

PERALTA COMMUNITY COLLEGE DISTRICT
Taxable 2005 Limited Obligation OPEB
(Other Post Employment Benefits) Bonds, Series B-2

BOND PURCHASE AGREEMENT

August __, 2015

Peralta Community College District
[address]

The undersigned (the “Purchaser”) offers to enter into this Bond Purchase Agreement with the Peralta Community College District (the “District”) which, upon the District’s acceptance hereof, will be binding upon the Purchaser. This offer is made subject to written acceptance of this Bond Purchase Agreement by the District and the delivery of such acceptance to the Purchaser on or before 5:00 P.M., New York time on the date hereof or at such other time or date as may be agreed to by the District and the Purchaser, and if not so accepted will be subject to withdrawal by the Purchaser upon notice delivered to the District at any time prior to acceptance hereof by the District.

Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed to such terms in the Indenture (as hereinafter defined).

1. **Sale Purchase Price and Terms of the Series B-2 Bonds.** Upon the terms and conditions and upon the basis of the representations, warranties and covenants hereinafter set forth, the Purchaser hereby agrees to purchase from the [Tender Agent on behalf of the] District, and the District hereby agrees to [sell/cause the Tender Agent to sell] to the Purchaser, on a private placement basis, all (but not less than all) of the District’s \$_____ aggregate principal amount of Taxable 2005 Limited Obligation OPEB (Other Post Employment Benefits) Bonds, Series B-2 (the “Series B-2 Bonds”) having a maturity date of [August 2, 2020] (the “Maturity Date”) provided that the Series B-2 Bonds shall have been converted to bear interest at a fixed rate equal to ____%. The Series B-2 Bonds will be as described in, shall be subject to mandatory sinking fund redemption as set forth in and shall continue to be secured under and pursuant to, the Indenture of Trust dated as of December 1, 2005, between the District and _____, as trustee (the “Original Indenture”), as supplemented and amended by the First Supplemental Indenture, dated as of August 1, 2015 (the “Supplemental Indenture” and together with the Original Indenture, the “Indenture”), and

will be payable as described in the Indenture. The purchase price for the Series B-2 Bonds will be \$_____ (the "Purchase Price").

2. **Representations of the Purchaser.** (a) The Purchaser represents, warrants and covenants as of the date hereof and as of the Closing (as hereinafter defined) that (i) it has the full legal power and authority to execute and deliver this Bond Purchase Agreement and to carry out and to consummate the transactions contemplated by this Bond Purchase Agreement; (ii) it has duly authorized the execution and delivery of this Bond Purchase Agreement, and the performance of its obligations hereunder; and (iii) when executed and delivered by the District, this Bond Purchase Agreement shall constitute a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms.

(b) The Purchaser represents, warrants and covenants as of the date hereof and as of the Closing that it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the Series B-2 Bonds.

(c) The Purchaser represents, warrants and covenants as of the date hereof and as of the Closing that it has had an opportunity to make such investigations and has had access to such information concerning the affairs and condition, financial or otherwise, of the District in connection with and as a basis for the purchase of the Series B-2 Bonds as the Purchaser deems necessary under the circumstances in order to enable it to reach an independent investment decision with respect to the Series B-2 Bonds.

3. **Failure to Close; Termination of Bond Purchase Agreement.** In the event of the District's failure to deliver the Series B-2 Bonds at the Closing (as hereinafter defined), or if the District is unable to satisfy the conditions of the Purchaser's obligation to purchase and accept delivery of the Series B-2 Bonds as set forth in this Bond Purchase Agreement or if the Purchaser's obligation with respect to the Series B-2 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Purchaser nor the District shall be under any further obligation hereunder, except that the obligations of the Purchaser and the District for the payment of expenses, as provided in Paragraph 9 hereof, shall continue in full force and effect. Except as set forth in Paragraph 9 hereof, neither party hereto shall have any further rights against the other hereunder.

4. **Private Placement of Series B-2 Bonds; Absence of Disclosure Document.** (a) The District and the Purchaser each acknowledge and agree that the Series B-2 Bonds are being sold by the District and purchased by the Purchaser in a private placement transaction without the preparation by the District of a disclosure document relating to the Series B-2 Bonds. Notwithstanding the foregoing, the Purchaser acknowledges and agrees that it has been afforded a satisfactory opportunity to obtain such information relating to the Series B-2 Bonds, the financial condition of the District and its revenues and assets and any other facts deemed relevant by the Purchaser relating

to the District and the Series B-2 Bonds in order for the Purchaser to reach its decision to purchase the Series B-2 Bonds and enter into this Bond Purchase Agreement.

