

SECOND SUPPLEMENTAL INDENTURE

between the

COUNTY OF EL DORADO

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
As Successor to
BNY WESTERN TRUST COMPANY,
as Fiscal Agent

Dated July 1, 2012

Authorizing the Issuance of
\$_____ Aggregate Principal Amount of

**COUNTY OF EL DORADO COMMUNITY FACILITIES DISTRICT NO. 1992-1
(EL DORADO HILLS DEVELOPMENT)
COUNTY OF EL DORADO, STATE OF CALIFORNIA
2012 SPECIAL TAX REFUNDING BONDS**

(Supplemental to the Indenture dated August 1, 1999, as amended and supplemented by the First Supplemental Indenture dated May 1, 2004, the First Amendment to Indenture dated May 1, 2004, and the Second Amendment to Indenture dated August 23, 2011)

**COUNTY OF EL DORADO COMMUNITY FACILITIES DISTRICT NO. 1992-1
(EL DORADO HILLS DEVELOPMENT)
2012 SPECIAL TAX REFUNDING BONDS**

SECOND SUPPLEMENTAL INDENTURE

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SECOND SUPPLEMENTAL INDENTURE

(Supplemental to the Indenture dated August 1, 1999, as amended and supplemented by the First Supplemental Indenture dated May 1, 2004, the First Amendment to Indenture dated May 1, 2004, and the Second Amendment to Indenture dated August 23, 2011)

Authorizing the Issuance of the
Community Facilities District No. 1992-1
(El Dorado Hills Development)
County of El Dorado, State of California
2012 Special Tax Refunding Bonds

This Second Supplemental Indenture, dated July 1, 2012 (the “Second Supplemental Indenture”), between the COUNTY OF EL DORADO (the “County”), a political subdivision duly established and existing under the Constitution and laws of the State of California, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association duly organized and operating under the laws of the United States of America, as successor to BNY Western Trust Company, as fiscal agent (the “Fiscal Agent”);

WITNESSETH:

WHEREAS, by its Resolution No. 65-93, adopted on February 23, 1993, the Board of Supervisors of the County (the “Board”) established its Community Facilities District No. 1992-1 (El Dorado Hills Development) (“CFD No. 1992-1”) for the purpose of providing for the financing of certain public facilities in and for CFD No. 1992-1;

WHEREAS, pursuant to the terms of the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), and the affirmative vote of more than two-thirds of the qualified electors of CFD No. 1992-1, the County is authorized to issue special tax bonds for new money purposes in the aggregate principal amount of \$60,000,000 and refunding bonds, the principal amount of which do not reduce that authorized amount if the County complies with the requirements of California Government Code sections 53362-53364.2;

WHEREAS, pursuant to such authority, on November 22, 1994, the County issued its Community Facilities District No. 1992-1 (El Dorado Hills Development), County of El Dorado, California, Series 1994 Special Tax Bonds, in the aggregate principal amount of \$14,660,000 (the “Series 1994 Bonds”) to finance improvements for CFD No. 1992-1;

WHEREAS, the County and the Fiscal Agent entered into an Indenture dated August 1, 1999 (the “1999 Indenture”), and, pursuant thereto, on August 31, 1999, the County issued its Community Facilities District No. 1992-1 (El Dorado Hills Development), County of El Dorado, California, Series 1999 Special Tax Bonds, in the aggregate principal amount of \$43,650,000 (the “Series 1999 Bonds”), to advance refund and defease the then-remaining \$13,850,000 principal amount of the Series 1994 Bonds and to finance additional improvements for CFD No. 1992-1;

WHEREAS, the County and the Fiscal Agent entered into the First Supplemental Indenture dated May 1, 2004, and, pursuant thereto, on May 26, 2004, the County issued its

Community Facilities District No. 1992-1 (El Dorado Hills Development), County of El Dorado, California, Series 2004 Special Tax Bonds, in the aggregate principal amount of \$17,490,000 (the “Series 2004 Bonds”), to finance additional improvements for CFD No. 1992-1;

