

\$ \_\_\_\_\_  
**COALINGA PUBLIC FINANCING AUTHORITY**  
**(Fresno County, California)**  
**Wastewater Revenue Bonds, Series 2024**  
**(Solar Project)**

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**BOND PURCHASE AGREEMENT**

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August 20, 2024

Coalinga Public Financing Authority  
155 West Durian  
Coalinga, CA 93210

City of Coalinga  
155 West Durian  
Coalinga, CA 93210

Ladies and Gentlemen:

The undersigned, Oppenheimer & Co. Inc. (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with the Coalinga Public Financing Authority (the "Authority") and the City of Coalinga (the "City"), which, upon the Authority's and City's acceptance hereof, will be binding upon the Authority, the City and the Underwriter. This offer is made subject to written acceptance by the Authority and the City and the delivery of such acceptance to the Underwriter at or prior to 9:00 P.M., California time, on the date hereof. If this offer is not so accepted, this offer will be subject to withdrawal by the Underwriter upon notice delivered to the Authority and the City at any time prior to acceptance by the Authority and the City. All capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed thereto in the Official Statement (as defined herein).

**1. Purchase, Sale and Delivery of the Bonds.**

(a) Subject to the terms and conditions, and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase, and the Authority agrees to sell and deliver to the Underwriter, all (but not less than all) of the \$ \_\_\_\_\_ Coalinga Public Financing Authority (Fresno County, California) Wastewater Revenue Bonds, Series 2024 (Solar Project) (the "Bonds"). The Bonds shall be dated the date of delivery thereof and shall mature on such dates and shall bear interest at such rates set forth in Exhibit A attached hereto. Interest on the Bonds shall be payable semiannually on April 1 and October 1 of each year, commencing April 1, 2025.

(b) The purchase price for the Bonds shall be \$ \_\_\_\_\_ (consisting of the \$ \_\_\_\_\_ aggregate principal amount of the Bonds, plus \$ \_\_\_\_\_ of net original issue premium, less

\$\_\_\_\_\_ of Underwriter's discount). As an accommodation to the Authority, the Underwriter will transfer the sum of \$\_\_\_\_\_ to \_\_\_\_\_ (the "Municipal Bond Insurer") in payment of the premium for the municipal bond insurance policy issued for the Bonds (the "Municipal Bond Insurance Policy") and will transfer the sum of \$\_\_\_\_\_ to the Municipal Bond Insurer in payment of the premium for the reserve fund municipal bond insurance policy issued for the Bonds in lieu of cash funding a reserve fund for the Bonds (the "Reserve Policy"). The net purchase price of the Bonds of \$\_\_\_\_\_ will be transferred to the Trustee.

All capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in Section 1.01 of the Indenture.

(c) The Bonds shall be issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, consisting of Article 4, Chapter 5, Division 7, Title 1 of the California Government Code (commencing with Section 6584) (the "Bond Law"), and an Indenture of Trust, dated as of August 1, 2024 (the "Indenture"), by and between the Authority and Computershare Trust Company, N.A., as trustee (the "Trustee"), a resolution of the governing body of the Authority adopted on August 1, 2024 (the "Authority Resolution"), and a resolution of the City, adopted on August 1, 2024 (the "City Resolution").

(e) The Bonds shall be substantially in the form described in, and shall be issued and secured under the provisions of, the Indenture. The Bonds shall be secured by a pledge, charge and lien upon Revenues", which consist primarily of installment payments to be made by the City to the Authority pursuant to an installment sale agreement, dated as of August 1, 2024 (the "Installment Sale Agreement"), by and between the City and the Authority.

The Bonds are being issued by the Authority to (a) finance the acquisition and construction of certain improvements, including but not limited to, the installation of a solar photovoltaic (PV) system which will generate electricity through the conversion of solar energy and facilities, constituting part of the City's municipal water enterprise (the "Wastewater System"), (b) to purchase the Municipal Bond Insurance Policy and the Reserve Policy, , (c) fund capitalized interest on the Bonds through April 1, 2026, and (d) to pay costs of issuance of the Bonds.

The City will undertake, pursuant to a continuing disclosure certificate (the "Continuing Disclosure Certificate") to provide certain annual financial information, specified other information data and notices of the occurrence of certain events, if material, to IGService, the initial Dissemination Agent, or any successor Dissemination Agent. A description of this undertaking is set forth in the Preliminary Official Statement (as defined herein) and will also be set forth in the Official Statement (as defined herein).

The Indenture, the Installment Sale Agreement, the Continuing Disclosure Certificate and this Bond Purchase Agreement, are herein referred to as the "Financing Documents."