5. **Closing.** At or prior to 10:00 A.M., New York time on August 6, 2015 or at such other time or on such other date as may be mutually agreeable to the Purchaser and the District (the "Closing"), the District will cause the Series B-2 Bonds to be converted to bear interest at a fixed rate of ____% and to be sold to the Purchaser. Subject to the terms and conditions hereof, the District will deliver to the Purchaser the other documents and instruments to be delivered at the Closing pursuant to this Bond Purchase Agreement (the "Closing Documents"), and the Purchaser will accept delivery of the Closing Documents and pay in immediately available funds the amount of \$_____ by wire transfer for the account of the _____. The Closing Documents shall be made available for inspection by the Purchaser at least one full business day before the Closing.

6. **Representations of the District.** The District represents and warrants to, and agrees with, the Purchaser that:

(a) The District is a duly organized community college district of the State of California (the "State"), is validly existing under the laws of the State, including the Constitution of the State of California and the ____ (the "Act"), and has, and at the time of the Closing will have, full legal right, power and authority (i) to execute and enter into contracts and agreements and such other documents or instruments to which the District is to be a party in connection with the sale and delivery of the Series B-2 Bonds, (ii) to execute, deliver and perform its obligations under this Bond Purchase Agreement, (iii) to execute, deliver and perform its obligations under the Indenture, (iv) to sell and to deliver the Series B-2 Bonds to the Purchaser as provided herein and to perform its obligations with respect to the Series B-2 Bonds, (v) to carry out and to consummate the transactions contemplated by the Indenture and this Bond Purchase Agreement and (vi) to convert the interest rate on the Series B-2 Bonds to the [Weekly Rate] and to cause all of the Series B-2 Bonds to be purchased in full from the Purchaser at par plus accrued interest on or prior to August __, 2015 (such conversion and purchase, the "Conversion").

(b) This Bond Purchase Agreement has been duly executed and delivered by the District, and (assuming due authorization, execution and delivery of each such document by the Purchaser) constitutes a legal, valid and binding obligation of the District, enforceable in accordance with its terms. The Indenture has been duly and lawfully executed and delivered and is in full force and effect and is a legal, valid and binding obligation of the District enforceable against the District in accordance with its terms.

(c) The Series B-2 Bonds (i) have been duly authorized, executed, authenticated, issued and delivered by the District pursuant to and for the purposes set forth in the Act and (ii) constitute valid and legally binding special obligations of the District in conformity with, and entitled to the benefit and security of, the Act and the Indenture.

(d) By official action of the District prior to the acceptance hereof, the District has duly authorized and approved the performance by the District of its obligations contained in the Series B-2 Bonds and this Bond Purchase Agreement, has duly authorized and approved the Conversion of the Series B-2 Bonds and has duly authorized and approved the performance by the District of its obligations contained in the Indenture.

(e) No approval, permit, consent or authorization of, or registration or filing with, any governmental or public agency or authority not already obtained or made is required by the District in connection with the sale of the Series B-2 Bonds, the Conversion of the Series B-2 Bonds or the execution and delivery by the District of, or the due performance of its obligations under, the Indenture, the Series B-2 Bonds and this Bond Purchase Agreement and all such approvals, permits, consents or authorizations so obtained are in full force and effect.

(f) All legislation necessary to fulfill the terms and conditions of, and to carry out the transactions contemplated by, this Bond Purchase Agreement and the Indenture, and to effect the Conversion has been enacted and is in full force and effect.

(g) The execution, delivery and performance of the terms and conditions of the Indenture and this Bond Purchase Agreement by the District, including the sale and delivery of the Series B-2 Bonds and the Conversion of the Series B-2 Bonds, do not and will not (i) conflict with or constitute, on the part of the District, a breach of, or a default under, any existing law (including, without limitation, the Constitution of the United States or the State or the Act), any ordinance, court or administrative regulation, decree, judgment, ruling or order or any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by or to which it or its revenues, properties, assets or operations are bound or subject or by which it is bound or (ii) except as provided in the Indenture, result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of its revenues, properties or assets.

(h) Other than as described in the Indenture, there are no liens or encumbrances on the items pledged pursuant to the Indenture, and the District has not entered into any contract or arrangement of any kind, and to the knowledge of the District there is no existing, pending, threatened or anticipated event or circumstance which might give rise to any such lien or encumbrance.