WHEREAS, the 1999 Indenture, as supplemented by the First Supplemental Indenture, has been amended by the First Amendment to Indenture dated May 1, 2004, and the Second Amendment to Indenture dated August 23, 2011 (the 1999 Indenture, as so supplemented and amended, the “Indenture”);

WHEREAS, the Indenture establishes and declares the terms and conditions upon which the County may issue and secure bonds (for both new money and refunding purposes) of CFD No. 1992-1 (the “Bonds”), provides for the authentication and delivery of Bonds, and secures the payment of the principal thereof and premium (if any) and interest thereon;

WHEREAS, Section 5.5 of the Indenture provides that the County may issue additional bonds on parity with the Bonds from time to time pursuant to a supplemental indenture, provided that the County satisfies the requirements of Section 5.5;

WHEREAS, the County has determined to issue an additional series of Bonds pursuant to the authority of the Act and the Indenture for the purpose of currently refunding the Series 1999 Bonds and [a portion of] the Series 2004 Bonds, which additional series shall be designated as Community Facilities District No. 1992-1 (El Dorado Hills Development), County of El Dorado, California, 2012 Special Tax Refunding Bonds (the “2012 Refunding Bonds”);

WHEREAS, the conditions of the Indenture and the Act for the issuance of the 2012 Refunding Bonds secured on parity with the previously issued Bonds have been satisfied;

WHEREAS, to secure the 2012 Refunding Bonds and to provide for their authentication and delivery by the Fiscal Agent, the County has authorized the execution and delivery of this Second Supplemental Indenture;

WHEREAS, all acts, conditions, and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of the Second Supplemental Indenture do exist, have happened, and have been performed in regular and due time, form, and manner as required by law, and the County is now duly authorized to execute this Second Supplemental Indenture;

NOW, THEREFORE, the County hereby provides as follows:

I. Definitions. Capitalized terms used herein and not defined herein shall have the definitions ascribed to such terms by the Indenture. As used in this Second Supplemental Indenture, unless the context otherwise requires, the following words and phrases shall have the following meanings:

Bond Purchase Contract means the Bond Purchase Contract by and between the County and Stifel, Nicolaus & Company, Incorporated, doing business as Stone & Youngberg, a division of Stifel, Nicolaus, as underwriter, dated as of July __, 2012.

Bondholder, Owner, or Holder means the person in whose name any 2012 Refunding Bond shall be registered.

Escrow Agreement means the Escrow Agreement between the County and The Bank of New York Mellon Trust Company, N.A., as escrow agent, dated July 1, 2012.

Escrow Fund means the fund by the that name established pursuant to Section 16.3 (Application of Proceeds of the 2012 Refunding Bonds) hereof.

Fiscal Agent's Office means the office of the Fiscal Agent at 700 South Flower Street, Suite 500 Los Angeles, CA 90017, Attention: Corporate Trust Services, or such other or additional offices as may be designated by the Fiscal Agent.

Information Service means Standard & Poor's Security Evaluations, Inc., Notification Services, 55 Water Street, 45th Floor, New York, New York 10041, Tel. 212-438-4510, Fax 212-438-3975, or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and or such other services providing information with respect to called bonds, or no such services, as the District may designate in a Request of the District delivered to the Fiscal Agent.

Outstanding, when used as of any particular time with reference to Bonds, means all Bonds theretofore, or thereupon being, authenticated and delivered by the Fiscal Agent under the Indenture except (1) Bonds theretofore cancelled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation; (2) Bonds with respect to which all liability of the County shall have been discharged in accordance with Section 7.0 (Defeasance), including Bonds and (3) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Fiscal Agent pursuant to the Indenture.

Record Date, with respect to the 2012 Refunding Bonds, means the fifteenth (15th) day of the calendar month immediately preceding the relevant Interest Payment Date.

