the Bonds and the tax rate necessary to pay the outstanding bonds issued pursuant to the 2014 Authorization to the Counties of Santa Clara, San Mateo and Santa Cruz, California (collectively, the “Counties”), which Counties are obligated to levy and collect ad valorem taxes upon all property subject to taxation by the District in each year that the Bonds are outstanding in amounts necessary and sufficient to pay debt service on the Bonds, and without limitation as to rate or amount; and

WHEREAS, the Bonds are issued pursuant to the Act and the structuring limitations contained in Article 1 (commencing with Section 43600) of Chapter 4 of Division 4 of Title 4 of the California Government Code are not applicable to the Bonds; and

WHEREAS, the Board of Directors hereby finds and determines that the issuance of the Bonds at this time is in the best interest of the residents of the District;

NOW THEREFORE, the District and the Fiscal Agent agree as follows:

ARTICLE I

DEFINITIONS; AUTHORITY

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

“**Act**” means, collectively, Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of the Public Resources Code, and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“**Agreement**” means this Fiscal Agent Agreement, as now or hereafter amended in accordance with its terms.

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

“**Beneficial Owner**” means any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds, including persons holding Bonds through nominees or depositories including, but not limited to, through the Nominee.

“**Board**” means the Board of Directors of the District.

“**Bond Counsel**” means any attorney or firm of attorneys nationally recognized as expert in matters pertaining to the legality and tax exempt status of securities issued by public entities.

“Bond Proceeds Fund” means the fund by that name established by Section 4.01 hereof.

“Bond Service Fund” means the fund by that name established by Section 4.02 hereof.

“Bond Year” means the one-year period beginning on September 2 in each year and ending on the following September 1, except that the first Bond Year shall begin on the Closing Date and end on September 1, 2018.

“Bonds” means, Bonds that are authorized at any time and Outstanding under this Agreement.

“Business Day” means a day that is not a Saturday or Sunday or legal holiday on which a banking institution in California or any state in which a Principal Office of the Fiscal Agent is located.

“Capitalized Interest Account” means the account by that name within the Bond Service Fund established by Section 4.02 hereof.

“Chief Financial Officer/Administrative Service Manager” means the primary, appointed financial officer of the District.

“Closing Date” means the date upon which there is a physical delivery of the Bonds in exchange for the amount representing the purchase price of the Bonds by the Underwriter.

“Contractor” means any contractor(s) or vendor(s) from whom the District or any Participating Entity has ordered or caused to be ordered or with whom the District or any Participating Entity has contracted or caused to be contracted with respect to the construction of any Project, or any portion of any Project.

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate, executed by a District Officer for 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.

“Costs of Issuance Account” means the account within the Bond Proceeds Fund by that name established by Section 4.01 hereof.

“Debt Service” means, during any period of computation, the amount obtained for such period by totaling (a) the principal amount of all Outstanding Bonds coming due and payable by their terms in such period, and (b) the interest which would be due during such period on the Bonds which would be Outstanding in such period if the Bonds are retired as scheduled, but deducting and excluding from such aggregate amount the amount of Bonds no longer Outstanding.

“Debt Service Fund” means the fund by that name established by Section 4.02 hereof.

“Defeasance Securities” means non-callable (1) cash; (2) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – “SLGS”); (3) direct obligations of the U.S. Treasury which have been stripped by the Treasury itself, such as CATS, TIGRS and

similar securities; (4) Resolution Funding Corp. (REFCORP) strips (interest component only) which have been stripped by request to the Federal Reserve Bank of New York in book entry form; (5) pre-refunded municipal bonds rated by Moody's and by S&P at the level that U.S. obligations are rated, or if not rated by Moody's, then pre-refunded bonds that have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or other pre-refunded municipal obligations; and (6) obligations issued by the following agencies which are backed by the full faith and credit of the U.S.: (a) U.S. Export-Import Bank direct obligations or fully guaranteed certificates of beneficial ownership, (b) Farmers Home Administration (FmHA) certificates of beneficial ownership, (c) Federal Financing Bank, (d) General Services Administration participation certificates, (e) U.S. Maritime Administration Guaranteed Title XI financing, (f) U.S. Department of Housing and Urban Development (HUD) Project Notes, Local Authority Bonds, New Communities Debentures – U.S. government guaranteed debentures, and U.S. Public Housing Notes and Bonds – U.S. government guaranteed public housing notes and bonds.

“Depository” means any securities depository appointed to act as Depository under Section 2.11 hereof.

“District” means the Midpeninsula Regional Open Space District, a regional open space district duly organized and existing under and pursuant to California law, and having the office of its Board of Directors in Santa Clara County, California.

“District Officer” means the President of the Board, General Manager, Assistant General Manager, Controller, Treasurer, General Counsel, Secretary or Chief Financial Officer/Administrative Service Manager or any other officer or person authorized by resolution of the Board of Directors of the District to act on behalf of the District with respect to this Agreement and the Bonds.

“Event of Default” shall have the meaning assigned to such term in Section 7.01.

“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.

“Fiscal Agent” means Zions First National Bank, the fiscal or paying agent appointed by the District for the Bonds, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, all as provided in this Agreement.

“General Fund” means the general fund of the District.

“Interest Payment Dates” means each March 1 and September 1, commencing on [March 1, 2018].

“Issuance Expenses” means each of the legal and other fees incidental to or connected with the authorization, issuance and sale of the Bonds, as set forth in the Ordinance, including, but not limited to, filing and recording costs, settlement costs, printing costs, reproduction and binding costs, legal fees and charges, initial fees and expenses of the Fiscal Agent, financial and other professional consultant fees, costs of obtaining credit ratings, costs of obtaining bond insurance, fees for execution, transportation and safekeeping of the Bonds and charges and fees in connection

with the foregoing. For purposes of the Tax Code, the Issuance Expenses shall constitute “costs of issuance” for the Bonds.

“**Nominee**” means the nominee of the Depository as determined from time to time in accordance with Section 2.11.

“**Officer’s Certificate**” means a written certificate, order, requisition or statement signed by a District Officer

“**Ordinance**” means Ordinance No. 2014-02, adopted by the Board of Directors of the District on February 26, 2014.

“**Original Purchaser**” means the first purchaser of the Bonds.

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

(i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation;

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

(iii) 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 Agreement.

“**Owner or Bond Owner**” means any person who shall be the registered owner of any Outstanding Bond.

“**Participant**” means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds Bonds as a securities depository.

“**Participating Underwriter**” shall have the meaning ascribed thereto in the Continuing Disclosure Certificate.

“**Permitted Investments**” means any of the following which at the time acquired or made are legal investments for the District (under applicable State of California laws and the District’s investment policy) for the moneys held hereunder then proposed to be invested therein:

(i) Federal Securities;

(ii) obligations of any of the following federal agencies, which obligations represent the full faith and credit of the United States of America: (A) Export-Import Bank, (B) Farm Credit System Financial Assistance Corporation, (C) Rural Economic Community Development Administration (formerly the Farmers Home Administration), (D) General Services Administration, (E) U.S. Maritime Administration, (F) Small Business Administration, (G) Government National Mortgage Association (GNMA), (H)

U.S. Department of Housing & Urban Development (PHA's), (I) Federal Housing Administration, and (J) Federal Financing Bank;

(iii) direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America: (A) senior debt obligations rated Aaa by Moody's and AAA by S&P issued by Fannie Mae, the Federal Home Loan Mortgage Corporation (FHLMC) or the Student Loan Marketing Association (SLMA), (B) obligations of the Resolution Funding Corporation (REFCORP), (C) senior debt obligations of the Federal Home Loan Bank System, (D) consolidated systemwide bonds and notes of the Farm Credit System, and (E) senior debt obligations of other government-sponsored agencies;

(iv) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of A-1 or A-1+ by S&P and P-1 by Moody's or which are fully insured by FDIC and maturing no more than 360 days after the date of purchase, provided that a rating on a holding company is not considered to be the rating of the bank;

(v) commercial paper which is rated at the time of purchase in the single highest classification, A-1+ by S&P and P-1 by Moody's and which matures not more than 270 days after the date of purchase;

(vi) investments in a money market fund registered under the Federal Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, comprised of investments described in clauses (i), (ii) or (iii) or of repurchase agreements comprised of such investments, and having a rating of "AAAm-G" or "AAAm" by S&P or "AAA" by Moody's, which fund may include a fund for which the Fiscal Agent, its affiliates or subsidiaries provide investment, advisory or other services;

(vii) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local government unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice, and (A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P and Moody's or any successors thereto; or (B) with the prior written consent of S&P, which are fully secured as to principal and interest and redemption premiums, if any, by an escrow consisting only of cash or obligations described in paragraph (ii) of this definition, above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

(viii) municipal obligations with a rating of at least A2/A or higher by both Moody's and S&P;

(ix) investment agreements, supported by appropriate opinions of counsel, with notice to S&P and Moody's;

(x) the Local Agency Investment Fund of the State of California, created pursuant to 11429.1 of the California Government Code, but only, in the case of funds held by the Fiscal Agent, to the extent any monies invested by the Fiscal Agent are subject to deposit and withdrawal solely by the Fiscal Agent;

(xi) obligations with a maximum remaining maturity of not more than five years issued by any corporation organized and operating within the United States of America having assets in excess of \$500,000,000, which obligations are rated in one of the two highest rating categories (without regard to numeric or other modifier) by Moody's and S&P;

(xii) shares in a California common law trust (including the California Asset Management Program) established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California which invests exclusively in investments permitted by Section 53601 of Title 5, Division 2, Chapter 4 of the Government Code of the State of California, as it may be amended; and

(xii) other forms of investments (including repurchase agreements) with notice to S&P and Moody's.

"Person" means an individual, corporation, firm, association, partnership, trust or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"Principal Office" means the corporate trust office of the Fiscal Agent in Los Angeles, California, or such other office as the Fiscal Agent may from time to time designate.

"Project" means any authorized use of the Bond proceeds pursuant to the Ordinance and the 2014 Authorization.

"Project Account" means the Account within the Bond Proceeds Fund by that name established by Section 4.01 hereof.

"Project Costs" means (i) all eligible costs of the Projects, including, but not limited to the payment of, or reimbursement for, acquisition, construction, installation and equipment of any Project including, but not limited to, architect and engineering fees, contractor payments, costs of feasibility and other reports, inspection costs, performance bond premiums and permit fees, provided that any such costs are directly related to the acquisition or improvement of real property, (ii) Issuance Expenses, and (iii) costs directly related to the administration of the funds and accounts created under this Agreement.

"Rebate Fund" means the fund by that name established pursuant to Section 4.03 hereof.

“**Rebate Instructions**” means those calculations and directions required to be delivered to the Fiscal Agent under the Tax Certificate.

“**Rebate Requirement**” means the Rebate Requirement defined in the Tax Certificate related to the Bonds.

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

“**Secretary**” means the Secretary of the Board.

“**Supplemental Agreement**” means any agreement supplemental to or amendatory of this Agreement, entered into in accordance with Article VIII hereof.

“**Tax Certificate**” means the tax certificate concerning certain matters pertaining to the use of proceeds of the Bonds, executed and delivered by the District on the date of issuance of the Bonds, including all exhibits attached thereto, as such certificate may from time to time be modified or supplemented in accordance with the terms thereof.

“**Tax 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 proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Tax Code.

“**Treasurer**” means the officer of the Board who is an elected member who acts as the treasurer of the District.

Section 1.02. Interpretation.

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

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

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

Section 1.03. Authority for this Agreement. This Agreement is being entered into pursuant to the authority set forth in the Act and this Agreement 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 the Bonds pursuant to the provisions of the Act.

ARTICLE II

THE BONDS

Section 2.01. Authorization. The following Bonds are hereby authorized to be issued by the District under and subject to the terms of the Act and to be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained: “Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds (Green Bonds), Series 2018”, in the initial aggregate principal amount of \$[_____].

Section 2.02. Terms of Bonds.

(a) Denominations; Numbering. The Bonds shall be issued as fully registered Bonds, without coupons, in the denomination of \$5,000 each or any integral multiple thereof. Bonds shall be lettered and numbered as the Fiscal Agent shall prescribe.

(b) Date of Bonds. The Bonds shall be dated their date of delivery.