(i) No litigation is pending (or, to the knowledge of the District, threatened) against the District in any court or agency or other administrative body (either State or Federal) (i) to prohibit, restrain or enjoin: the sale or delivery by the District of the Series B-2 Bonds, collection or application of the revenues or the pledge thereof pursuant to the Indenture, or (ii) in any manner questioning the power or the authority of the District to sell the Series B-2 Bonds to the Purchaser or to effect the Conversion of the Series B-2 Bonds or the issuance, validity or payment of principal of or interest on, the

Series B-2 Bonds, or (iii) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the issuance of the Series B-2 Bonds, or (iv) questioning the validity of the pledge by the District effected under the Indenture or any provisions of the Series B-2 Bonds or the power or the authority of the District to receive the funds pledged or to be pledged to the payment of the Series B-2 Bonds, or (v) questioning the validity or enforceability of the Indenture, the Series B-2 Bonds, this Bond Purchase Agreement or any other agreement or instrument to which the District is a party, used or contemplated for use in the consummation of the transactions contemplated hereby, or (vi) questioning or affecting the legal status of the District or its powers, or (vii) questioning the organization, existence or powers of the District or any of its officers in their respective capacities as such.

(j) Any certificate or copy of any certificate signed by an authorized officer of the District and delivered to the Purchaser pursuant hereto or in connection herewith shall be deemed a representation and warranty by the District to the Purchaser as to the truth of the statements therein made with the same effect as if such representation and warranty were set forth herein.

(k) The District has never failed to pay in full when due any principal of or interest on any of its outstanding obligations for borrowed money or guarantees thereof; the District is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State or the United States, or any agency or department of either, or the [by-laws] of the District of 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 or any of its properties or other 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 a default or an event of default under any such instrument, in any such case to the extent that the same would have a material and adverse effect upon the business or properties or financial condition of the District.

(l) The District has received all consents necessary to effect the Conversion of the Series B-2 Bonds on or prior to August __, 2015.

(m) The District is not entitled to claim immunity on the grounds of sovereignty or other similar grounds with respect to itself or its revenues or assets (irrespective of their use or intended use) from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of its assets (whether before or after judgment) or (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be made subject in any suit, action or proceedings relating to this Bond Purchase Agreement, the Indenture or the Series B-2 Bonds in the courts of any jurisdiction, and no such immunity (whether or not claimed) may be attributed to such party or its revenues or assets.

7. **Covenants and Agreements of the District.** The District hereby covenants and agrees as follows:

(a) Between the date of this Bond Purchase Agreement and the date of the Closing, it will take no action which will cause the representations and warranties made herein to be untrue as of the date of the Closing.

(b) Between the date of this Bond Purchase Agreement and the date of the Conversion, it will not, without the prior written consent of the Purchaser, (i) offer or issue any bonds, notes or other obligations for borrowed money, (ii) incur any material liabilities, direct or contingent, or (iii) take any action that could reasonably be expected to have a material adverse effect on the financial position, results of operations or condition, financial or otherwise, of the District, in any case, other than in the ordinary course of its business.

(c) The District will take all actions necessary or required to effect the Conversion of the Series B-2 Bonds on or prior to August __, 2015 and, in the event that the District is unable to effect the Conversion on or prior to August __, 2015, shall continue to take all actions necessary or required to effect such Conversion, and use its best efforts to effect such Conversion as soon as possible thereafter.

(e) [In the event of the failure to effect the Conversion of the Series B-2 Bonds on or before _____ or in the event of any payment default on the Series B-2 Bonds, the District agrees to cooperate with the Purchaser to deliver a Private Placement Memorandum or similar disclosure document in a timely manner if requested to do so and the District shall enter into any continuing disclosure agreement if required.]

(f) The District irrevocably waives, to the fullest extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any such immunity in any proceedings relating to this Bond Purchase Agreement, the Series B-2 Bonds and the Indenture.

(g) The District shall not, without the prior written consent of the Purchaser, amend the Indenture prior to the Conversion and purchase of the Series B-2 Bonds from the Purchaser.