(c) At 8:00 o'clock A.M., Pacific Standard time, on August 29, 2024, or at such other time or on such other date as mutually agreed upon by the Authority, the City and the Underwriter (such time and date herein referred to as the "Closing Date"), the Authority will, subject to the terms and conditions hereof, sell and deliver, or cause to be delivered, the Bonds to the Underwriter, in definitive form, duly executed and authenticated, together with the other documents mentioned herein, and subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in subparagraph (a) above in immediately available funds (such delivery and payment being herein referred to as the "Closing") to the order of the Trustee. Sale, delivery and payment as aforesaid shall be made at the offices of Stradling Yocca Carlson & Rauth LLP ("Bond

Counsel”), 660 Newport Center Drive, Suite 1600, Newport Beach, CA, or such other place as shall have been mutually agreed upon by the Authority, the City and the Underwriter, except that the Bonds shall be delivered through the Trustee via the F.A.S.T. delivery book-entry system of The Depository Trust Company (“DTC”) in New York, New York, or at such other place as shall have been mutually agreed upon by the Authority and the Underwriter, in fully registered book-entry eligible form (which may be typewritten) and registered in the name of Cede & Co. as nominee of DTC.

**2. Use and Preparation of Official Statement.** The Authority and the City hereby ratify, confirm and approve of the use and distribution by the Underwriter prior to the date hereof of an official statement in preliminary form dated August 13, 2024, relating to the Bonds (which, together with all appendices thereto, is referred to herein as the “Preliminary Official Statement”). The Authority and the City have deemed final the Preliminary Official Statement as of its date for purposes of Rule 15c2-12 promulgated by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), except for information permitted to be omitted therefrom by Rule 15c2-12. The Authority and the City hereby agree to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof and at least in sufficient time to accompany any orders or confirmations that request payment from any customer, copies of the final official statement, dated the date hereof (which, together with all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements to such official statement as have been approved by the Authority, the City and the Underwriter is referred to herein as the “Official Statement”) in sufficient quantity to enable the Underwriter to comply with the rules of the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Authority and the City hereby approve of the use and distribution by the Underwriter of the Official Statement in connection with the offer and sale of the Bonds. At the time of or prior to the Closing Date, the Underwriter shall file a copy of the Official Statement with the Municipal Securities Rulemaking Board and with a nationally recognized securities information repository. The Underwriter shall advise the Authority and the City of the date and repository of such filing.

**3. Bona Fide Public Offering.** The Underwriter agrees to make a bona fide public offering of all of the Bonds, at prices not in excess of the initial public offering yields or prices set forth on the cover page of the Official Statement. Subject to Section 4(c), the Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices; provided, however, that the Underwriter may offer a portion of the Bonds for sale to selected dealers who are members of the Financial Industry Regulatory Authority and who agree to resell the Bonds to the public on terms consistent with this Bond Purchase Agreement, and the Underwriter reserves the right to change such offering prices or yields as the Underwriter shall deem necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering prices or at yields higher than the initial yields set forth on Exhibit A attached hereto. The Underwriter also reserves the right to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market and to discontinue such stabilizing, if commenced, at any time. None of such activities shall affect the principal amounts, maturity dates, interest rates, redemption or other provision of the Bonds or the amount to be paid by the Underwriter to the Authority for the Bonds.

#### **4. Establishment of Issue Price.**

660 Newport Center Drive, Suite 1600, Newport Beach, CA,

## **5. Representations, Warranties and Agreements of the Authority and the City.**

(a) The Authority hereby represents, warrants and agrees with the Underwriter as follows:

(1) The Authority is, and will be on the Closing Date, a joint powers entity of the State of California organized and operating pursuant to the laws of the State of California with the full power and authority to issue the Bonds pursuant to the Bond Law, to execute and deliver the Official Statement and to enter into the Financing Documents to which the Authority is a party;

(2) By all necessary official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has duly approved the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in, the Financing Documents to which the Authority is a party and the consummation by it of all other transactions contemplated by the Official Statement and the Financing Documents to which the Authority is a party;

(3) The Financing Documents to which the Authority is a party, when duly executed by the other party thereto, will constitute the legal, valid and binding agreements of the Authority enforceable against the Authority in accordance with their respective terms; except as enforcement of each of the Financing Documents may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance laws, laws affecting the enforcement of creditors rights, the application of equitable principles and judicial discretion, by the covenant of good faith and fair dealing which may be implied by law into contracts, and by the limitations on legal remedies against public agencies in the State of California;

(4) The Authority is not in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or to which the Authority or any of its property or assets is otherwise subject, 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 default or event of default in any material respect under any such instrument; and the issuance of the Bonds and the execution and delivery of the Official Statement and the Financing Documents to which the Authority is a party and compliance with the provisions on the Authority's part contained herein and therein, will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided in the Indenture and the Installment Sale Agreement;

(5) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best knowledge of the Authority, threatened against the Authority affecting the

corporate existence of the Authority or affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds or contesting or affecting the execution and delivery of the Financing Documents or the Bonds or the lien or pledge or application of any moneys or security provided thereby, or in any way contesting or affecting the validity or enforceability of the Financing Documents, the Bonds or the Authority Resolution, or the compliance by the Authority with the covenants contained in the Financing Documents, or contesting in any way the completeness or accuracy of the Preliminary Official Statement and the Official Statement relating to the Bonds, or contesting the power of the Authority to execute and deliver the Financing Documents to which the Authority is a party or the Bonds, nor to the best of the Authority's knowledge, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Financing Documents or materially impair the investment quality or value of the Bonds;