(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 bear interest at the rate or rates set forth below, payable on each Interest Payment Date, and shall mature and become payable as to principal on September 1 of the years and in the amounts as set forth below.

Maturity Date (September 1)	Principal Amount	Interest Rate
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Each Bond shall bear interest payable to the Owner thereof from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is registered and authenticated as of an Interest Payment Date, in which event it shall bear interest payable to the Owner thereof from such date, or (ii) it is registered and 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 payable to the Owner thereof from such Interest Payment Date, or (iii) it is registered and authenticated on or prior to [February 15, 2018], in which

event it shall bear interest payable to the Owner thereof from the date of original issuance and authentication of the Bonds; provided, however, that if at the time of registration and authentication of a Bond, interest is in default thereon, such Bond shall bear interest payable to the Owner thereof from the Interest 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 composed of twelve 30-day months.

(e) Payment. Interest on the Bonds (including the final interest payment upon maturity) is payable by check mailed on the applicable Interest Payment Date to the Owner thereof at his or her address as it appears on the registration books maintained by the Fiscal Agent at the close of business on each Record Date, or at such other address as the Owner may have filed with the Fiscal Agent for that purpose; provided that an Owner of \$1,000,000 or more aggregate principal amount of Bonds, or the Owner of all of the Bonds at the time Outstanding, shall, at his or her option, receive payment of interest by wire transfer to an account in the United States of America designated by such Owner to the Fiscal Agent no later than the fifteenth (15) day of the month immediately preceding the applicable Interest Payment Date. Principal of the Bonds is payable in lawful money of the United States of America at the Office of the Fiscal Agent.

Section 2.03. Redemption.

(a) Optional Redemption. The Bonds maturing on or before September 1, 20[] are not subject to redemption prior to their respective maturity dates. The Bonds maturing on or after September 1, 20[], shall be subject to redemption prior to their respective maturity dates as a whole, or in part, on any date, from any moneys provided at the option of the District, in each case on and after September 1, 20[], at a redemption price equal to the principal amount of Bonds called for redemption, plus accrued interest to the date fixed for redemption, without premium.

The District shall provide notice to the Fiscal Agent of any such optional redemption at least forty-five (45) days (or such lesser number of days acceptable to the Fiscal Agent, in the sole discretion of the Fiscal Agent) prior to the date set for redemption. In the case of a redemption in part, a District Officer shall designate to the Fiscal Agent, in writing from a District Officer, those maturities to be redeemed in whole or in part (including as a maturity, for such purposes, principal due on the Bonds on a particular September 1 as a result of a scheduled mandatory sinking fund redemption). In the event a District Officer does not designate the maturities of the Bonds to be redeemed, the Fiscal Agent shall select Bonds for redemption on a proportionate basis among maturities. In the event a particular maturity of Bonds is to be redeemed in part only, the Fiscal Agent shall select the Bonds of such maturity to be redeemed by lot.

(b) Mandatory Sinking Fund Redemption. The Bonds maturing on September 1, 20[] and September 1, 20[] (the "Term Bonds") are subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot, from mandatory sinking fund payments on each September 1, on and after September 1, 20[] in the principal amounts as set forth below, provided in the event that a Term Bond is redeemed in part, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of

such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the District (notice of which determination shall be given by the District to the Trustee) and, absent such direction from the District, pro rata among such sinking fund payments in integral multiples of \$5,000.

Term Bond Due September 1, 20[]

Payment Date (September 1)	Payment Amount
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Term Bond Due September 1, 20[]

Payment Date (September 1)	Payment Amount
-------------------------------	-------------------

(c) Redemption Procedure. Regardless of whether the District has deposited funds sufficient for any redemption with the Fiscal Agent, the Fiscal Agent shall cause notice of any redemption to be mailed, first class mail, postage prepaid, at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption, to the respective Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books maintained by the Fiscal Agent and to the Securities Depositories and to the Municipal Securities Rulemaking Board as provided in the Continuing Disclosure Certificate; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice shall not affect the validity of the proceedings for the redemption of such Bonds. Each notice relating to an optional redemption will further state that such optional redemption may be rescinded by the District on or prior to the date set for redemption. The Fiscal Agent shall send any notice of cancellation of an optional redemption in the same manner as it sent the related notice of redemption.

Such notice shall state the redemption date, the redemption price and the CUSIP numbers of the Bonds to be redeemed, and, if less than all of the then Outstanding Bonds are to be called for redemption, shall designate the serial numbers of the Bonds to be redeemed by giving the individual number of each Bond or by stating that all Bonds between two stated numbers, both inclusive, or by stating that all of the Bonds of one or more maturities have been called for redemption, and shall require that such Bonds be then surrendered at the Office of the Fiscal Agent for redemption at the said redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. Any notice of optional redemption shall also state that it is subject to cancellation on or prior to the date set for redemption.

Upon surrender of Bonds redeemed in part only, the District shall execute and the Fiscal Agent shall authenticate and deliver to the Owner, at the expense of the District, a new Bond or

Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

From and after the date fixed for redemption, if notice of such redemption shall have been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption shall have been duly provided, such Bonds so called shall cease to be entitled to any benefit under this Agreement other than the right to receive payment of the redemption price, and no interest shall accrue thereon on or after the redemption date specified in such notice.

All Bonds redeemed pursuant to this Section 2.03 shall be canceled by the Fiscal Agent, and a certificate of cancellation shall be submitted by the Fiscal Agent to the District.

Section 2.04. Form of Bonds. The Bonds, the form of the Fiscal Agent's certificate of authentication and registration and the form of assignment to appear thereon shall be substantially in the form, respectively, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Agreement, as are set forth in Exhibit A attached hereto and hereby made a part hereof.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the District by the facsimile signatures of its President of the Board and Treasurer and countersigned by the facsimile of its Secretary who are in office on the date hereof or at any time thereafter. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and countersigned on behalf of the District by such persons as at the actual date of the execution of such Bond shall be the proper officers of the District although at the nominal date of such Bond any such person shall not have been such officer of the District.

Only such Bonds as shall bear thereon a certificate of authentication and registration in the form set forth in Exhibit A executed and dated by the Fiscal Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of the Fiscal 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 Agreement.

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 duly authorized attorney, upon surrender of such Bond for cancellation at the Principal Office at the Fiscal Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Fiscal Agent, duly executed. The District may charge a reasonable sum for each new Bond issued upon any transfer and the Fiscal 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 Fiscal Agent shall authenticate and deliver a new Bond or Bonds of the same maturity, for like aggregate principal amount.

The Fiscal Agent is not required to register the transfer of any Bond during the period the Fiscal Agent is selecting Bonds for redemption or any Bond selected for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Fiscal Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The District may charge a reasonable sum for each new Bond issued upon any exchange (except in the case of any exchange of temporary Bonds for definitive Bonds) and the Fiscal 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.

The Fiscal Agent is not required to register the exchange of any Bond during the period the Fiscal Agent is selecting Bonds for redemption or any Bond selected for redemption.

Section 2.08. Bond Register. The Fiscal 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 Fiscal 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. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated the District, at the expense of the Owner of such Bond, shall execute, and the Fiscal 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 Fiscal Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Fiscal 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 Fiscal 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 Fiscal Agent in the premises. 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 additional contractual obligation on the part of the District whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Agreement with all other Bonds issued pursuant to this Agreement.

Section 2.10. Book-Entry; Limited Obligation of District. The Bonds may be issued in the form of a separate single fully registered Bond (which may be typewritten) for each maturity. The ownership of such Bond shall be registered in the registration books kept by the Fiscal Agent in the name of the Nominee, as nominee of the Depository. The initial Depository is The Depository Trust Company and the initial Nominee is Cede & Co.

With respect to Bonds registered in the registration books kept by the Fiscal Agent in the name of the Nominee, the District and the Fiscal Agent shall have no responsibility or obligation to such Participant or to any Person on behalf of which such a Participant holds an interest in the

Bonds. Without limiting the immediately preceding sentence, the District and the Fiscal Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other Person, other than as shown in the registration books kept by the Fiscal Agent, of any notice with respect to the Bonds or (iii) the payment to any Participant or any other Person, other than a Nominee as shown in the registration books kept by the Fiscal Agent, of any principal of, premium, if any, or interest on the Bonds. The District and the Fiscal Agent may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Fiscal Agent as the absolute Owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on such Bond, for the purpose of giving notices of matters with respect to such Bond, for the purposes of registering transfers with respect to such Bond, and for all other purposes whatsoever.

The Fiscal Agent shall pay all principal, premium, if any, and interest with respect to the Bonds, only to or upon the order of the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner shall receive a Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to this Fiscal Agent Agreement. Upon delivery by the Depository to the Nominee, the Fiscal Agent and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions regarding the payment of the principal of and interest on the Bonds set forth in Section 2.02(e), the word Nominee in this Agreement shall refer to such new nominee of the Depository.

Section 2.11. Transfers Outside Book-Entry System. The District may, by written request, at any time or for any reason, remove the Depository and appoint a successor or successors thereto. In the event (i) the Depository determines not to continue to act as securities depository for the Bonds, or (ii) the District determines that the Depository shall no longer so act, then the District will discontinue the book-entry system with the Depository. If the District fails to identify another qualified securities depository to replace the Depository then the Bonds shall no longer be restricted to being registered in the registration books kept by the Fiscal Agent in the name of the Nominee, but shall be registered in whatever name or names Owners of such Bonds transferring or exchanging such Bonds shall designate, in accordance with the provisions of Section 2.06.

Section 2.12. Payments and Notices to the Nominee. Notwithstanding any other provision of this Agreement to the contrary, so long as any Bond is registered in the name of the Nominee, all payments of principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed in writing by the Depository.

ARTICLE III

ISSUE AND SALE OF BONDS; APPLICATION OF PROCEEDS

Section 3.01. Issuance and Delivery of Bonds. At any time after the execution of this Agreement the District may issue and deliver the Bonds in the initial aggregate principal amount of \$[_____].

A District Officer shall cause the Bonds substantially in the form attached hereto as Exhibit A to be printed and signed, and to be delivered to the Underwriter through the Depository on receipt of the purchase price therefor. The District Officers shall take any and all action any of them deem reasonable in order to enable the District to issue and deliver the Bonds.

The Fiscal Agent shall deliver the Bonds to or upon the order of the Underwriter, upon receipt of a Written Request of the District.

Section 3.02. Application of Proceeds of Sale of Bonds. Upon the receipt of payment for the Bonds in the amount of \$[_____] (comprising the par amount of the Bonds, [plus][less] original issue [premium][discount] of \$[_____], less the discount of the Underwriter of \$[_____]), the proceeds thereof shall be paid to the Fiscal Agent who shall forthwith set aside, pay over and deposit such proceeds as follows:

(a) Deposit in the Capitalized Interest Account of the Bond Service Fund the amount of \$[_____], representing a portion of the premium on the Bonds;

(b) Deposit in the Costs of Issuance Account of the Bond Proceeds Fund \$[_____]; and

(c) Deposit in the Project Account of the Bond Proceeds Fund an amount equal to \$[_____], representing the remainder of the proceeds of the Bonds.

ARTICLE IV

FUNDS AND ACCOUNTS

Section 4.01. Bond Proceeds Fund.

(a) Creation of Fund. There is hereby created a separate fund to be known as the “Midpeninsula Regional Open Space District General Obligation Bonds (Green Bonds), Series 2018 Bond Proceeds Fund” (the “Bond Proceeds Fund”), and within such fund separate accounts designated the “Project Account” and “Costs of Issuance Account,” each of which shall be maintained by the Fiscal Agent as a separate account, distinct from all other funds and accounts of the District, into which shall be paid on receipt thereof, the portion of the Bond proceeds designated in Section 3.02 of this Agreement.