2012 Refunding Bonds means Community Facilities District No. 1992-1 (El Dorado Hills Development), County of El Dorado, California, 2012 Special Tax Refunding Bonds.

Securities Depositories means The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax-(516) 227-4039 or 4190, or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depositories, or no such depositories, as the District may designate in a Request of the District delivered to the Fiscal Agent.

II. Supplemental Provisions. The following Article and Sections are hereby added to the Indenture:

ARTICLE XVI THE 2012 REFUNDING BONDS

Section 16.1. Terms and Form of 2012 Refunding Bonds. (A) Authorization and Title of 2012 Refunding Bonds. The County hereby creates an additional series of bonds and designates

them “Community Facilities District No. 1992 1 (El Dorado Hills Development), County of El Dorado, California, 2012 Special Tax Refunding Bonds” (the “2012 Refunding Bonds”). At any time after the execution and delivery of this Second Supplemental Indenture, the County may execute and the Fiscal Agent shall authenticate and deliver the 2012 Refunding Bonds in an aggregate principal amount of \$[PAR AMOUNT].

(B) Form of 2012 Refunding Bonds. The form of the 2012 Refunding Bonds shall be substantially as set forth in *Exhibit A* with such insertions, omissions, substitutions, and variations as may be determined by the officers executing the same, as evidenced by their execution thereof, to reflect the applicable terms of the 2012 Refunding Bonds established by this Article.

(C) Registration of 2012 Refunding Bonds; Denominations. The 2012 Refunding Bonds shall be issued in fully registered form, in denominations of \$5,000 or any integral multiple thereof, and shall be initially registered in the name of “Cede & Co.,” as nominee of The Depository Trust Company. The 2012 Refunding Bonds shall be evidenced by one 2012 Refunding Bond maturing on each of the respective maturity dates as set forth below in this Section in a denomination corresponding to the total principal amount of the 2012 Refunding Bonds to mature on such date. Registered ownership of the 2012 Refunding Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 4.12 (Use of Depository for Bonds). The 2012 Refunding Bonds shall bear such distinguishing numbers and letters as may be specified by the Fiscal Agent.

(D) Date; Interest Accrual; Maturity Dates; Interest Rates. The 2012 Refunding Bonds shall be dated their date of delivery, shall bear interest from their date at the following rates per annum, and shall mature on September 1 in the following years in the following amounts:

Maturity Date (September 1)	Principal Amount	Interest Rate	Maturity Date (September 1)	Principal Amount	Interest Rate
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2031

Interest on the 2012 Refunding Bonds shall be calculated on the basis of a 360-day year comprising twelve 30-day months.

(E) Principal and Interest Payments. The principal or Redemption Price of the 2012 Refunding Bonds shall be payable to the Owner thereof upon surrender thereof in lawful money of the United States of America at the Fiscal Agent’s Office. Interest on the 2012 Refunding Bonds shall be payable on September 1, 2012, and semiannually thereafter on each March 1 and September 1 by check mailed or, as provided in subsection (d) of Section 4.12 (Use of Depository for Bonds) and upon the written request of any Owner of \$1,000,000 or more in aggregate principal amount of 2012 Refunding Bonds who has provided the Fiscal Agent with

wire transfer instructions, by wire transfer on each Interest Payment Date to the Owner thereof as of the close of business on the Record Date.

(F) Cessation of Interest Accrual. Interest on any 2012 Refunding Bond shall cease to accrue (i) on the maturity date thereof, provided that there has been irrevocably deposited with the Fiscal Agent an amount sufficient to pay the principal amount thereof, plus interest accrued thereon to such date; or (ii) on the redemption date thereof, provided there has been irrevocably deposited with the Fiscal Agent an amount sufficient to pay the Redemption Price thereof, plus interest accrued thereon to such date. The Owner of such 2012 Refunding Bond shall not be entitled to any other payment, and such 2012 Refunding Bond shall no longer be Outstanding and entitled to the benefits of this Indenture, except for the payment of the principal amount or Redemption Price, as appropriate, of such 2012 Refunding Bond and interest accrued thereon from moneys held by the Fiscal Agent for such payment.