(6) 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 by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Authority of its obligations in connection with the issuance of the Bonds under the Indenture 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 described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Authority of its obligations under the Financing Documents to which the Authority is a party have been duly obtained;

(7) The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (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 its best efforts to continue such qualification in effect so long as required for distribution of the Bonds; provided, however, that in no event shall the Authority be required to take any action which would subject it to service of process in any jurisdiction in which it is not now so subject;

(8) As of the date thereof, the Preliminary Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not, except as revised by the Official Statement, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(9) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not and will not contain any untrue statement of a material fact or omit 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;

(10) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which might or would cause the information contained in the Official Statement (other than information concerning DTC and the book-entry system), as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in light of the circumstances under which it was presented, not misleading, the Authority will notify the Underwriter, and, if in the opinion of the Authority, the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will forthwith prepare and furnish to the Underwriter (at the expense of the Authority) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the Authority will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

(11) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (9) of this Section 5(a), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (other than information concerning DTC and the book-entry system) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading;

(12) After the Closing Date, the Authority will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing; and

(13) Any certificate signed by any authorized official of the Authority, and delivered to the Underwriter in connection with the delivery of the Bonds, shall be deemed a representation and warranty by the Authority to the Underwriter as to the statements made therein.

(b) The City represents, warrants and covenants to the Underwriter that:

(1) The City is and on the Closing Date will be a municipal corporation of the State of California, with the legal right, power and authority to approve the issuance of the Bonds, approve the Official Statement, execute, deliver and perform its obligations under this Bond Purchase Agreement and the Financing Documents to which it is a party, and to carry out its obligations as described therein;

(2) The City has duly approved this Bond Purchase Agreement and the distribution of the Preliminary Official Statement, the execution and delivery of, and the performance by the City of the obligations on its part contained in the Bonds and the Financing Documents to which it is a party, and the consummation by it of all other transactions contemplated by the Official Statement and this Bond Purchase Agreement;

(3) The Financing Documents to which the City is a party, when duly executed by the other party thereto, will constitute the legal, valid and binding agreements of the City enforceable against the City in accordance with their respective terms; except as enforcement of each of the Financing Documents may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance laws, laws affecting the enforcement of creditors rights, the application of equitable principles and judicial discretion, by the covenant of good faith and fair dealing which may be implied by law into contracts, and by the limitations on legal remedies against public agencies in the State of California;

(4) Except as otherwise disclosed in the Official Statement, the City is not in any material respect, in breach of or default under (i) any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or (ii) any material loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute an event of default under any such instrument;

(5) The approval of the Official Statement, the execution and delivery of this Bond Purchase Agreement, the Bonds and the Financing Documents to which the City is a party, the consummation of the transactions herein and therein contemplated, and the fulfillment of or compliance with the terms and conditions hereof and thereof will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or, to the knowledge of the City, any indenture, mortgage, deed of trust, installment purchase agreement, lease, contract or other agreement or instrument to which it is a party, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the City's assets, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Bond Purchase Agreement, the Official Statement, the Financing Documents to which the City is a party, or the financial condition, assets, properties or operations of the City;

(6) No consent or approval of any trustee or holder of any indebtedness of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority (except in connection with Blue Sky proceedings, if any) is necessary in connection with the execution and delivery of the Bonds, this Bond Purchase Agreement or the Financing Documents to which the City is a party, or the consummation of any transaction therein or herein contemplated on the part of the City, except as have been obtained or made and as are in full force and effect or, as appropriate, will be in full force and effect at the Closing;

(7) Except as otherwise disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the City, threatened against or affecting the City which, if determined adversely to the City or the interests

thereof, would (a) affect the creation, organization, existence or powers of the City or the titles of its officers or officials to their respective offices; (b) in any way question or affect the validity or enforceability of any of the Financing Documents or the City Resolution; (c) find illegal, invalid or unenforceable any of the Financing Documents or the transactions contemplated thereby, or any other agreement or instrument related to the issuance of the Bonds; (d) affect the issuance or delivery of any of the Bonds, the payment or collection of any revenues or charges of the Wastewater System, the validity of the pledge of or lien on such revenues or charges for the payment of the Installment Payments payable by the City under the Installment Sale Agreement; or (e) contest the completeness or accuracy of the Official Statement;

(8) Except as otherwise disclosed in the Official Statement, the City does not and will not have outstanding any indebtedness or obligation which is secured by a pledge of or lien on the Wastewater System Net Revenues superior to or on a parity with the lien of the Installment Payments on the Wastewater System Net Revenues.