(b) Disbursements. Amounts in the Project Account shall be disbursed for Project Costs and amounts in the Costs of Issuance Account shall be disbursed for Issuance Expenses. Disbursements from the Bond Proceeds Fund shall be made by the Fiscal Agent upon receipt of a certificate requesting disbursement executed or approved by a District Officer along with a completed W-9 for each payee that has not previously provided a completed W-9. Subject to the provisions of this Section 4.01, each such certificate shall be in substantially the form set forth in Exhibit B hereto and shall:

(i) set forth the amounts to be disbursed for payment or reimbursement of previous payments of Issuance Expenses and/or Project Costs and the person or persons to whom said amounts are to be disbursed and the Account from which the disbursement is to be made;

(ii) state that the amounts to be disbursed constitute Issuance Expenses or Project Costs, that such amounts are required to be disbursed pursuant to a contract entered into therefor by or on behalf of the District, or were necessarily and reasonably incurred and that such amounts are not being paid in advance of the time, if any, fixed for payment; and

(iii) state that no amount set forth in the certificate was included in any certificate requesting disbursement previously filed with the Fiscal Agent pursuant to this Section 4.01. It is specifically intended that Issuance Expenses shall be paid out not later than six months from the date of date of delivery of the Bonds and any amounts remaining on deposit in the Costs of Issuance Account representing proceeds of the Bonds shall be transferred to the Capitalized Interest Account and applied to pay interest on the Bonds.

(c) Certificates. Each certificate requesting disbursement which is submitted pursuant to subsection (b) and which relates to disbursement for a construction portion of any Project the contract for which was awarded by the District, shall certify that insofar as such certificate relates to payment for work, materials, equipment or supplies, such work was actually performed, or such materials, equipment or supplies were actually installed in furtherance of the construction of the Project or delivered to the appropriate site for such purpose, or delivered for storage or fabrication at a place approved by the District.

(d) No Liens. Each certificate requesting disbursement which is submitted pursuant to subsection (b) and which relates to payment to a Contractor shall be accompanied by a certificate of said Contractor stating that no liens have been imposed on the Project which is the subject of the contract as a result of said construction except liens that have not yet ripened or that would attach by operation of law.

(e) Use of Funds Remaining in the Project Account. Amounts, if any, remaining in the Project Account of the Bond Proceeds Fund on the date of receipt of an Officer's Certificate certifying, with respect to any such Project Account, that no further amounts are required to be disbursed for costs and expenses of any Project shall be transferred by the Fiscal Agent to the Chief Financial Officer/Administrative Service Manager for deposit in the Debt Service Fund to be applied to the payment of principal of any Outstanding Bonds as the same become due and payable.

Section 4.02. Debt Service Fund; Bond Service Fund.

(a) Creation of Fund. There is hereby created a separate fund to be known as the "Midpeninsula Regional Open Space District General Obligation Bonds (Green Bonds), Series 2018 Debt Service Fund" (the "Debt Service Fund"), which shall be maintained by the Chief Financial Officer/Administrative Service Manager as a separate fund, distinct from all other funds and accounts of the District.

(b) Disbursements. All moneys in the Debt Service Fund shall be used and withdrawn by the Chief Financial Officer/Administrative Service Manager solely for the purpose of paying the principal of and interest on the Bonds as the same shall become due and payable. On the last day of February and August in each year commencing [February 28, 2018], the Chief Financial Officer/Administrative Service Manager shall transfer to the Fiscal Agent for deposit in the Bond Service Fund (which is hereby established as a separate fund to be held by the Fiscal Agent into which all moneys received by the Fiscal Agent from the District pursuant to this Section be deposited and which shall be used solely to pay principal and interest on the Bonds when due) moneys on deposit in the Debt Service Fund for application by the Fiscal Agent on the next succeeding Interest Payment Date to the payment of principal of and interest on the Bonds.

Within the Bond Service Fund there is hereby established the Capitalized Interest Account, into which the amount required by Section 3.02(a) shall be deposited. Amounts on deposit in the Capitalized Interest Account shall be used only to pay a portion of the interest on the Bonds through [March 1, 2021], as directed by the District.

In the event that the amount in the Bond Service Fund is not sufficient for the Fiscal Agent to pay the full aggregate amount of principal of and interest due and payable on all bonds issued pursuant to the 2014 Authorization on the next succeeding Interest Payment Date, the Fiscal Agent shall apply such amount to all bonds issued pursuant to the 2014 Authorization on a pro rata basis based on the principal amount of the outstanding bonds of each such series.

Section 4.03. Rebate Fund.

(a) Upon receipt of money to be applied to the Rebate Requirement for the Bonds, the Fiscal Agent shall establish and maintain a fund separate from any other fund established and maintained hereunder designated as the “Midpeninsula Regional Open Space District General Obligation Bonds (Green Bonds), Series 2018 Rebate Fund.” Within the Rebate Fund, the Fiscal Agent shall maintain such accounts as shall be necessary in order to comply with the terms and requirements of the Tax Certificate as directed in writing by the District. Subject to the transfer provisions provided in paragraph (d) below, all money at any time deposited in the Rebate Fund shall be held by the Fiscal Agent in trust to the extent required to satisfy the Rebate Requirement, for payment to the federal government of the United States of America, and neither the Fiscal Agent nor the District nor the Owner of any Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Agreement and by the Tax Certificate. The District hereby covenants to comply with the directions contained in the Tax Certificate and the Fiscal Agent hereby covenants to comply with all written instructions of the District delivered to the Fiscal Agent pursuant to the Tax Certificate (which instructions shall state the actual amounts to be deposited in or withdrawn from the Rebate Fund and shall not require the Fiscal Agent to make any calculations with respect thereto). The Fiscal Agent shall be deemed conclusively to have complied with the provisions of this Section 4.03(a) if it follows such instructions received from the District pursuant to the Tax Certificate, and the Fiscal Agent shall have no liability or responsibility to enforce compliance by the District with the terms of the Tax Certificate nor to make computations in connection therewith.

(b) Pursuant to the Tax Certificate, an amount shall be deposited in the Rebate Fund by the District so that the balance of the amount on deposit thereto shall be equal to the

Rebate Requirement. Computations of the Rebate Requirement shall be furnished by the District to the Fiscal Agent in accordance with the Tax Certificate.

(c) The Fiscal Agent shall invest all amounts held in the Rebate Fund, pursuant to written instructions of the District, in Permitted Investments, subject to the restrictions set forth in the Tax Certificate. Money shall not be transferred from the Rebate Fund except as provided in paragraph (d) below.

(d) Upon receipt of the Rebate Instructions required to be delivered to the Fiscal Agent by the Tax Certificate, the Fiscal Agent shall remit part or all of the balances in the applicable Rebate Fund to the United States of America, as so directed. In addition, if the Rebate Instructions so direct, the Fiscal Agent will deposit moneys into or transfer moneys out of the Rebate Fund from or into such accounts or funds as directed by the Rebate Instructions. Any funds remaining in any Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Requirement, shall be withdrawn and remitted to the District in accordance with a written request of the District.

Notwithstanding any other provision of the Fiscal Agent Agreement, the obligation to remit the Rebate Requirement to the federal government of the United States of America and to comply with all other requirements of this Section 4.03 and the Tax Certificate shall survive the defeasance or payment in full of the Bonds.

Section 4.04. Deposit and Investment of Moneys in Funds. All moneys held by the Fiscal Agent in the Bond Proceeds Fund and the Bond Service Fund and not invested pursuant to the second paragraph of this Section shall be deposited in money market funds meeting the requirements of clause (vi) of the definition of “Permitted Investments”.

Moneys in the Project Account, the Bond Service Fund, the Capitalized Interest Account and the Costs of Issuance Account shall be invested by the Fiscal Agent, at the written direction of the Chief Financial Officer/Administrative Service Manager, in Permitted Investments maturing prior to the date on which such moneys are required to be paid out hereunder. Moneys in the Debt Service Fund shall be invested by the Controller or the Chief Financial Officer/Administrative Service Manager in Permitted Investments that by their terms mature prior to the date on which such moneys are required to be paid out hereunder. Obligations purchased as an investment of moneys in any of such funds and accounts shall at all times be deemed to be part of each such respective fund and account so invested, and all interest, gain or loss on the investment of moneys in such respective fund and accounts shall be credited or charged thereto.

The Fiscal Agent or an affiliate may act as principal or agent of the District in the making or disposing of any investment. Subject to Section 6.07, the Fiscal Agent shall not be responsible for any loss in the disposing of any investment or any other consequences for investments made in accordance with this Section.

The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent will furnish the District periodic cash transaction

statements which shall include detail for all investment transactions made by the Fiscal Agent hereunder.

ARTICLE V

COVENANTS OF THE DISTRICT

Section 5.01. Punctual Payment. The District will punctually pay, or cause to be paid, the principal of and interest on the Bonds, in strict conformity with the terms of the Bonds and of this Agreement, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Agreement 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 Agreement, 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 Bond Owners. The District will preserve and protect the security of the Bonds and the rights of the Bond 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 Agreement, and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Agreement.

Section 5.05. No Arbitrage. The District shall not take, nor permit nor suffer to be taken by the Fiscal 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 Tax Code.

Section 5.06. Federal Guarantee Prohibition. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be “federally guaranteed” within the meaning of section 149(b) of the Tax Code and Regulations promulgated thereunder.

Section 5.07. Private Activity Bond Limitation. The District shall assure that the proceeds of the Bonds are not used as to cause the Bonds to satisfy the private business use tests

of section 141 (b) or the private loan financing test of section 141 (c) of the Tax Code as in effect on the date of issuance of the Bonds or as it may be amended to apply thereafter.

Section 5.08. Rebate Requirement. The District shall take any and all actions necessary to assure compliance with section 148(f) of the Tax Code, relating to rebate of excess investment earnings, if any, to the federal government.

Section 5.09. Maintenance of Tax Exemption. The District shall take all actions necessary to assure the exclusion of interest on the Bonds from gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the date of issuance of the Bonds.

Section 5.10. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificates for the Bonds. Notwithstanding any other provision of this Agreement, failure of the District to comply with any Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Fiscal Agent, at the written request of any Participating Underwriter or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, to the extent indemnified to its satisfaction from and against any costs, claims, expenses and liabilities related thereto, including, without limitation, fees and expenses of its attorneys, or any Bond Owner may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section.

Section 5.11. Collection of Taxes. At the time of making the general tax levy after the issuance of the Bonds, and annually thereafter until the Bonds are paid or until there is a sum in the treasury set apart for that purpose sufficient to meet all payments of principal and interest on the Bonds as they become due, the Board shall and hereby covenants to cause to be levied and collected a tax sufficient to pay interest on the Bonds and such part of the principal as will become due before the proceeds of a tax levied at the next general tax levy will be available. To this end, the Board covenants with the Owners of the Bonds that it will cause to be levied taxes upon all taxable property within the District, without limitation as to rate or amount, for the payment of the Bonds and the interest thereon. All of the proceeds of such taxes shall be deposited in the Debt Service Fund.

ARTICLE VI

THE FISCAL AGENT

Section 6.01. Appointment of Fiscal Agent. The Fiscal Agent, at its Principal Office is hereby appointed Fiscal Agent for the Bonds to act as the agent and depository of the District for the purpose of receiving all moneys required to be paid to the Fiscal Agent hereunder, to allocate, use and apply the same, to hold, receive and disburse funds held in the Bond Proceeds Fund, and otherwise to hold all the offices and perform all the functions and duties provided in this Agreement to be held and performed by the Fiscal Agent. The Fiscal Agent shall signify its acceptance of the duties and obligations imposed upon it by this Agreement by executing and delivering to the District a written acceptance thereof; and by executing and delivering such

acceptance, the Fiscal Agent shall be deemed to have accepted such duties and obligations, but only upon the terms and conditions set forth in this Agreement.

Section 6.02. Compensation. The District shall pay to the Fiscal Agent from time to time reasonable compensation for all services rendered under this Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Agreement and the Fiscal Agent shall have a prior lien therefor on any and all funds at any time held by it under this Agreement. The District further agrees, to the extent permitted by law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents harmless from and against all costs, claims, expenses or liabilities which it may incur in the exercise and performance of its powers, functions and duties under this Agreement which are not due to its own negligence or willful misconduct including but not limited to costs, claims, liabilities or expenses arising out of, resulting from or in any way connected with (1) any Project or the conditions, occupancy, use, possession, conduct or management of, or work done in or about, or from the planning, design, acquisition, installation, operation or construction of any Project, or any part hereof; (2) the sale of any Bonds and the carrying out of any of the transactions contemplated by the Bonds and this Agreement; (3) any untrue statement or alleged untrue statement or any material fact or omission or alleged omission to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading in any official statement or other disclosure document utilized in connection with the sale of the Bonds. The District further agrees, to the extent permitted by law, to pay or to reimburse the Fiscal Agent and its officers, directors, employees and agents for any and all costs, reasonable attorneys fees, liabilities or expenses incurred in connection with any such liabilities or expenses. The District's obligations in Section 6.02 shall remain valid and binding notwithstanding maturity and payment (whether by maturity, prepayment, acceleration, defeasance or otherwise) of the Bonds.