8. **Conditions to Closing.** The Purchaser has entered into this Bond Purchase Agreement in reliance upon the representations, warranties and covenants of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of Closing. In addition to any other

conditions herein stated, the obligations of the Purchaser hereunder are subject to the performance by the District of its obligations to be performed hereunder and under the Closing Documents, at or prior to the Closing, and shall also be subject to the following conditions:

(a) The representations and warranties of the District contained herein shall be true complete and correct as of the date hereof and on and as of the date of the Closing, as if made on the Closing.

(b) At the time of Closing, (i) this Bond Purchase Agreement and the Indenture shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to by the Purchaser; and (ii) the District shall perform or have performed all of its obligations required under or specified in this Bond Purchase Agreement and the Indenture to be performed at or prior to the Closing.

(c) The Purchaser shall have the right to terminate its obligations under this Bond Purchase Agreement by notifying the District of its election to do so if, after the execution hereof and prior to the Closing: (i) legislation shall have been introduced in or enacted by the Congress of the United States or the [Legislative Assembly] of the State, or legislation pending in the Congress of the United States or the [Legislative Assembly] of the State shall have been amended, 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, which in the reasonable opinion of the Purchaser would materially adversely affect the market price of the Series B-2 Bonds; (ii) the United States shall become engaged in hostilities that have resulted in a Congressional declaration of war or there shall be a national emergency or there shall have occurred any outbreak of hostilities or an act of terrorism or other national or international calamity or crisis or escalation of any thereof, the effect of which on the financial markets of the United States is, in the reasonable judgment of the Purchaser, to materially adversely affect the market for the Series B-2 Bonds; (iii) there shall be in force a general suspension of trading on the New York Stock Exchange or other national exchanges, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction; (iv) a general banking moratorium shall have been established by Federal, New York or State authorities or a major financial crisis or material disruption in commercial banking or securities settlement, payment or clearance services shall have occurred which, in the reasonable judgment of the Purchaser, would make the marketing of securities of the general character of the Series B-2 Bonds generally impracticable; (v) any rating of the Series B-2 Bonds issued under the Indenture shall have been downgraded or withdrawn by Moody's, S&P or Fitch, and such action, in the reasonable opinion of the Purchaser, materially adversely affects the market for the Series B-2 Bonds; (vi) legislation is introduced in or 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 Series B-2 Bonds 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 or sale of obligations of the general character of the Series B-2 Bonds is or would be in violation of the federal securities law as amended and then in effect; (vii) the District shall be unable to satisfy the conditions to the obligations of the Purchaser to purchase, to accept delivery of and to pay for the Series B-2 Bonds contained in this Bond Purchase Agreement; or (viii) there shall have occurred any material adverse change in the financial condition of the District.

(d) At or prior to Closing, the Purchaser shall have received each of the following documents:

(1) [An opinion of Orrick Herrington & Sutcliffe LLP, Bond Counsel, dated the date of the Closing, and addressed to the Purchaser in the form attached as Exhibit 1 hereto];

(2) [An opinion of Orrick Herrington & Sutcliffe LLP, Counsel to the District, dated the date of the Closing, and addressed to the Purchaser in the form attached as Exhibit 2 hereto];

(3) One copy of the organizational documents of the District and the Indenture, certified by the Secretary of the District under its seal as having been duly adopted by the Board of Directors of the District;

(4) A certificate of the Secretary or an Assistant Secretary of the District that the Indenture has not been amended, modified or repealed and that it remains in full force and effect;

(5) A certificate dated as of the date of Closing, signed by an Authorized Officer of the District (as defined in the _____), substantially in the form of Exhibit 3 attached hereto;

(6) Executed copies of all consents required in connection with the execution of the Supplemental Indenture;

(7) Executed copies of all consents required in connection with the Conversion;

(8) An executed copy of the Remarketing Agreement appointing Barclays Capital Inc. as remarketing agent under the Indenture;

(9) Executed copies of all notices required in connection with the Conversion;

(10) Such additional legal opinions, certificates and other instruments and documents as the Purchaser may reasonably request to evidence the truth, accuracy and completeness, as of the date hereof and as of the date of the Closing, of the representations and warranties of the District contained herein and of the statements thereto and the due performance or satisfaction by the District at or prior to the Closing of all agreements to be performed and all conditions then to be satisfied by the District.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Bond Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance reasonably satisfactory to the Purchaser.

9. **Fees and Expenses.** Except as otherwise agreed, the Purchaser shall be under no obligation to pay, and the District shall pay, (i) all expenses incident to the performance of the obligations of the District hereunder, including, but not limited to: (A) the fees and disbursements of any consultants, advisors or counsel retained by the District; (B) the cost of preparation of this Bond Purchase Agreement and (C) all expenses incurred by the Purchaser in connection with the Series B-2 Bonds including the fees and disbursements of counsel retained by the Purchaser.