(9) As of the date thereof, the Preliminary Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not, except as revised by the Official Statement, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(10) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not and will not contain any untrue statement of a material fact or omit 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;

(11) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which might or would cause the information contained in the Official Statement (other than information concerning DTC and the book-entry system), as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in light of the circumstances under which it was presented, not misleading, the City will notify the Underwriter, and, if in the opinion of the City, the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will forthwith prepare and furnish to the Underwriter (at the expense of the City) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the City will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

(12) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (11) of this Section 5(b), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or



amended pursuant to such paragraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (other than information concerning DTC and the book-entry system) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading;

(13) After the Closing Date, the City will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing;

(14) Between the date of this Bond Purchase Agreement and the Closing Date, except as disclosed in the Official Statement, the City will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities direct or contingent, payable from Gross Revenues of the Wastewater System, other than in the ordinary course of its business, nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the City;

(15) No current study undertaken by or on behalf of the City regarding the feasibility of the 2024 Wastewater Project (as defined in the Official Statement) has been excluded from mention in the Official Statement;

(16) Except as otherwise disclosed in the Official Statement, the City has not in the previous five years failed to comply in any material respect, and is as of the date hereof in compliance in all material respects, with its disclosure obligations under any prior undertaking related to the Securities and Exchange Commission Rule 15c2-12 to provide annual reports or notices of enumerated events; and

(17) Any certificate signed by any authorized official of the City, and delivered to the Underwriter in connection with the delivery of the Bonds, shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein.

(c) As used herein and for the purposes of the foregoing, the term "End of the Underwriting Period" for the Bonds shall mean the earlier of (i) the Closing Date unless the Authority and the City shall have been notified in writing to the contrary by the Underwriter on or prior to the Closing Date, or (ii) the date on which the End of the Underwriting Period for the Bonds has occurred under Rule 15c2-12; provided, however, that the Authority and the City may treat as the End of the Underwriting Period for the Bonds the date specified as such in a notice from the Underwriter stating the date which is the End of the Underwriting Period.

(d) The representations, warranties and agreements herein shall survive the Closing Date and any investigation made on behalf of the Authority (with respect to subsection (a) of this Section 3), the City (with respect to subsection (b) of this Section 3) and the Underwriter of any matters described in or related the transactions hereby and by this Bond Purchase Agreement, the Official Statement, the Bonds and the Financing Documents to which the Authority or the City, as the case may be, is a party.

**6. Conditions to the Obligations of the Underwriter.** The Underwriter hereby enters into this Bond Purchase Agreement in reliance upon the representations and warranties of the Authority and the City contained herein and the representations and warranties of the

Authority and the City to be contained in the documents and instruments to be delivered on or prior to the Closing Date and upon the performance by the Authority and the City of their obligations both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations and warranties of the Authority and the City contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Authority and the City made in any certificate or other document furnished pursuant to the provisions hereof, to the performance by the Authority and the City of their obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and also shall be subject to the following additional conditions:

(a) The Underwriter shall receive, within seven (7) business days of the date hereof and at least in sufficient time to accompany any orders or confirmations that request payment from any customer, copies of the Official Statement (including all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriter), in such quantity as the Underwriter shall have requested pursuant to Section 2 hereof;

(b) The representations and warranties of the Authority and the City contained herein shall be true and correct on the date hereof and on the Closing Date, as if made on and at the Closing Date;

(c) As of the Closing Date, the Financing Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Authority, all in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter, and such Financing Documents shall be in full force and effect and shall not have been amended, modified or supplemented and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter; and there shall be in full force and effect such resolution or resolutions of the Authority and the City as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(d) Between the date hereof and the Closing Date, the market price or marketability, at the initial public offering prices set forth in the Official Statement, of the Bonds shall not have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the Authority terminating the obligation of the Underwriter to accept delivery of and make any payment for the Bonds), by reason of any of the following:

(1) an amendment to the Constitution of the United States or the State of California shall have been passed or legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of any state having jurisdiction of the subject matter or legislation pending in the Congress of the United States shall have been amended or legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an

option for consideration by either such Committee by the staff of such Committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State of California or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State of California authority, with respect to federal or State of California taxation upon revenues or other income of the general character to be derived by the Authority or upon interest received on obligations of the general character of the Bonds which may have the purpose or effect, directly or indirectly, of affecting the tax status of the Authority, its property or income, its securities (including the Bonds) or the interest thereon, or any tax exemption granted or authorized by State of California legislation or materially and adversely affecting the market for the Bonds or the market price generally of obligations of the general character of the Bonds;

(2) legislation enacted, introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter shall have been made or issued to the effect that obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(3) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State of California, or a decision by any court of competent jurisdiction within the State of California or any court of the United States of America shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds;

(4) the escalation in military hostilities or declaration by the United States of a national emergency or war, or other calamity or crisis or escalation thereof;

(5) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(6) 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 obligations of the general character of the Bonds or securities generally, 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;

(7) an order, decree or injunction of any court of competent jurisdiction, or order, ruling, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, 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 Official Statement, is or would be in violation of the federal securities laws as amended and then in effect;

(8) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance or sale of the Bonds or in any way contesting the validity of the Bonds or the Financing Documents, or the existence or powers of the Authority or the City;

(9) any event occurring, or information becoming known that, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement or has the effect that the Official Statement contains any untrue statement of 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;

(10) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of the Bond Purchase Agreement in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or state court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or state authority affecting the federal or state tax status of the City or the Authority, or the interest on bonds or notes (including the Bonds);

(11) the withdrawal or downgrading of any rating of the Bonds by a national rating agency; or

(12) any other event shall have occurred since the date of hereof that in the reasonable judgment of the Underwriter materially adversely affects the marketability or market price of the Bonds.