Section 6.03. Resignation of Fiscal Agent. The Fiscal Agent may at any time resign and be discharged of the duties and obligations created by this Agreement by giving not fewer than sixty (60) days written notice to the District. Such resignation shall take effect on the date on which the appointment of a successor Fiscal Agent under Section 6.05 becomes effective.

Section 6.04. Removal of Fiscal Agent. The Fiscal Agent shall be removed by the District if at any time so requested by an instrument or concurrent instruments, in writing, filed with the Fiscal Agent and the District, and signed by the Owners of a majority in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the District. The District may remove the Fiscal Agent at any time, except during the existence of an Event of Default as defined in Section 7.01 hereof, by filing with the Fiscal Agent an instrument signed by a District Officer. Such removal shall take effect on the date on which the appointment of a successor Fiscal Agent under Section 6.05 becomes effective.

Section 6.05. Appointment of Successor Fiscal Agent. In case at any time the Fiscal Agent shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Fiscal Agent, or of its property or affairs is appointed, the District covenants and agrees that it will thereupon appoint a successor Fiscal Agent. The District shall mail notice of any such appointment made by it to all Owners of Bonds, such mailing to be made within twenty (20) days after such appointment.

If in a proper case no appointment of a successor Fiscal Agent shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Fiscal Agent shall have given to the District written notice, as provided in Section 6.03, or upon removal as provided in Section 6.04 after a vacancy in the office of the Fiscal Agent shall have occurred by reason of its inability to act or other reason set forth in this Section, the Fiscal Agent or the Owner of any Bond may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Fiscal Agent. Any successor Fiscal Agent shall have a capital and surplus balance aggregating at least fifty million dollars (\$50,000,000).

Section 6.06. Transfer of Rights and Property to Successor Fiscal Agent. Any successor Fiscal Agent appointed under this Agreement shall execute, acknowledge and deliver to its predecessor Fiscal Agent, and also to the District, an instrument accepting such appointment, and thereupon such successor Fiscal Agent, without any further act, deed or reconveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Fiscal Agent, with like effect as if originally named as Fiscal Agent; but the Fiscal Agent ceasing to act shall nevertheless, on the written request of the District, or of the successor Fiscal Agent, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Fiscal Agent all right, title and interest of the predecessor Fiscal Agent in and to any property held by it under this Agreement, and shall pay over, assign and deliver to the successor Fiscal Agent any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the District be required by such successor Fiscal Agent for more fully and certainly vesting in and confirming to such successor Fiscal Agent any estates, rights, powers and duties, any and all such deed, conveyances and instruments in writing shall, on request, and so far as may be authorized by law be executed, acknowledged and delivered by the District.

Any corporation into which the Fiscal Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Fiscal Agent shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Fiscal Agent, shall be the successor of the Fiscal Agent hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

Section 6.07. Liability of Fiscal Agent. 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 Fiscal Agent assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of this Agreement, or of the Bonds, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Fiscal Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

The Fiscal Agent shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority of

aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Fiscal Agent or the Bond Owners, or exercising any power conferred upon the Fiscal Agent under this Agreement.

The permissive right of the Fiscal Agent to do things or omit to do things under this Agreement shall not be construed as a duty.

The Fiscal 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 Fiscal Agent was negligent in ascertaining the pertinent facts. The Fiscal Agent shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement.

Except as otherwise provided herein, the Fiscal Agent shall not be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein, or in any of such agreements, documents or certificates executed in connection with the Bonds, or as to the existence of an Event of Default hereunder or thereunder. The Fiscal Agent shall not be deemed to have notice of any event of default hereunder or in any such document or certificate until it shall have actual knowledge thereof, or shall have received written notice thereof at its Principal Office. The Fiscal Agent shall not be responsible for the validity of any collateral given to or held by it.

The Fiscal Agent has no obligation or liability to the Bond Owners for the payment of interest or principal with respect to the Bonds; but rather the Fiscal Agent's sole obligations are to administer, for the benefit of the District and the Bond Owners, the various funds and accounts established in the Agreement and to perform the other duties expressly provided for herein.

The Fiscal Agent shall have no responsibility for or liability in connection with assuring that all of the procedures or conditions to closing set forth herein have been met on the Closing Date or, that all documents required to be delivered on the Closing Date to the parties are actually delivered, except its own responsibility to receive the Bond proceeds and other sums required to be delivered to it and to authenticate and deliver the Bonds and other certificates expressly required to be delivered by it and its counsel. The Fiscal Agent may assume that the District and the Underwriter have waived their rights to receive documents or to require the performance of procedures if the parties to whom such documents are to be delivered or for whom such procedures are to be performed do not require delivery or performance on or prior to the Closing Date.

Section 6.08. Notice to Fiscal Agent. The Fiscal Agent shall be protected in 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 Fiscal 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.

The Fiscal Agent shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and the Owner's title thereto satisfactorily established, if disputed.

Whenever in the administration of its duties under this Agreement the Fiscal 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 Fiscal Agent, be deemed to be conclusively proved and established by a written certificate signed by a District Officer and such certificate shall be full warrant to the Fiscal Agent for any action taken or suffered under the provisions of this Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF BOND OWNERS

Section 7.01. Events of Default. The following shall constitute Events of Default under this Agreement:

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

Section 7.02. Remedies of Bond Owners. Upon the occurrence of an Event of Default, any Bond Owner shall have the right, for the equal benefit and protection of all Bond Owners similarly situated:

- (a) by mandamus, suit, action or proceeding, to compel the District and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Agreement and in the Bonds, and to require the carrying out of any or all such covenants and agreements of the District and the fulfillment of all duties imposed upon it; or
- (b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Bond Owners' rights.

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

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

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

Section 7.04. Remedies Not Exclusive. No remedy herein conferred upon the Owners of Bonds shall be exclusive of any other remedy and that each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereafter conferred on the Bond Owners.

ARTICLE VIII

SUPPLEMENTAL AGREEMENTS

Section 8.01. Supplemental Agreements Effective Without Consent of the Owners. For any one or more of the following purposes and at any time or from time to time, the District may enter into a Supplemental Agreement, 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 Agreement, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with this Agreement as theretofore in effect;

(b) To add to the limitations and restrictions in this Agreement, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Agreement 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 Agreement, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Agreement;

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

(e) To make such additions, deletions or modifications as may be necessary to assure compliance with section 148(f) of the Tax Code relating to required rebate of any amounts to the United States or otherwise as may be necessary to assure exemption from federal income taxation of interest on the Bonds.

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

Section 8.03. Owners' Meetings. The District may at any time call a meeting of the Owners. In such event the District is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

Section 8.04. Procedure for Amendment with Written Consent of Owners. The District and the Fiscal Agent may at any time adopt a Supplemental Agreement amending the provisions of the Bonds or of this Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by Section 8.01, to take effect when and as provided in this Section. A copy of such Supplemental Agreement, together with a request to Owners for their consent thereto, shall be mailed by first class mail, by the Fiscal Agent to each Owner of Bonds Outstanding, but failure to mail copies of such Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as in this Section provided.

Such Supplemental Agreement shall not become effective unless there shall be filed with the Fiscal Agent the written consents of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in Section 8.04) and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 9.04. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the District shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Agreement, stating in substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Fiscal Agent. A record, consisting of the papers required by this Section 8.04 to be filed with the Fiscal Agent, shall be proof of the matters therein

stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Fiscal Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the District and the Owners of all Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

Section 8.05. Disqualified Bonds. Bonds owned or held for the account of the District, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Article VIII.

Section 8.06. Effect of Supplemental Agreement. From and after the time any Supplemental Agreement becomes effective pursuant to this Article VIII, this Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations under this Agreement of the District and all owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Agreement shall be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.07. Endorsement or Replacement of Bonds Issued After Amendments. The District may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII shall bear a notation, by endorsement or otherwise, in form approved by the District, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the Office of the Fiscal Agent or at such other office as the District may select and designate for that purpose, a suitable notation shall be made on such Bond. The District may determine that new Bonds, so modified as in the opinion of the District is necessary to conform to such Owners' action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the Office of the Fiscal Agent without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 8.08. Amendatory Endorsement of Bonds. The provisions of this Article VIII shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him or her.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Agreement Limited to Parties. Nothing in this Agreement, expressed or implied, is intended to give to any person other than the District, the Fiscal Agent and the Owners of the Bonds, any right, remedy, or claim under or by reason of this Agreement. Any covenants, stipulations, promises or agreements in this Agreement contained by and on behalf of

the District shall be for the sole and exclusive benefit of the Owners of the Bonds. This Agreement shall become effective on the Closing Date.

Section 9.02. Defeasance.

(a) Discharge of Agreement. All or a portion 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 of and interest on Bonds Outstanding, as and when the same become due and payable;

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

(iii) by delivering to the Fiscal 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 Officer, filed with the Fiscal Agent, signifying the intention of the District to discharge all such indebtedness and this Agreement), and notwithstanding that any Bonds shall not have been surrendered for payment, this Agreement and all covenants, agreements and other obligations of the District under this Agreement shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 9.02(b) and the obligation of the District to assure that no action is taken or is found to be taken that would adversely affect the exclusion of interest on the Bonds from gross income and the Tax Code. In such event, upon request of the District, the Fiscal 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 Fiscal Agent shall pay over, transfer, assign or deliver to the District all moneys or securities or other property held by it pursuant to this Agreement which are not required for the payment of Bonds not theretofore surrendered for such payment.

(b) Discharge of Liability on Bonds. Upon the deposit at or before maturity, of money or securities in the necessary amount (as provided in Section 9.02(c) to pay any Outstanding Bond upon its maturity, 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 Fiscal Agent or an escrow holder as aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) shall apply in all events.

The District may at any time surrender to the Fiscal 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 Fiscal Agent. Whenever in this Agreement it is provided or permitted that there be deposited with or held by the Fiscal Agent or an escrow holder money or securities in the necessary amount to pay any Bonds, the money or securities so to be deposited or held may include money or securities held by the Fiscal Agent in the funds and accounts established pursuant to this Agreement and shall be:

(i) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity; or

(ii) Defeasance Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal of and all unpaid interest to maturity on the Bonds to be paid, as such principal and interest become due; provided, in each case, that the Fiscal Agent shall have been irrevocably instructed (by the terms of this Agreement or by request of the District) to apply such money to the payment of such principal and interest with respect to such Bonds.

(d) Payment of Bonds After Discharge of Agreement. Notwithstanding any provisions of this Agreement, any moneys held by the Fiscal Agent for the payment of the principal or redemption price of, or interest on, any Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Agreement), 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 outright, and all liability of the Fiscal Agent with respect to such moneys shall thereupon cease.

Section 9.03. Execution of Documents and Proof of Ownership by Bond Owners.

Any request, declaration or other instrument which this Agreement may require or permit to be executed by Bond Owners may be in one or more instruments of similar tenor, and shall be executed by Bond 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 Bond Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registry books.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the District, the Fiscal Agent or the Chief Financial Officer/Administrative Service Manager in good faith and in accordance therewith.

Section 9.04. Waiver of Personal Liability. No Boardmember, District 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 Boardmember, District Officer, agent or employee from the performance of any official duty provided by law.

Section 9.05. Destruction of Canceled Bonds. Whenever in this Agreement provision is made for the surrender to the District of any Bonds which have been paid or canceled pursuant to the provisions of this Agreement, a certificate of destruction duly executed by the Fiscal Agent shall be deemed to be the equivalent of the surrender of such canceled Bonds and the District shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.06. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Agreement shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Agreement. The District hereby declares that it would have adopted this Agreement 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 Agreement 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 Fiscal Agent in trust for the benefit of the Bond Owners.

Section 9.07. Unclaimed Moneys. Subject at all times to applicable unclaimed property law and anything contained herein to the contrary notwithstanding, any moneys held by the Fiscal Agent for the payment and discharge of the principal of, and the interest on, the Bonds which remains unclaimed for two (2) years after the date when the payments of such principal and interest have become payable, if such moneys was held by the Fiscal Agent at such date, shall be repaid by the Fiscal Agent to the District as its absolute property, and the Fiscal Agent shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of the principal of, and interest on, such Bonds.