Section 16.2. Redemption of 2012 Refunding Bonds. (A) Optional Redemption. 2012 Refunding Bonds maturing on or after September 1, 2021, are subject to redemption prior to their respective stated maturities, at the option of the County, from any source of available funds, as a whole or in part (by such maturities as may be specified by the County and at random within a maturity) on any date on or after September 1, 2020, at the following redemption prices (computed upon the principal amount of the 2012 Refunding Bonds called for redemption), plus accrued interest to the date fixed for redemption:

<u>Redemption Period</u>	<u>Redemption Price</u>
September 1, 2020, through August 31, 2021	102%
September 1, 2021, through August 31, 2022	101
September 1, 2022, and thereafter	100

(B) Mandatory Term Bond Redemption. The 2012 Refunding Bonds maturing on 20__, are subject to redemption prior to their stated maturity, at random, from amounts deposited in the Redemption Account pursuant to Section 3.4 (Special Tax Fund), in the following amounts and on the following dates, at the principal amount thereof, without premium:

Mandatory Redemption Dates (September 1)	Principal Amount
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The amount of each such redemption shall be reduced proportionately in the event and to the extent of any and all optional redemptions of the term 2012 Refunding Bonds, as set forth in a schedule produced by the County.

(C) Extraordinary Redemption from Proceeds of Property Owner Prepayments. 2012 Refunding Bonds are subject to redemption by the County prior to their respective stated maturities, as a whole or in part on any Interest Payment Date from the proceeds of property owner prepayments of the special tax obligation deposited in the Prepayment Subaccount within the Optional Redemption Fund pursuant to Section 3.9 (Optional Redemption Fund), at the following redemption prices (expressed as a percentage of the principal amount of 2012 Refunding Bonds called for redemption):

Redemption Dates	Redemption Price
Prior to September 1, 2020	103%
September 1, 2020, and March 1, 2021	102
September 1, 2021, and March 1, 2022	101
September 1, 2022, and thereafter	100

Section 16.3. Redemption Procedures Applicable to the 2012 Refunding Bonds. Notwithstanding Section 4.10 (Redemption Procedures), the 2012 Refunding Bonds shall be subject to the following redemption procedures:

(A) Notice to Fiscal Agent. In the case of any redemption of less than all the Outstanding 2012 Refunding Bonds either at the election of the County or from prepaid special taxes, the County shall, at least 60 days prior to the date fixed for redemption (unless a shorter notice shall be satisfactory to the Fiscal Agent) notify the Fiscal Agent of such redemption date and of the principal amount of 2012 Refunding Bonds to be redeemed.

(B) Selection by Fiscal Agent of 2012 Refunding Bonds to be Redeemed. If less than all the Outstanding 2012 Refunding Bonds of any maturity are to be redeemed, not more than 45 days prior to the redemption date the Fiscal Agent shall select the particular 2012 Refunding Bonds to be redeemed from the Outstanding 2012 Refunding Bonds of such maturity that have not previously been called for redemption, in minimum denominations of \$5,000, at random in any manner that the Fiscal Agent in its sole discretion shall deem appropriate and fair.

The Fiscal Agent shall promptly notify the County in writing of the 2012 Refunding Bonds so selected for redemption and, in the case of a 2012 Refunding Bond selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of 2012 Refunding Bonds shall relate, in the case of any 2012 Refunding Bonds redeemed or to be redeemed only in part, to the portion of the principal of such 2012 Refunding Bond that has been or is to be redeemed.