(e) At or prior to the Closing Date, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) The Official Statement and each supplement or amendment, if any, thereto, executed by the Authority and approved by the City;

(2) Copies of each of the Financing Documents, each duly executed and delivered by the respective parties thereto;

(3) The approving opinions of Bond Counsel, dated the Closing Date and addressed to the Authority, in substantially the forms attached to the Official Statement as Appendix E thereto, together with reliance letters addressed to the Underwriter permitting the Underwriter to rely on such opinions;

(4) The supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that the statements in the Official Statement under the captions "INTRODUCTION," "THE BONDS" (excluding the information relating to DTC and the book-entry only system), "SECURITY FOR THE BONDS," "TAX MATTERS," APPENDIX D—SUMMARY OF PRINCIPAL LEGAL DOCUMENTS, and APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE insofar as such statements purport to summarize certain provisions of the Financing Documents or the Bonds and such counsel's final legal opinion concerning certain federal tax matters, are accurate in all material respects;

(5) The letter of Stradling Yocca Carlson & Rauth LLP, in its capacity as Disclosure Counsel, dated the Closing Date and addressed to the Authority and the Underwriter, substantially in the form attached hereto as Exhibit C.

(6) An opinion, dated the Closing Date and addressed to the Underwriter and the Authority, of the City Attorney, to the effect that:

(i) the City is a municipal corporation and general law city duly organized and validly existing under the Constitution and laws of the State of California;

(ii) the Financing Documents to which it is a party have been duly approved by resolutions of the City adopted at meetings duly called and held in accordance with the requirements of all applicable laws, with all public notice required by law, and at which a quorum of the members of the City Council of the City was continuously present and such resolutions have not been modified, amended or rescinded since the date of its adoption;

(iii) except as described in the Official Statement, to such counsel's best knowledge, there is no litigation, inquiry, or investigation pending or threatened, which: (A) challenges the right or title of any member of the City Council of the City or officer of the City to hold his or her office or exercise or perform the powers and duties pertaining thereto; (B) challenges the validity or enforceability of the Bonds or the Financing Documents; (C) seeks to restrain or enjoin the sale of the Bonds or the execution and delivery by the City of, or the performance by the City of its legal obligations under, the Financing Documents to which it is a party or in which a final adverse decision could materially adversely affect the operations of the City; or (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement;

(iv) to such counsel's best knowledge, the execution and delivery by the City of, and the performance by the City of its obligations under, the Financing Documents to which it is a party, do not conflict with, violate or constitute a default under any provision of any law, court order or decree or any contract, instrument or agreement to which the City is a party or by which it is bound and of which such counsel has knowledge;

(v) the Financing Documents to which it is a party have been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery of the Financing Documents by the parties thereto other than the City, the Financing Documents constitute legal, valid and binding agreements of the City, enforceable against the City in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights and remedies in general, or by the application of equitable principles if equitable remedies are sought; and

(vi) except as may be required under the "blue sky" or securities laws of the United States or any state, there is no authorization, approval, consent or other order of, or filing with, or certification by, the State or any other governmental authority or agency within the State having jurisdiction over the City required for the issuance of the Bonds or the consummation by the City of the other financial transactions contemplated by the Official Statement and the City Documents;

As used in such opinion, the phrase "current actual knowledge" may mean knowledge as such counsel shall have obtained from (i) the incumbency and signature certificate of the City, (ii) the representations and warranties contained in each closing certificate of the City, and (iii) knowledge of facts or other information currently known to lawyers in its firm who have performed legal services for the City.

(7) An opinion or opinions, dated the Closing Date and addressed to the Underwriter, of counsel for the Authority, to the effect that:

(i) the Authority is a joint exercise of powers entity duly organized and validly existing under the laws of the State of California pursuant to the Agreement;

(ii) the Financing Documents to which it is a party have been duly approved by a resolution of the Authority adopted at a regular meeting duly called and held in accordance with the requirements of all applicable laws, with all public notice required by law, and at which a quorum of the members of the Board of Directors of the Authority was continuously present and such resolution has not been modified, amended or rescinded since the date of its adoption;

(iii) except as described in the Official Statement, to such counsel's best knowledge, there is no litigation, inquiry, or investigation pending or threatened, which: (A) challenges the right or title of any member of the Board of Directors of the Authority or officer of the Authority to hold his or her office or exercise or perform the powers and duties pertaining thereto; (B) challenges the validity or enforceability of the Bonds or the Financing Documents; (C) seeks to restrain or enjoin the sale of the Bonds or the execution and delivery by the Authority of, or the performance by the Authority of its legal obligations under, the Financing Documents to which it is a party or in which a final adverse decision could materially adversely affect the operations of the Authority; or (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement;