Section 9.08. Notices to and Demands on District and Fiscal Agent. Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the Fiscal Agent to or on the District may be given or served by being deposited postage prepaid in a post office letter box addressed (until another address is filed by the District with the Fiscal Agent) or by facsimile to:

Chief Financial Officer/Administrative Service Manager
Midpeninsula Regional Open Space District
330 Distel Circle
Los Altos, CA 94022
650-691-0485 (Fax)

Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the District to or on the Fiscal Agent may be given or served by being

deposited postage prepaid in a post office letter box addressed (until another address is filed by the Fiscal Agent with the District) or by facsimile to:

Zions First National Bank
Attn.: Corporate Trust Department
550 S. Hope Street, Suite 2875
Los Angeles, CA 90071
Fax: (866) 870-0209

Section 9.09. Applicable Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 9.10. Conflict with Act. In the event of a conflict between any provision of this Agreement with any provision of the Act as in effect on the Closing Date, the provision of the Act shall prevail over the conflicting provision of this Agreement.

Section 9.11. Conclusive Evidence of Regularity. Bonds issued pursuant to this Agreement shall constitute conclusive evidence of the regularity of all proceedings under the Act relative to their issuance and the levy of the ad valorem taxes securing the payment of the Bonds.

Section 9.12. Payment on Business Day. In any case where the date of the maturity of interest or of principal of the Bonds or the date any action is to be taken pursuant to this Agreement is other than a Business Day, the payment of interest or principal or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period on and after such date.

Section 9.13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

**MIDPENINSULA REGIONAL
OPEN SPACE DISTRICT**

By: _____
General Manager

**ZIONS FIRST NATIONAL BANK,
*as Fiscal Agent***

By: _____
Authorized Officer

EXHIBIT A

FORM OF BONDS

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
(COUNTIES OF SANTA CLARA, SAN MATEO AND SANTA CRUZ, CALIFORNIA)
GENERAL OBLIGATION BOND (GREEN BONDS),
SERIES 2018

INTEREST RATE: MATURITY DATE: ISSUE DATE: CUSIP:

REGISTERED OWNER:

PRINCIPAL SUM: _____ DOLLARS

The MIDPENINSULA REGIONAL OPEN SPACE DISTRICT, a public corporation and special district, duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), for value received, hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless (i) this Bond is authenticated on an interest payment date, in which event it shall bear interest from such date of authentication, or (ii) this Bond is authenticated prior to [February 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 Sum in full, at the rate per annum stated above, payable on March 1 and September 1 in each year, commencing [March 1, 2018], calculated on the basis of 360-day year composed of twelve 30-day months. Principal hereof is payable at the corporate trust office of Zions First National Bank (the "Fiscal Agent"), in Los Angeles, California. Interest hereon (including the final interest payment upon maturity) is payable by check or draft of the Fiscal Agent mailed by first class mail to the Owner at the Owner's address as it appears on the registration books maintained by the Fiscal Agent as of the close of business on the fifteenth day of the month next preceding such interest payment date, or at such other address as the Owner may have filed with the Fiscal Agent for that purpose.

This Bond is one of a duly authorized series of Bonds of the District designated as "Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds (Green Bonds), Series 2018" (the "Bonds"), in an aggregate principal amount of \$[_____], all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or other provisions) and all issued pursuant to the provisions of Article 3 (commencing with Section 5500) of Chapter 3 of

Division 5 of the Public Resources Code and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the “Act”), and pursuant to a Fiscal Agent Agreement, dated as of [_____] 1, 2018, (the “Fiscal Agent Agreement”) by and between the District and the Fiscal Agent. Reference is hereby made to the Fiscal Agent Agreement (copies of which are on file at the office of the Secretary of the Board) 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 Fiscal Agent and the rights and obligations of the District thereunder, to all of the provisions of which Fiscal Agent Agreement the Owner of this Bond, by acceptance hereof, assents and agrees.

The issuance of the Bonds was authorized by a vote of more than two-thirds of the qualified electors of the District voting at an election held on June 3, 2014. The Bonds are the third series of bonds to be issued pursuant to such authorization.

This Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Fiscal Agent Agreement) are general obligations of the District and the District has the power and is obligated to levy 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 are subject to optional and mandatory sinking fund redemption as provided in the Fiscal Agent Agreement.

Regardless of whether the District has deposited funds sufficient for any redemption with the Fiscal Agent, the Fiscal Agent shall cause notice of any redemption to be mailed, first class mail, postage prepaid, at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption, to the respective Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books maintained by the Fiscal Agent and to the Securities Depositories and the Municipal Securities Rulemaking Board; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice shall not affect the validity of the proceedings for the redemption of such Bonds. The District shall have the right to cancel the notice of any optional redemption by providing written notice of such cancellation to the Fiscal Agent not less than five (5) days prior to the date set for redemption.

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 Fiscal Agent Agreement, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Owner hereof, in person or by his attorney duly authorized in writing, at said office of the Fiscal Agent in Los Angeles, CA, but only in the manner and subject to the limitations provided in the Fiscal Agent Agreement, 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 Fiscal Agent may treat the Owner hereof as the absolute owner hereof for all purposes, and the District and the Fiscal Agent shall not be affected by any notice to the contrary.

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

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 Fiscal Agent Agreement.

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

IN WITNESS WHEREOF, the Midpeninsula Regional Open Space District has caused this Bond to be executed in its name and on its behalf with the facsimile signatures of its President and Treasurer and countersigned by its Secretary of the Board of Directors, all as of the Issue Date stated above.

MIDPENINSULA REGIONAL OPEN
SPACE DISTRICT

By: _____
President of the Board of Directors of the
Midpeninsula Regional Open Space District

By: _____
Treasurer of the Board of Directors of the
Midpeninsula Regional Open Space District

Attest:

By: _____
Secretary of the Board of Directors of the
Midpeninsula Regional Open Space District

[FORM OF FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION]

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Fiscal Agent Agreement.

Authentication Date:

ZIONS FIRST NATIONAL BANK, as Fiscal
Agent

Authorized Signatory

EXHIBIT B

FORM OF ACCOUNT REQUISITION

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
(Counties of Santa Clara, San Mateo and Santa Cruz, California)
General Obligation Bonds (Green Bonds),
Series 2018

WRITTEN REQUISITION NO.
FOR DISBURSEMENT FROM THE
[COSTS OF ISSUANCE ACCOUNT]
[PROJECT ACCOUNT]
OF THE BOND PROCEEDS FUND

The undersigned hereby states and certifies:

(i) that the undersigned is the _____ of the Midpeninsula Regional Open Space District (the “District”), a regional open space district organized and existing under the laws of the State of California, and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

(ii) that pursuant to Section 4.01(b) of that certain Fiscal Agent Agreement, dated as of [_____] 1, 2018 (the “Fiscal Agent Agreement”), by and between the District and Zions First National Bank, as fiscal agent (the “Fiscal Agent”), the undersigned hereby authorizes the disbursement from the [Costs of Issuance Account][Project Account] of the Bond Proceeds Fund (the “Account”) established under the Fiscal Agent Agreement, to the payee or payees set forth on Schedule A attached hereto and by this reference incorporated herein, the amount set forth opposite such payee for the purposes set forth on Schedule A (which purpose may include reimbursement of the District for previous payments), and all such payments shall be made by check or wire transfer in accordance with payment instructions contained in Schedule A and the Fiscal Agent shall have no duty or obligation to authenticate such payment instructions or the authorization thereof;

(iii) that the amounts to be disbursed constitute [Issuance Expenses][Project Costs];

(iv) that such amounts are required to be disbursed pursuant to a contract entered into by or on behalf of the District, or were necessarily and reasonably incurred and such amounts are not being paid in advance of the time, if any, fixed for payment;

(v) that no amount set forth in Schedule A was included in any certificate requesting disbursement previously filed with the Fiscal Agent pursuant to Section 4.01 of the Fiscal Agent Agreement;

(vi) [include this representation when requisition is for construction costs] that payment for work, materials, equipment or supplies identified on Exhibit A was actually performed, or such materials, equipment or supplies were actually installed in furtherance of the construction of the

Project, or were delivered to the appropriate site for such purpose, or delivered for storage or fabrication at a place approved by the District;

(vii) [include this representation when requisition is for payment to a Contractor] that accompanying this Certificate is a certificate of [Contractor] stating that no liens have been imposed on the Project as a result of said construction except liens that have not yet ripened or that would attach by operation of law; and

() [include this representation when requisition is for reimbursement from the Project Account] that the requested requisition will not cause the District to violate its covenants set forth in Sections 5.05-5.09 of the Fiscal Agent Agreement.

Capitalized terms not otherwise defined shall have the meanings ascribed to them in the Fiscal Agent Agreement.

Dated: _____

MIDPENINSULA REGIONAL OPEN
SPACE DISTRICT

By: _____
District Officer

SCHEDULE A

**DISBURSEMENTS FROM
[COSTS OF ISSUANCE ACCOUNT]
[PROJECT ACCOUNT]
OF THE BOND PROCEEDS FUND**

<u>Payee Name and Address</u>	<u>Purpose of Obligation</u>	<u>Amount</u>
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Hawkins Delafield & Wood LLP
Draft of November 2, 2017

[\$[PAR AMOUNT]]
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
(COUNTIES OF SANTA CLARA, SAN MATEO AND SANTA CRUZ, CALIFORNIA)
GENERAL OBLIGATION BONDS (GREEN BONDS), SERIES 2018

[Pricing Date], 2018

BOND PURCHASE AGREEMENT

Midpeninsula Regional Open Space District
330 Distel Circle
Los Altos, CA 94022-1404

Ladies and Gentlemen:

The undersigned, Morgan Stanley & Co. LLC, as underwriter (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with the Midpeninsula Regional Open Space District (the "District") which, upon the District's written acceptance of this offer, will be binding upon the District and upon the Underwriter. This offer is made subject to the written acceptance hereof by the District and the delivery of such acceptance to the Underwriter at or prior to 6:00 P.M., California time on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice given to the District any time prior to the acceptance hereof by the District.

1. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of \$[Principal Amount] aggregate principal amount of the District's General Obligation Bonds (Green Bonds), Series 2018 (the "Bonds"). The Bonds shall be dated the date of delivery thereof and shall be payable in the years and the amounts, and bear interest at the rates, set forth in Schedule I hereto, such interest being payable on [September 1 and March 1 of each year, commencing March 1, 2018]. The aggregate purchase price of the Bonds shall be \$_____ (representing the principal amount of the Bonds, plus original issue premium in the amount of \$_____, less the Underwriter's discount of \$_____).

2. The Bonds are being issued by the District pursuant to the Constitution and laws of the State of California (the "State"), including the provisions of Article 3 of Chapter 3 of Division 5 of the Public Resources Code (the "District Act"), and Article 4.5 of Chapter 3 of Part 1 of Division 2 (commencing with Section 53506) of the California Government Code and all laws amendatory thereof or supplemental thereto (together with the District Act, the "Law") and a ballot measure approved by two-thirds of voters at a duly held election on June 3, 2014 (the "2014 Authorization").

The Bonds are payable from ad valorem taxes upon all property subject to taxation by the District in the Counties of Santa Clara, San Mateo and Santa Cruz, California (collectively, the "Counties"), in amounts necessary and sufficient to pay debt service on the Bonds.

The District has delivered or caused to be delivered to the Underwriter the District's preliminary official statement relating to the Bonds, dated [POS Date], 2018, (the preliminary official statement, together with the cover page, inside cover page and any and all appendices thereto, being herein referred to as the "Preliminary Official Statement"). The District confirms that the Preliminary Official Statement was "deemed final" as of its date, for purposes of Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12"), except for certain information permitted to be omitted by said Rule. The District hereby ratifies, confirms and approves the use by the Underwriter of the Preliminary Official Statement. The Bonds are being offered pursuant to the District's final official statement relating to the Bonds, dated [Pricing Date], 2018 (the final official statement, together with the cover page, inside cover page and any and all appendices thereto and including any amendments or supplements thereto prior to the Closing (as defined herein), being herein referred to as the "Official Statement"). Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings given such terms in the Official Statement.