10. **Additional Fees Due Upon a Failure to Effect the Conversion.** In the event that the District is unable to effect the Conversion of the Series B-2 Bonds on or prior to August __, 2015, the District hereby agrees to pay to the Purchaser a fee (the "Additional Fee"), in addition to interest payable under the Series B-2 Bonds, in the amount equal to the product of [__%] and the outstanding principal amount of the Series B-2 Bonds, from and including August __, 2015 to but excluding the date that the Conversion occurs and the Series B-2 Bonds are no longer owned by the Purchaser. Such Additional Fee shall be payable on the first Business Day of each calendar month and on the date the Conversion occurs and shall be computed on the basis of a year of 360 days and the actual number of days elapsed.

11. **Notices.** Any notice or other communication to be given to the District under this Bond Purchase Agreement shall be given by delivering the same in writing to its address set forth above, and any notice or other communication to be given to the Purchaser under this Bond Purchase Agreement shall be given by delivering the same in writing to Barclays Bank PLC, 745 Seventh Avenue, 19th Floor, New York, New York, 10019 (Attention: _____, Managing Director).

12. **No Third Party Beneficiaries; Survival of Representations, Covenants and Agreements.** This Bond Purchase Agreement is made solely for the benefit of the District and the Purchaser (including the successors or assigns of the Purchaser). No other person shall acquire or have any right hereunder or by virtue hereof. All the

representations, warranties, covenants and agreements contained in this Bond Purchase Agreement shall remain operative and in full force and effect for so long as the Series B-2 Bonds have not been paid regardless of any investigation made by or on behalf of the Purchaser and such representations, warranties, covenants and agreements shall survive the delivery of and payment for the Series B-2 Bonds hereunder unless this Bond Purchase Agreement shall be terminated for the reasons described in Paragraph 3, in which case the survival provisions contained in such paragraph shall control.

13. **Disclaimer of Purchaser.** It is expressly understood and agreed by and between the District and the Purchaser that the Purchaser is not acting as the District's selling or marketing agent hereunder. The District acknowledges and agrees that (i) the purchase and sale of the Series B-2 Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the District and the Purchaser, (ii) in connection therewith and with the process leading to such transaction the Purchaser is acting solely as a principal and not the agent, advisor or fiduciary of the District, and in particular the Purchaser is not acting as a "municipal advisor" (as defined in section 15B of the Exchange Act), (iii) the Purchaser has not assumed an advisory or fiduciary responsibility in favor of the District with respect to the sale contemplated hereby or the process leading thereto (irrespective of whether the Purchaser has advised or is currently advising the District on other matters) or any other obligation to the District except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the District has consulted its own legal and financial advisors to the extent it has deemed appropriate, and (v) the Purchaser has a financial and other interest that differs from those of the District. The District agrees that it will not claim that the Purchaser has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the District in connection with the sale, purchase and Conversion of the Series B-2 Bonds as contemplated hereby or the process leading thereto.

14. **Counterparts.** This Bond Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

15. **Governing Law.** This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of New York without reference to its choice of law doctrine.

Very truly yours,

BARCLAYS BANK PLC

By: _____

Accepted and agreed:

PERALTA COMMUNITY COLLEGE DISTRICT

By: _____

**Exhibit 1
to the Note
Purchase Agreement**

**Exhibit 3
to the Note
Purchase Agreement**

[FORM OF CERTIFICATE OF AN AUTHORIZED OFFICER]

The Authorized Officer of the District hereby certifies that as of the date hereof:

1. The representations and warranties of the District contained in this Bond Purchase Agreement were true and correct when made and are as of the Closing as though made on and as of the Closing.
2. The District has complied with all agreements and covenants, and satisfied all conditions on its part to be complied with or satisfied, with respect to the Bond Purchase Agreement, the Indenture, and the delivery and sale of the Series B-2 Bonds at or prior to the Closing.
3. The District is not in default under the terms of any resolution, indenture or other instrument securing any other indebtedness for money borrowed by the District, and will not, upon the issuance and sale of the Series B-2 Bonds, be in default under the terms of such resolution, indenture or other instrument.

**PERALTA COMMUNITY COLLEGE
DISTRICT**

By: _____