(iv) to such counsel's best knowledge, the execution and delivery by the Authority of, and the performance by the Authority of its obligations under, the Financing Documents to which it is a party, do not conflict with, violate or constitute a default under any provision of any law, court order or decree or any contract, instrument or agreement to which the Authority is a party or by which it is bound and of which such counsel has knowledge;

(v) the Financing Documents to which it is a party have been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery of the Financing Documents by the parties thereto other than the Authority, the Financing Documents constitute legal, valid and binding agreements of the Authority, enforceable against the Authority in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights and remedies in general, or by the application of equitable principles if equitable remedies are sought; and

(vi) except as may be required under the "blue sky" or securities laws of the United States or any state, there is no authorization, approval, consent or other order of, or filing with, or certification by, the State or any other governmental authority or agency having jurisdiction over the Authority required for the issuance of the Bonds or the consummation by the Authority of the other financial transactions contemplated by the Official Statement and the Authority Documents;

As used in such opinion, the phrase "current actual knowledge" may mean knowledge as such counsel shall have obtained from (i) the incumbency and signature certificate of the Authority, (ii) the representations and warranties contained in each closing certificate of the Authority, and (iii) knowledge of facts or other information currently known to lawyers in its firm who have performed legal services for the Authority.

(8) The opinion of counsel to the Trustee, dated the Closing Date and addressed to the Authority, the City and the Underwriter, to the effect that (i) the Trustee has duly authorized, executed and delivered the Indenture and duly authenticated and delivered the Bonds on the Closing Date; and (ii) the Indenture constitutes the legally valid and binding obligation of the Trustee, enforceable against the Trustee in accordance with its terms, except that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting the rights of creditors generally and except to the extent that the enforceability thereof may be limited by the application of general principles of equity;

(9) A certificate or certificates, dated the Closing Date, signed by a duly authorized official of the Authority to the effect that (i) the representations and warranties of the Authority contained in this Bond Purchase Agreement are true, complete and correct on and as of the Closing Date; (ii) there is no action, suit, proceeding, inquiry or investigation pending or, to the best knowledge of such official, threatened (a) to restrain or enjoin the execution and delivery of any of the Bonds, (b) in any way affecting the validity of the Bonds or the Financing Documents to which the Authority is a party, (c) in any way contesting the corporate existence or powers of the Authority to execute and deliver the Financing Documents to which the Authority is a party or the Bonds, or (d) asserting that 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; and (iii) since the date of the Official Statement, no event has occurred which should have been set forth in an amendment or supplement to the Official Statement which has not been set forth in such amendment or supplement;

(10) A certificate or certificates, dated the Closing Date, signed by a duly authorized official of the City to the effect that (i) the representations and warranties of the City contained in this Bond Purchase Agreement and the Financing Documents to which the City is a party are true, complete and correct on and as of the Closing Date; (ii) 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 or, to the best knowledge of such official, threatened (a) to restrain or enjoin the execution and delivery of the Financing Documents to which the City is a party; (b) in any way contesting or affecting the validity of the Financing Documents to which the City is a party; (c) in any way contesting the power of the City to execute and deliver the Financing Documents to which the City is a party; (d) asserting that 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; or (e) seeking to prohibit, restrain or enjoin the collection of moneys from the Wastewater System to pay the Installment Payments securing the Bonds, or the compliance by the City of the covenants contained in the Financing Documents to which the City is a party, or questioning the authority of the City to fix, charge and collect rates for the services provided by the Wastewater System as provided in the Installment Sale Agreement or the authority of the City to fix, charge and collect rates for the services provided by the Wastewater System as provided in the Installment Sale Agreement, nor to the best knowledge of such official, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Financing Documents to which the City is a party or materially adversely impair the City's ability to perform its obligations the Financing Documents to which the City is a party; (iii) to the best of such official's knowledge and belief, after reasonable investigation, the Official Statement (excluding therefrom the information concerning DTC and the book-entry system included therein and Appendix G thereto), as of the date thereof and the Closing Date, did not and will not contain any untrue statement of a material fact or omit 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; and (iv) (a) since the date of the Official Statement, no event has occurred which should have been set forth in an amendment or supplement to the Official Statement which has not been set forth in such amendment or supplement, and (b) there has not been any material adverse change in the operations or financial affairs of the City, the Wastewater System since the date of the Official Statement;