The Bonds are being issued to provide funds to finance the Project, as described in the Official Statement (the "Project").

The Bonds shall be substantially in the form described in, and shall be issued and secured under and pursuant to, the Fiscal Agent Agreement. The Bonds shall be subject to redemption as provided in Schedule I hereto, in the Official Statement and the Fiscal Agent Agreement.

3. The Underwriter agrees to make a bona fide public offering of all the Bonds at prices not greater than (or yields lesser than) the respective initial public offering prices (or yields) set forth on Schedule I attached hereto and incorporated herein by reference. The Underwriter reserves the right to (i) overallot or effect transactions which stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth on Schedule I. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

4. The District hereby authorizes the use by the Underwriter of the Fiscal Agent Agreement, the Continuing Disclosure Certificate dated the Closing Date (as defined in Section 7) (the "Continuing Disclosure Certificate"), the Official Statement, and any supplements or amendments thereto, and the information contained in each of such documents, in connection with the public offering and sale of the Bonds.

5. Within seven (7) business days from the date hereof, and in any event not later than two (2) business days before the Closing Date, the District hereby agrees to deliver, or to cause to be delivered, the Official Statement in "designated electronic format" (as defined in Rule G-32 of the Municipal Securities Rulemaking Board (the "MSRB")) to such addresses as the Underwriter shall specify, in order to enable the Underwriter to comply with its obligations pursuant to Rule 15c2-12(b)(4), Rule G-32 and all other applicable rules of the MSRB. The Underwriter agrees to file the Official Statement (including the Official Statement as it may be amended or supplemented) with the MSRB through its Electronic Municipal Market Access

system within one (1) Business Day after receipt from the District, but in no event later than the Closing Date (as defined in Section 7 below).

6. The District will undertake, pursuant to the Continuing Disclosure Certificate, to provide certain annual financial information and notices of certain events, as described in the Official Statement.

7. At 8:00 A.M., Pacific Time, on [Closing Date], 2018, or at such other time or on such other Business Day as shall have been mutually agreed upon by the District and the Underwriter (the "Closing Date"), the District, subject to the terms and conditions hereof, will cause the delivery of the Bonds to the Underwriter through the facilities of The Depository Trust Company, New York, New York ("DTC") and delivery of the other documents required hereby at the offices of Orrick, Herrington & Sutcliffe LLP in San Francisco, California, or at such other place as the District and the Underwriter may mutually agree upon, such Bonds to be in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC; and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds by wire transfer in immediately available funds to, or in care of, the Fiscal Agent as directed in a certificate of an Authorized Representative of the District as shall have been mutually agreed upon by the District and the Underwriter; such delivery of and payment for the Bonds is referred to herein as the "Closing." The Bonds in electronic format shall be made available for inspection by the Underwriter at least one Business Day before the Closing.

8. The District represents, warrants and covenants to the Underwriter that:

a. The District is a regional open space district, duly organized and validly existing pursuant to the laws of the State of California, with full legal right, power and authority to undertake the activities described in and contemplated by the Preliminary Official Statement, the Official Statement and this Bond Purchase Agreement, including without limitation the adoption, execution and delivery of the documents and agreements described therein and herein as documents and agreements to which it is a party;

b. (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds and the performance of its obligations thereunder; (ii) the District has full legal right, power and authority to enter into the Fiscal Agent Agreement, dated as of [Dated Date], 2018 (the "Fiscal Agent Agreement") by and between the District and Zions First National Bank, as fiscal agent (the "Fiscal Agent"), the Continuing Disclosure Certificate, and this Bond Purchase Agreement (collectively, the "Legal Documents") and to carry out and consummate the transactions contemplated by the Legal Documents, the Resolution and the Official Statement; and (iii) this Bond Purchase Agreement has been duly executed and delivered and constitutes a valid and legally binding obligation of the District enforceable in accordance with its terms; (iv) the Bonds, when issued, authenticated and delivered to the Underwriter in accordance with the terms of the Fiscal Agent Agreement, will constitute legal, valid and binding instruments, entitled to the benefits of the Fiscal Agent Agreement and enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors rights generally, the application of equitable principles,

the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;

c. Between the date of this Bond Purchase Agreement and the date of the Closing, except as contemplated by the Official Statement, the District will not incur any material liabilities, direct or contingent, or enter into any material transaction, in either case other than in the ordinary course of its business;

d. The District to its knowledge is not in in any material respect breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District is otherwise subject, except as disclosed in the Official Statement, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute a default or event of default under any such instrument; and the execution and delivery of the Legal Documents, the adoption and of the Resolution, and compliance with the provisions of the Legal Documents will not in any material respect conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, court decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is subject, or by which it is bound;

e. Except as disclosed in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending against the District (with service of process against the District having been accomplished) or, to the best knowledge of the District, threatened against the District, (i) in any way questioning the existence of the District or the titles of the officers of the District to their respective offices; (ii) affecting or seeking to prohibit, restrain or enjoin the execution or delivery of any of the Bonds, or the application of the proceeds of sale of the Bonds, or the levy of taxes to pay debt service on the Bonds, or the collection of revenues pledged or to be pledged to pay the principal or interest or other amounts due with respect to the Bonds, or the execution and delivery by the District of this Bond Purchase Agreement; (iii) in any way contesting or affecting the validity of the Bonds, the Resolution, the Legal Documents or the tax-exempt status of interest due with respect to the Bonds, or the levy of taxes to pay debt service on the Bonds; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

f. The District will furnish such information, execute such instruments and take such other action not inconsistent with law as the Underwriter may reasonably request (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use commercially reasonable efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the District

shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction;

g. All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the District of its obligations in connection with, the execution, sale and delivery of the Bonds under this Bond Purchase Agreement have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; and, except as disclosed in the Preliminary Official Statement and the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission, having jurisdiction in the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the District of its respective obligations under the Bonds or the Legal Documents have been duly obtained;

h. The Preliminary Official Statement (other than information permitted to be omitted from the deemed final Preliminary Official Statement under Rule 15c2-12) as of its date did not, and as of the date hereof does not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (excluding therefrom the information contained under the caption “UNDERWRITING” and all information concerning the book-entry system set forth under the caption “THE 2018 GREEN BONDS” and in [Appendix G] as to which no representations or warranties are made);

i. At the time of the District’s acceptance hereof and (unless an event occurs of the nature described in Section 8(k)) at all times during the period from the date of this Bond Purchase Agreement to and including the date which is twenty-five (25) days following the end of the underwriting period for the Bonds (as determined in accordance with Section 14 hereof), the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (excluding therefrom the information contained under the caption “UNDERWRITING” and all information concerning the book-entry system set forth under the caption “THE 2018 GREEN BONDS” and in Appendix G as to which no representations or warranties are made);

j. If the Official Statement is supplemented or amended pursuant to Section 8(k), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such Section) at all times during the period from the date of this Bond Purchase Agreement to and including the date which is twenty-five (25) days following the end of the underwriting period for the Bonds (as determined in accordance with Section 14 hereof), the Official Statement as so supplemented or amended, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

k. If during the period from the date of this Bond Purchase Agreement to and including the date which is twenty-five (25) days following the end of the underwriting period for the Bonds (as determined in accordance with Section 14 hereof) any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter of any such event and, if in the opinion of the Underwriter and District Counsel such event requires the preparation and publication of a supplement or amendment to the Official Statement, the District will prepare and furnish to the Underwriter a reasonable number of copies of the supplement or amendment to the Official Statement in form and substance acceptable to the Underwriter, and certification, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement;

l. The financial statements of, and other financial information regarding, the District contained in the Official Statement fairly present the financial position and results of the operations of the District as of the dates and for the periods therein set forth, and (i) the annual audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied; (ii) the other historical financial information has been determined on a basis substantially consistent with that of the District's audited financial statements included in the Official Statement; (iii) there has not been any material increase in long-term debt or commitments or any material decrease in fund equity of the District, other than through the normal course of operations of the District as compared to the audited financial statements of the District for the year ended June 30, 2017 included in the Preliminary Official Statement and the Official Statement; (iv) no events have occurred which would require adjustments of or disclosures in the audited financial statements of the District as of and for the year ended June 30, 2017, included in the Preliminary Official Statement and the Official Statement, in order for them to be in conformity with generally accepted accounting principles; and (v) the audited financial statements of the District as of and for the year ended June 30, 2017, included in the Preliminary Official Statement and the Official Statement, do not require adjustments or additional disclosures essential to a fair presentation in conformity with generally accepted accounting principles;

m. The consent of Chavan & Associates, LLP, Certified Public Accountants, independent certified public accountants to the District, is not required for inclusion of their report on the District's financial statements for the fiscal year ended June 30, 2017 and reference to such firm included in the Preliminary Official Statement and the Official Statement; and

n. Except as disclosed in the Official Statement, the District has not in the previous five years failed to comply, in all material respects, with any previous continuing disclosure undertakings with regard to Rule 15c2-12 to provide annual reports or notices of events required by such undertakings.

All representations, warranties and agreements of the District shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or on the Underwriter's behalf, and shall survive delivery of the Bonds.

9. The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations and warranties of the District contained herein, the covenants of the District contained in the Bonds, the Legal Documents, and the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's obligations under this Bond Purchase Agreement are and shall be subject to the following further conditions:

a. The representations and warranties of the District contained herein shall be true and correct in all material respects on the date hereof and at and as of the Closing, as if made at and as of the Closing, except that all representations in respect of the Preliminary Official Statement shall be deemed to have been made as of the date of this Bond Purchase Agreement, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true and correct in all material respects at the Closing; the District shall be in compliance with each of the agreements made by it in this Bond Purchase Agreement (unless such agreements are waived by the Underwriter); and there shall not have occurred a material adverse change in the financial position, results of operations or financial condition of the District which would have a material adverse effect on the ability of the District to meet its obligations under the Bonds and the Legal Documents;

b. At the time of the Closing, the Official Statement, the Resolution, the Legal Documents and the Bonds, shall be in full force and effect, and shall not have been amended, modified or supplemented (except as may be agreed to in writing by the Underwriter and the District); all actions which, in the opinion of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and the District shall perform or have performed its obligations required under or specified in the Legal Documents, the Official Statement, the Resolution and the Bonds to be performed at or prior to the Closing;

c. At the time of the Closing, the Official Statement (as amended and supplemented) shall be true and correct in all material respects, shall not contain an untrue statement of a material fact and shall not omit any statement or information necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

d. At the time of the Closing, except as disclosed in the Official Statement, (i) no default by the District shall have occurred and be continuing in the payment of the principal and redemption premium, if any, of or interest on any bond, note or other evidence of indebtedness issued by the District and (ii) no bankruptcy, insolvency or other similar proceeding in respect of the District shall be pending or to the knowledge of the District contemplated;

e. At or prior to the Closing, the Underwriter shall receive the following documents:

(1) Copies of the Resolution, certified by the District as having been duly adopted by the District and as being in full force and effect on the date of Closing;

(2) The opinion of Bond Counsel, dated the Closing Date, in substantially the form included in the Official Statement as Appendix D, addressed to the District and accompanied by a reliance letter addressed to the Underwriter;

(3) A supplemental opinion of Bond Counsel, dated the Closing Date, in form and substance satisfactory to the Underwriter and Counsel to the Underwriter, addressed to the Underwriter, to the effect that (i) the District has duly and validly executed the Bond Purchase Agreement, and assuming due authorization, execution and delivery by the Underwriter, the Bond Purchase Agreement constitutes the valid and binding agreement of the District, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion in appropriate cases; (ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Fiscal Agent Agreement is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; and (iii) the statements set forth in the Official Statement (or if either shall be amended or supplemented, the statements in the Official Statement as so amended or supplemented addressing the matters addressed in the statements) contained in the front portion of the Official Statement under the headings ["THE 2018 GREEN BONDS," "SECURITY AND SOURCE OF PAYMENT FOR THE 2018 GREEN BONDS,"] and "TAX MATTERS," and in [Appendices D and F] thereto, insofar as such statements purport to summarize certain provisions of the Bonds, the Fiscal Agent Agreement and the opinion of Bond Counsel concerning certain tax matters relating to the Bonds, are accurate in all material respects;