(11) A certificate, dated the Closing Date, signed by a duly authorized official of the Trustee, satisfactory in form and substance to the Underwriter, to the effect that: (i) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture; (ii) the Trustee is duly authorized to enter into the Indenture and to authenticate and deliver the Bonds to the Underwriter pursuant to the terms of the Indenture; (iii) the execution and delivery of the Indenture and compliance with the provisions on the Trustee's part contained therein, and the authentication and delivery of the Bonds will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other



instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or Blue Sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture; and (iv) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, served on, or, to the best knowledge of such officer, threatened against, the Trustee, affecting the existence of the Trustee or the titles of its officers to their respective offices, or in any way contesting or affecting the validity or enforceability of the Indenture against the Trustee, or contesting the power of the Trustee or its authority to enter into, adopt or perform its obligations under the Indenture, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Indenture against the Trustee or the authentication and delivery of the Bonds;

(12) A certified copy of the general resolution of the Trustee authorizing the execution and delivery of the Indenture;

(13) A certified copy of the Authority Resolution;

(14) A certified copy of the City Resolution;

(15) A copy of the Municipal Bond Insurance Policy;

(16) A copy of the Reserve Policy;

(17) An opinion of counsel to the Municipal Bond Insurer, addressed to the Authority and the Underwriter to the effect that:

(i) the descriptions of the Municipal Bond Insurer, the Municipal Bond Insurance Policy and the Reserve Policy included in the Official Statement are accurate;

(ii) the Municipal Bond Insurance Policy and the Reserve Policy constitute legal, valid and binding obligations of the Municipal Bond Insurer, enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditor's rights generally and by the application of equitable principles if equitable remedies are sought, and

(iii) as to such other matters as the Authority or the Underwriter may reasonably request;

(18) a certificate of the Municipal Bond Insurer, signed by an authorized officer of the Municipal Bond Insurer, to the effect that:

(i) the information contained in the Official Statement relating to the Municipal Bond Insurer, the Municipal Bond Insurance Policy and the Reserve Policy is true and accurate; and

(ii) as to such other matters as the City or the Underwriter may reasonably request;

(19) a letter from S&P Global Ratings, a Standard & Poor's Financial Services LLC business, indicating that the Bonds have been assigned an insured rating of "AA" and a letter from Moody's Investors Service indicating that the Bonds have been assigned an underlying rating of "\_\_\_."

(20) evidence required filings with the California Debt and Investment Advisory Commission;

(21) a Tax Certificate relating to the Bonds in a form satisfactory to Bond Counsel;

(22) an issue price certificate relating to the Bonds substantially in the form attached to this Bond Purchase Agreement as Exhibit B;

(23) the opinion of Kutak Rock LLP, as Underwriter's counsel, satisfactory to Underwriter;

(24) 15c2-12 certificates of the Authority and the City;

(25) The Blanket Letter of Representations of the Authority to DTC, relating to the book-entry only system;

(26) evidence required filings with the California Debt and Investment Advisory Commission;

(27) transcripts of all proceedings relating to the authorization, issuance, execution and delivery of the Bonds; and

(28) Such additional legal opinions, certificates, proceedings, instruments, insurance policies or evidences thereof and other documents as the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the representations of the Authority herein and of the statements and information contained in the Official Statement, and the due performance or satisfaction by the Authority and the City on or prior to the Closing Date of all agreements then to be performed and all conditions then to be satisfied by the Authority and the City in connection with the transactions contemplated hereby and by the Official Statement and the Financing Documents.

If the Authority and/or the City 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 herein, all obligations of the Underwriter hereunder may be terminated by the Underwriter at, or at any time prior to, the Closing Date by written notice to the Authority and neither the Underwriter nor the Authority shall have any further obligations hereunder.

## **7. Expenses.**

(a) The Authority or the City shall pay the expenses incident to the performance of their obligations hereunder including, but not limited to: (i) the cost of preparation, printing and distribution of the Financing Documents, the Preliminary Official Statement, the Official Statement and any supplements or amendments thereto, including a reasonable number of certified or conformed copies thereof; (ii) the cost of preparation and printing of the Bonds; (iii) the fees and disbursements of Bond Counsel; (iv) the fees and disbursements of any

engineers, accountants and other experts, consultants or advisors retained by the Authority or the City; (v) fees for bond ratings (which include fees of rating agencies and travel expenses of the Authority or the City); and (vi) fees, if any, payable to the California Debt and Investment Advisory Commission, the Municipal Securities Rulemaking Board, the fees associated with obtaining CUSIP numbers for the Bonds, and fees of the Public Securities Association and the California Public Securities Association in connection with the execution and delivery of the Bonds.

(b) The Underwriter shall pay (which amounts shall be included as an expense component of the Underwriter's discount): (i) fees and disbursements of any underwriter's counsel, (ii) the Underwriter's expenses related to attending working group meetings, such as parking, meals and transportation, (iii) all advertising expenses and Blue Sky filing fees, if any, in connection with the public offering of the Bonds; and (iv) all other expenses incurred by them in connection with the public offering of the Bonds not outlined above.