(4) An opinion of Schiff Hardin LLP, disclosure counsel to the District, dated the Closing Date, and addressed to the District and the Underwriter, substantially in the form attached as Appendix A hereto;

(5) An opinion of General Counsel to the District, in form and substance satisfactory to the Underwriter, dated the Closing Date, and addressed to the District and the Underwriter, substantially in the form attached as Appendix B hereto;

(6) The opinion of Hawkins Delafield & Wood LLP, counsel to the Underwriter dated the Closing Date addressed to the Underwriter, in form and substance satisfactory to the Underwriter;

(7) A certificate signed by a duly authorized official of the District in form and substance satisfactory to the Underwriter dated the Closing Date to the effect that (A) each and all of the representations and warranties of the District contained in this Bond Purchase Agreement and the Legal Documents are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date, except that all representations in respect of the Preliminary Official Statement shall be deemed to have been made as of the date of this Bond Purchase Agreement, and no event affecting the District has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date any statement or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein, in light of the circumstances under which they were or are made, not misleading in any material respect; and (B) other than as set forth in the Preliminary Official Statement and the Official Statement, no litigation is pending (with service of process against the District having been accomplished) or, to the District's knowledge,

threatened against the District in any court to restrain or enjoin the execution or delivery of any of the Bonds, or the application of the proceeds of sale of the Bonds, or the collection of the revenues or other income or moneys pledged or to be pledged to pay the principal or interest or other amounts due with respect to the Fiscal Agent Agreement or the Bonds, or in any way contesting or affecting the adoption of the Resolution or the execution, delivery or validity of the Fiscal Agent Agreement or the Bonds or the security therefor or the Fiscal Agent Agreement, or involving any of the property or assets of the District or under the control of the District wherein an unfavorable decision, ruling or finding would materially adversely affect the ability of the District to perform its obligations under the Resolution, the Legal Documents or the Bonds or the security for the Bonds or the exclusion of interest due with respect to the Bonds from gross income for purposes of federal or state income taxation;

(8) [Reserved];

(9) A certificate signed by an authorized officer of the Fiscal Agent, in form and substance satisfactory to the Underwriter dated the Closing Date to the effect that (i) the Fiscal Agent is a duly organized and validly existing national banking association and has full power and authority to carry out its activities under the Fiscal Agent Agreement, (ii) the Bonds have been duly authenticated and delivered by the Fiscal Agent in accordance with the Fiscal Agent Agreement, (iii) each of the Fiscal Agent Agreement has been duly authorized, executed and delivered by the Fiscal Agent and, assuming due authorization, execution and delivery by the other party thereto, each of the Fiscal Agent Agreement is the valid, legal and binding agreement of the Fiscal Agent, enforceable in accordance with its terms, (iv) the execution and delivery of the Fiscal Agent Agreement and the authentication and delivery of the Bonds, and compliance with the provisions thereof, will not conflict with, or constitute a breach of or default under, any law, administrative regulation, court decree, resolution, charter, by-law or agreement to which the Fiscal Agent is subject or by which it is bound, and (v) no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is served and pending or threatened in any way affecting the existence of the Fiscal Agent or the titles of its directors or officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds or the application of proceeds thereof in accordance with the Fiscal Agent Agreement, or in any way contesting or affecting the Bonds or the Fiscal Agent Agreement;

(10) An opinion of counsel to the Fiscal Agent, addressed to the Underwriter, in form and substance satisfactory to the Underwriter dated the Closing Date to the effect that (i) the Fiscal Agent has duly authorized, executed and delivered the Fiscal Agent Agreement the Fiscal Agent Agreement constitutes a valid and legally binding agreements of the Fiscal Agent enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditor's rights, (ii) the Fiscal Agent has lawful authority for the authentication and delivery of the Bonds, (iii) the Fiscal Agent has duly authenticated and delivered the Bonds in accordance with the

Fiscal Agent Agreement; and (iv) the Fiscal Agent is a national banking association duly organized, validly existing and in good standing under the laws of the United States having full power and authority and being qualified to enter into, accept and administer the trust created under the Fiscal Agent Agreement and to enter into such Fiscal Agent Agreement;

(11) [Reserved];

(12) [Reserved];

(13) Executed copies of this Bond Purchase Agreement, the Fiscal Agent Agreement, the Continuing Disclosure Certificate, and the Official Statement, together with a copy of the record of proceedings for the Bonds;

(14) A Tax Certificate of the District signed by an authorized officer of the District;

(15) Evidence that the underlying credit ratings on the Bonds of “[AAA]” and “[AAA]”, have been assigned by Standard & Poor’s Global Ratings (“S&P”) and Fitch Ratings (“Fitch”), respectively, and that each is in full force and effect on the Closing Date;

(16) A copy of the Blue Sky Survey with respect to the Bonds;

(17) A copy of the District’s executed Blanket Letter of Representation to The Depository Trust Company; and

(18) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably request to evidence compliance by the District with legal requirements, the accuracy, as of the time of Closing, of the District’s representations herein contained and the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

If the District shall be unable to satisfy the conditions to the Underwriter’s obligations contained in this Bond Purchase Agreement or if the Underwriter’s obligations shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the District nor the Underwriter shall have any further obligation hereunder, nor any liability to any other party with respect to such termination.

10. The Underwriter may terminate this Bond Purchase Agreement by notification to the District if at any time after the date hereof and prior to the Closing any of the following events occur and, in the reasonable judgment of the Underwriter (A) materially affects the market price or marketability of the Bonds, or (B) the ability of the Underwriter to enforce contracts for the sale of the Bonds, at the contemplated offering prices (or yields) of the Bonds:

a. Legislation shall have been favorably reported for passage in either house of the Congress of the United States of America by any committee of such house to which legislation

has been referred for consideration or has been enacted (or resolution passed) by the Congress of the United States of America or recommended to the Congress by the President of the United States, the Department of the Treasury, the Internal Revenue Service, or any member of Congress, or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department of the United States of America or the Internal Revenue Service;

b. Legislation shall have been favorably reported for passage by either house of the United States Congress by any committee of such house to which such legislation has been referred for consideration, or has been enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Fiscal Agent Agreement is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws as amended and then in effect;

c. A general suspension of trading in securities on the New York Stock Exchange, or the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter, or a general banking moratorium or limits on loans or the amounts of loans to investment banking firms in general shall have been declared by federal, State of New York or State of California officials authorized to do so;

d. The introduction, proposal or enactment of any amendment to the United States Constitution or California Constitution or any action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the District, its property, income, securities (or interest thereon), the validity or enforceability of the Resolution, the Fiscal Agent Agreement or the Bonds;

e. Any event occurring, or information becoming known which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement, as of its date or as of the date hereof, or in the Official Statement, or has the effect that the Preliminary Official Statement, as of its date or as of the date hereof, or in the Official Statement, contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and, in either such

event, (A) the District refuses to permit the Official Statement to be supplemented to supply such statement or information in a manner satisfactory to the Underwriter or (B) the effect of the Official Statement as so supplemented is, in the judgment of the Underwriter, to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Bonds;

f. There shall have occurred any outbreak or increase of hostilities or terrorism or other local, national or international event, act, occurrence, calamity or crisis, or there shall have occurred a financial crisis or a default with respect to the debt obligations of, or the institution of proceedings under the federal or applicable state bankruptcy laws by or against, any agency or instrumentality of the State of California, any state of the United States or agency thereof, or any District located in the United States having a population of over one million the effect of which on the financial markets of the United States of America;

g. There shall have been any material change in the affairs of the District, or the Official Statement shall have been supplemented pursuant to Section 8(k) hereof;

h. Any rating of the Bonds shall have been downgraded, suspended or withdrawn by a national rating service;

i. An order, decree or injunction of any court of competent jurisdiction, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Preliminary Official Statement of the Official Statement, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities law as amended and then in effect;

j. A stop order, ruling, regulation or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been made or any other event occurs, the effect of which is that the issuance, offering or sale of the Bonds, or the execution and delivery of the Legal Documents as contemplated hereby or by the Preliminary Official Statement or the Official Statement, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws, including the Securities Act of 1933, the Securities and Exchange Act of 1934, or the Trust Indenture Act of 1939, each as amended and as then in effect; or

k. Any litigation shall be instituted or pending (with service of process against the District having been accomplished) at the time of the Closing to restrain or enjoin the issuance, sale or delivery of the Bonds, or in any way contesting or affecting any authority for or the validity of the proceedings, authorizing and approving the Bonds, the Resolution, the Legal Documents or the existence or powers of the District with respect to its obligations under the Legal Documents or the Bonds.

11. The District shall, except as set forth in the next succeeding paragraph, pay any expenses incident to the performance of the District's obligations hereunder, including but not limited to the following: (i) the cost of the preparation, printing and delivery of the Bonds,

(ii) the fees for bond ratings, (iii) the cost of printing and distribution of the Fiscal Agent Agreement, the Continuing Disclosure Certificate, the Preliminary Official Statement and the Official Statement, (iv) the fees and disbursements of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel, and of Schiff Hardin LLP, as Disclosure Counsel, (v) any fees and disbursements of the District's accountants (vi) the fees and disbursements of the Fiscal Agent and its counsel, (vii) the fees and expenses of Backstrom McCarley Berry & Co., LLC, financial advisor to the District, (viii) the fees and disbursements of any accountants, attorneys, auditors, experts, consultants or advisors retained by the District, and (ix) any other costs and disbursements incurred by the District in connection with the transaction. To the extent that the Underwriter, in order to facilitate the transactions hereunder, has advanced funds to pay any expenses of the District incidental to this Bond Purchase Agreement and the transactions hereunder (including, but not limited to, transportation, lodging, meals and other ancillary costs of District representatives associated with the financing), the District shall reimburse the Underwriter for such advances as part of the Underwriter's discount.

The Underwriter shall pay (i) the fees and disbursements of Hawkins Delafield & Wood LLP, retained by the Underwriter in connection with the purchase and sale of the Bonds pursuant hereto as Underwriter's counsel, (ii) the fee payable to the California Debt and Investment Advisory Commission with respect to the sale of the Bonds, (iii) advertising expenses and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds, (iv) fees and expenses related to obtaining CUSIP numbers, and (v) expenses to qualify the Bonds for sale under any Blue Sky laws. Notwithstanding that the fees payable to the California Debt and Investment Advisory Commission are solely the legal obligation of the Underwriter, the District agrees to reimburse the Underwriter for such fees as part of the Underwriter's discount.

12. Any notice or other communication to be given to the District under this Bond Purchase Agreement may be given by delivering the same in writing to Midpeninsula Regional Open Space District, 330 Distel Circle, Los Altos, CA 94022-1404, Attention: Chief Financial Officer, or to such other person as she may designate in writing, and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement (other than the acceptance hereof as specified in the first Paragraph hereof) may be given by delivering the same in writing to Morgan Stanley & Co. LLC, 555 California Street, 21st Floor, San Francisco, California 94104, Attention: Adam Aranda.

13. The validity, interpretation and performance of this Bond Purchase Agreement shall be governed by the laws of the State of California.

14. The term "end of the underwriting period" means the later of such time as (i) the District delivers the Bonds to the Underwriter or (ii) the Underwriter does not retain directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the "end of the underwriting period" shall be deemed the Closing Date. Any notice delivered pursuant to this Section shall be written notice, delivered to the District at or prior to the Closing, and shall specify a date, other than the Closing Date (or other date specified by notice delivered pursuant to this Section), to be deemed the "end of the underwriting period."

15. This Bond Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

16. The District acknowledges and agrees that: (i) the transaction contemplated by this Bond Purchase Agreement is an arm's length, commercial transaction between the District and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the District; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the District with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Underwriter has provided other services or is currently providing other services to the District on other matters); (iii) the only contractual obligations the Underwriter has to the District with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Agreement; and (iv) the District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

17. Issue Price.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Securities and shall execute and deliver to the District at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix C, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the District under this section to establish the issue price of the Bonds may be taken on behalf of the District by the District's municipal advisor identified herein and any notice or report to be provided to the District may be provided to the District's municipal advisor.

(b) [Except as otherwise set forth in Schedule I attached hereto,] the District will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

[Subsection (c) shall apply only if the Underwriter agrees to apply the hold-the-offering-price rule, as described below.]