8. **Notices.** Any notice or other communication to be given to the Authority, the City or the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to

Authority: Coalinga Public Financing Authority  
c/o City of Coalinga  
155 West Durian  
Coalinga, CA 93210  
Attention: Financial Services Director

City: City of Coalinga  
155 West Durian  
Coalinga, CA 93210  
Attention: Financial Services Director

Underwriter: Oppenheimer & Co. Inc.  
135 Main Street, Suite 1700  
San Francisco, CA 94105  
Attention: Managing Director

9. **Effectiveness and Counterpart Signatures.** This Bond Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by duly authorized officers of the Authority and approval by duly authorized officers of the City and shall be valid and enforceable as of the time of such acceptance and approval. 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.

10. **Parties in Interest.** This Bond Purchase Agreement is made solely for the benefit of the Authority, the City and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

11. **Headings.** The headings of the sections of this Bond Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

12. **Governing Law.** This Bond Purchase Agreement shall be construed in accordance with the laws of the State of California.

Very truly yours,

OPPENHEIMER & CO. INC., as  
Underwriter

By \_\_\_\_\_  
Managing Director

ACCEPTED AND AGREED at:

Time: \_\_\_\_\_, August 22, 2024

COALINGA PUBLIC FINANCING  
AUTHORITY

By \_\_\_\_\_  
Executive Director

ACCEPTED AND AGREED at:

Time: \_\_\_\_\_, August 22, 2024

CITY OF COALINGA

By \_\_\_\_\_  
City Manager

**EXHIBIT A**

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,  
PRICES AND YIELDS**

\$ \_\_\_\_\_  
**COALINGA PUBLIC FINANCING AUTHORITY**  
**(Fresno County, California)**  
**Wastewater Revenue Bonds, Series 2024**  
**(Solar Project)**

<u>Maturity Date</u> <u>(April 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
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Term maturity  
Priced to the April 1, \_\_\_\_\_, par call date

**REDEMPTION PROVISIONS**

*Optional Redemption.* The Bonds maturing on or before April 1, \_\_\_\_\_, are not subject to optional redemption prior to maturity. The Bonds maturing on or after April 1, \_\_\_\_\_, shall be subject to redemption, at the option of the City on any date on or after April 1, \_\_\_\_\_, as a whole or in part, by such maturities as shall be determined by the City, and at random within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

*Sinking Fund Redemption.*

The Bonds maturing on April 1, \_\_\_\_\_, are also subject to mandatory redemption from sinking account payments made by the Authority, in part at random, on April 1, \_\_\_\_\_, and on April 1 in each year thereafter to and including April 1, \_\_\_\_\_, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount
------------------------------	---------------------

† Maturity.

The Bonds maturing on April 1, \_\_\_\_, are also subject to mandatory redemption from sinking account payments made by the Authority, in part at random, on April 1, \_\_\_\_, and on April 1 in each year thereafter to and including April 1, \_\_\_\_, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following table:

Redemption Date (April 1)	Principal Amount
------------------------------	---------------------

† Maturity.

## EXHIBIT B

### ISSUE PRICE CERTIFICATE

\$ \_\_\_\_\_  
COALINGA PUBLIC FINANCING AUTHORITY  
(Fresno County, California)  
Wastewater Revenue Bonds, Series 2024  
(Solar Project)

The undersigned, on behalf of Oppenheimer & Co. Inc. (“Oppenheimer”), based on the information available to Oppenheimer, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (collectively, the “Bonds”).

1. 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 was sold to the Public is the respective price listed in Schedule A.

2. Initial Offering Price of the Hold-the-Offering-Price Maturities.

(a) Oppenheimer 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) As set forth in the Bond Purchase Agreement, dated the Sale Date, between the Underwriter and the Issuer, Oppenheimer 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, the Underwriter has not 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, 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 the Coalinga Public Financing Authority.

(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 the Underwriter or a related party to the Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(g) "Sale Date" means August 22, 2024.

(h) "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).

#### 4. Credit.

Oppenheimer has calculated that the present value of the amounts paid to obtain the \_\_\_\_\_ (the "Municipal Bond Insurer") municipal bond insurance and reserve fund municipal bond insurance policies (the "Policies") is less than the present value of the debt service reasonably expected to be saved as a result of having the Policies, using as the discount factor for this purpose the expected Yield with respect to the Bonds treating the fees paid as interest with respect to the Bonds.

To the best of Oppenheimer's knowledge, the fees paid to obtain the Policies were determined in arm's-length negotiations and were required as a condition to the issuance by the Municipal Bond Insurer of the Policies.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the interpretation of Oppenheimer 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 for the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth LLP, 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 the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose. Notwithstanding anything set forth herein, the Underwriter is not engaged in the practice of law. Accordingly, the Underwriter makes no representation as to the legal sufficiency of the factual matters set forth herein.

OPPENHEIMER & CO. INC., as Underwriter

By \_\_\_\_\_  
Managing Director

Dated: August 29, 2024





**SCHEDULE B TO ISSUE PRICE CERTIFICATE**  
**PRICING WIRE OR EQUIVALENT COMMUNICATION**

**EXHIBIT C**

**FORM OF DISCLOSURE COUNSEL LETTER**

[Letterhead of Stradling Yocca Carlson & Rauth LLP]