(c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as

otherwise set forth therein. Schedule I also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The District acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(e) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

18. This Bond Purchase Agreement when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter and is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No other person shall acquire or have any right hereunder or by virtue hereof.

Very truly yours,

MORGAN STANLEY & CO. LLC

By: _____
Executive Director

Agreed and Accepted this

____ day of _____ at _____ p.m.

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

By: _____
Chief Financial Officer

SCHEDULE I

**[\$[Principal Amount]
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
(COUNTIES OF SANTA CLARA, SAN MATEO AND SANTA CRUZ, CALIFORNIA)
GENERAL OBLIGATION BONDS (GREEN BONDS), SERIES 2018**

SERIAL BONDS

<u>Maturity Date</u> <u>(Sept. 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Sold</u>
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					

TERM BONDS

\$ _____ % Term Bond due September 1, 20__; Yield ____%; Price: _____

C Price to par call on September 1, 20__.

APPENDIX A

FORM OF DISCLOSURE COUNSEL OPINION

[Closing Date], 2018

Midpeninsula Regional Open Space District
Los Altos, California

Morgan Stanley & Co. LLC
San Francisco, California

Re: MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
(COUNTIES OF SANTA CLARA, SAN MATEO AND SANTA CRUZ,
CALIFORNIA) GENERAL OBLIGATION BONDS (GREEN BONDS),
SERIES 2018

Ladies and Gentlemen:

We have acted as disclosure counsel to the Midpeninsula Regional Open Space District (the “District”) in connection with the issuance by the District of \$[Principal Amount] principal amount of Midpeninsula Regional Open Space District Green Bonds, 2018 Refunding Series A (the “2018 Series A Bonds”) and \$[Series B Principal Amount] principal amount of Midpeninsula Regional Open Space District Green Bonds, 2018 Refunding Series B (Federally Taxable) (the “Taxable 2018 Series B Bonds” and together with the 2018 Series A Bonds, the “2018 Green Bonds”). The 2018 Green Bonds are issued pursuant to the Constitution and laws of the State of California (the “State”), including the provisions of Article 3 of Chapter 3 of Division 5 of the Public Resources Code (the “District Act”), and all laws amendatory thereof or supplemental thereto, including Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (together with the District Act, the “Law”) and an Fiscal Agent Agreement, dated as of [Dated Date], 2018 (the “Fiscal Agent Agreement”), between the District and Zions Bank, a division of ZB, National Association, as fiscal agent (the “Fiscal Agent”), and are more fully described in the Official Statement relating to the 2018 Green Bonds, dated [Pricing Date], 2018 (the “Official Statement”). The 2018 Green Bonds were purchased by Morgan Stanley & Co. LLC (the “Underwriter”) pursuant to the terms and conditions of a Bond Purchase Agreement, dated [Pricing Date], 2018 (the “Purchase Agreement”), by and between the Underwriter and the District. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms as set forth in the Official Statement.

We have examined originals, or copies certified or otherwise identified to our satisfaction, of such documents, records, certificates and other instruments as we have deemed necessary or appropriate for the purpose of rendering this opinion, including, without limitation, the Fiscal Agent Agreement; the Official Statement; the Continuing Disclosure Certificate, dated [Closing Date], 2018 (the “Continuing Disclosure Certificate”) executed by the District and agreed to and accepted

by Goodwin Consulting Group, as dissemination agent (the “Dissemination Agent”); opinions of counsel to the District and to the Fiscal Agent; certificates of the District, and others; and such other documents, reports, certificates, opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth herein.

In arriving at the opinions and conclusions hereinafter expressed, we are not expressing any opinion or view on, and with your permission are assuming and relying on, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above, including the accuracy of all factual matters represented and legal conclusions contained therein, including, without limitation, any representations and legal conclusions regarding the due authorization, issuance, delivery, validity and enforceability of the 2018 Green Bonds; the exclusion of interest thereon from gross income for federal income tax purposes; the legality, validity and enforceability of the Continuing Disclosure Certificate, and any laws, documents and instruments that may be related to the issuance, payment or security of the 2018 Green Bonds.

We have assumed that all documents, records, reports, certificates and opinions that we have reviewed, and the signatures thereto, are genuine. Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. The 2018 Green Bonds constitute exempt securities under Section 3(a)(2) of the Securities Act of 1933, as amended; the offer, sale and delivery of the 2018 Green Bonds do not require registration under the Securities Act of 1933, as amended, and the Fiscal Agent Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended.

2. In our capacity as disclosure counsel to the District in connection with the issuance of the 2018 Green Bonds, we have rendered certain legal advice and assistance in connection with the preparation of the Official Statement. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal matters, review of certain records, documents and proceedings, and participation in meetings, discussions and telephone conferences with, among others, representatives of the District, the Underwriter, Backstrom McCarley Berry & Co., LLC, as Financial Advisor to the District, Bond Counsel, General Counsel to the District, Underwriter’s Counsel, counsel to the Fiscal Agent, and the Dissemination Agent, during which meetings and telephone conferences the contents of the Official Statement and related matters were discussed. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof.

Based upon our participation in the above-referenced conferences (which did not extend beyond the date of the Official Statement, the information made available to us in the course of our participation in the preparation of the Official Statement, and in reliance on the documents, certificates, records, instruments and opinions herein mentioned, and without passing on or assuming any responsibility for the accuracy, completeness or fairness of the statements made in the Official Statement and without having made any independent investigation or verification thereof, we confirm that nothing has come to our attention which would lead us to believe that the Official Statement (excluding therefrom financial, engineering, demographic and statistical data,

forecasts, projections, estimates, assumptions and expressions of opinions, CUSIP numbers, statements relating to DTC and the operation of its book-entry system and the appendices to the Official Statement (excluding APPENDIX E—"FORM OF CONTINUING DISCLOSURE CERTIFICATE" as to all of which no view need be expressed) as of its date and the date hereof contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect. In this connection, however, we must advise you that the limitations inherent in the examination made by us and the knowledge available to us are such that we are unable to assume, and are not passing upon and do not assume responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements.

We are admitted to the Bar in the State of California. Our opinion herein is limited to matters governed by the laws of the State of California and the federal securities laws of the United States, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

This letter is furnished by us as disclosure counsel to the District. This letter is delivered to the addressees hereof, solely for their benefit, and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person without our prior written consent, although it may be included in a closing transcript prepared for the 2018 Green Bonds. Our engagement with respect to this matter has terminated as of the date hereof, and we disclaim any obligation to update this letter. This letter is not intended to, and may not, be relied upon by owners of the 2018 Green Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

APPENDIX B

FORM OF DISTRICT COUNSEL OPINION

[Closing Date], 2018

Midpeninsula Regional Open Space District
Los Altos, California

Morgan Stanley & Co. LLC
San Francisco, California

**Re: \$[Principal Amount]
 Midpeninsula Regional Open Space District, California
 Green Bonds, 2018 Refunding**

Ladies and Gentlemen:

We have acted as counsel to the Midpeninsula Regional Open Space District (the “District”) in connection with the issuance by the District of its Green Bonds, 2018 Refunding (the “Bonds”) in the aggregate principal amount of \$[Principal Amount] and the sale of such Bonds pursuant to the Bond Purchase Agreement dated [Pricing Date], 2018 (the “Bond Purchase Agreement”) between the District and Morgan Stanley & Co. LLC.

In connection therewith, we have examined originals or copies certified or otherwise identified to our satisfaction of such documents, records and other instruments as we have deemed necessary or appropriate for the purpose of this opinion, including (i) Resolution No. 19-97 adopted by the District of Directors of the District (the “Board”) on [Resolution Date] (the “Board Resolution”), (ii) a Fiscal Agent Agreement, dated as of [Dated Date], 2018, by and between the District and Zions Bank, a division of ZB, National Association, as fiscal agent (the “Fisca; Agent”), (iii) the Preliminary Official Statement of the District relating to the Bonds dated [POS Date] (the “Preliminary Official Statement”) and the Official Statement of the District relating to the Bonds dated [Pricing Date], 2018 (the “Official Statement”), (iv) the Continuing Disclosure Certificate, dated [Closing Date], 2018 (the “Continuing Disclosure Certificate”), executed by the District, (v) the Tax Certificate, dated the date hereof and executed by the District, and (vi) the various proceedings of the District and certificates and counsel opinions executed and delivered in connection with the sale of the Bonds.

Based upon the foregoing and upon consideration of applicable law, and subject to the qualifications provided herein, we are of the opinion that:

1. The District is duly organized and validly existing under the laws of the State of California.
2. The District Resolution was duly adopted, and the Fiscal Agent Agreement, the Bond Purchase Agreement and the Continuing Disclosure Certificate (the “District Legal Documents”) and the Preliminary Official Statement and the Official Statement were duly approved and authorized to be executed, at a meeting of the governing body of the District,

which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout.

3. The District has the right and power under law to adopt the District Resolution and to enter into the District Legal Documents. The District Legal Documents are valid and binding upon the District and enforceable in accordance with its terms (except as enforcement may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditor's rights generally). No other authorization for the adoption of the District Resolution, the execution and delivery of the Fiscal Agent Agreement and the issuance of the Bonds is required (except for "Blue Sky" laws and other securities regulation of which we express no opinion).

4. Other than as described in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, or investigation at law or in equity before or by any court, public board or body, pending (with service of process against the District having been accomplished) or, to the best of our knowledge, threatened against or affecting the District (i) to restrain or enjoin the issuance or the delivery of the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity of the Bonds, the Fiscal Agent Agreement or the District Resolution, (iii) in any way contesting the existence or powers of the District with respect to the issuance of the Bonds or the security therefore, or (iv) if determined adversely to the District, would have a material, adverse impact on the operations or finances of the District.

5. The execution and delivery of the District Legal Documents by the District, and performance by the District of its obligations thereunder, will not in any material manner conflict with or result in a breach of any of the terms, conditions or provisions of any agreement or instrument to which the District is a party or by which it is bound or constitute a default thereunder.

6. The District is not in material breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any lease agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or is otherwise subject which breach or default would, materially adversely affect the District's ability to enter into or perform its obligations under the District Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach or default.

7. To the best of my knowledge, the information in the Preliminary Official Statement and the Official Statement concerning the District (excluding therefrom financial statements and other statistical data included in the Official Statement, and the information contained under the caption "UNDERWRITING" and all information concerning the book-entry system set forth under the caption "The 2018 Green Bonds" and in [Appendix G], as to which no view is expressed) does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

APPENDIX C

FORM OF ISSUE PRICE CERTIFICATE

**[\$[PRINCIPAL AMOUNT]
[BOND CAPTION]
ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of MORGAN STANLEY & CO. LLC (the “Underwriter”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

Select appropriate provisions below:

1. [Alternative 1¹ – All Maturities Use General Rule: *Sale of the Bonds*. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.][Alternative 2² – Select Maturities Use General Rule: *Sale of the General Rule Maturities*. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.]

2. ***Initial Offering Price of the [Bonds][Hold-the-Offering-Price Maturities].***

(a) [Alternative 1³ – All Maturities Use Hold-the-Offering-Price Rule: The Underwriter offered the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.] [Alternative 2⁴ – Select Maturities Use Hold-the-Offering-Price Rule: The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.]

(b) [Alternative 1 – All Maturities use Hold-the-Offering-Price Rule: As set forth in the Bond Purchase Agreement, the Underwriter has agreed in writing that, (i) for each Maturity of the Bonds, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the

¹ If Alternative 1 is used, delete the remainder of paragraph 1 and all of paragraph 2 and renumber paragraphs accordingly.

² If Alternative 2 is used, delete Alternative 1 of paragraph 1 and use each Alternative 2 in paragraphs 2(a) and (b).

³ If Alternative 1 is used, delete all of paragraph 1 and renumber paragraphs accordingly.

⁴ Alternative 2(a) of paragraph 2 should be used in conjunction with Alternative 2 in paragraphs 1 and 2(b).

retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period. [Alternative 2 - Select Maturities Use Hold-the-Offering-Price Rule: As set forth in the Bond Purchase Agreement, the Underwriter has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

[(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”]

[(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”]

[(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([DATE]), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means Midpeninsula Regional Open Space District.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

(g) *Related Party* means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(h) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [DATE].

(i) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written

contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the [Tax Certificate] and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP, bond counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

Morgan Stanley & Co. LLC

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES
(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)