(C) Notice of Redemption. (1) Mailed Notice. The Fiscal Agent shall mail notice of redemption, not fewer than thirty (30) nor more than sixty (60) days prior to the redemption date, (i) to the respective Owners of any 2012 Refunding Bonds designated for redemption at their addresses appearing on the bond register and (ii) to the original underwriter or other first purchaser of the 2012 Refunding Bonds designated for redemption. If the 2012 Refunding Bonds are not then registered solely to a Securities Depository, the Fiscal Agent shall also give notice of redemption of 2012 Refunding Bonds to the Securities Depositories and the

Information Service (at the same time it mails notice of redemption to the Owners) by registered or overnight mail, or by such other method as may be acceptable to such institutions.

(2) Content of Notice. Each notice of redemption shall state (a) the date of such notice, (b) the name of the issue (i.e., the 2012 Refunding Bonds), (c) the date of issue of the 2012 Refunding Bonds, (d) the redemption date, (e) the Redemption Price, (f) the place or places of redemption (including the name and appropriate address or addresses of the Fiscal Agent), (g) the CUSIP number (if any) of the maturity or maturities, and (h) if less than all of any such maturity, the distinctive certificate numbers of the 2012 Refunding Bonds of such maturity to be redeemed and, in the case of 2012 Refunding Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also (a) state that on said date there will become due and payable on each of said 2012 Refunding Bonds the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a 2012 Refunding Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and (b) state that from and after such redemption date interest thereon shall cease to accrue, and (c) require that such 2012 Refunding Bonds be then surrendered at the address or addresses of the Fiscal Agent specified in the redemption notice. Neither the County nor the Fiscal Agent shall have any responsibility for any defect in the CUSIP number that appears on any 2012 Refunding Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the County nor the Fiscal Agent shall be liable for any inaccuracy in such numbers.

(3) Defects in Notice or Procedure. Failure by the Fiscal Agent to give notice to the Information Service or any one or more of the Securities Depositories or failure of any Owner to receive notice or any defect in any such notice shall not affect the sufficiency of the proceedings for redemption. A certificate by the Fiscal Agent that notice of redemption has been given as herein provided shall be conclusive as against all parties to whom such notice was given and no such party shall be entitled to show that he or she failed to receive notice of redemption. Failure by the Fiscal Agent to mail notice to any one or more of the respective Owners of any 2012 Refunding Bonds designated for redemption shall not affect the sufficiency of the proceedings for redemption with respect to the Owner or Owners to whom such notice was mailed.

(4) Rescission of Notice. The County may, at its option, prior to the date fixed for redemption in any notice of redemption, rescind and cancel such notice of redemption.

(D) Deposit of Redemption Price. Prior to any redemption date, the County shall deposit with the Fiscal Agent an amount of money sufficient to pay the Redemption Price of all the 2012 Refunding Bonds that are to be redeemed on that date. Such money shall be held in trust for the benefit of the persons entitled to such Redemption Price.

(E) 2012 Refunding Bonds Payable on Redemption Date. Notice of redemption having been duly given as aforesaid and moneys for payment of the Redemption Price of the 2012 Refunding Bonds so to be redeemed being held by the Fiscal Agent, on the redemption date designated in such notice (i) the 2012 Refunding Bonds so to be redeemed shall become due and payable at the Redemption Price specified in such notice, (ii) interest on such 2012 Refunding Bonds shall cease to accrue, (iii) such 2012 Refunding Bonds shall cease to be entitled to any

benefit or security under this Indenture, and (iv) the Owners of such 2012 Refunding Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price. Upon surrender of any such 2012 Refunding Bond for redemption in accordance with said notice, such 2012 Refunding Bond shall be paid by Fiscal Agent at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable to the Owners of the 2012 Refunding Bonds on the relevant Record Dates according to the terms of such 2012 Refunding Bonds.

(F) 2012 Refunding Bonds Redeemed in Part. Upon surrender of any 2012 Refunding Bond redeemed in part only, the County shall execute and the Fiscal Agent shall authenticate and deliver to the Owner thereof, at the expense of the County, a new 2012 Refunding Bond or 2012 Refunding Bonds of authorized denominations, and of the same maturity, equal in aggregate principal amount to the unredeemed portion of the 2012 Refunding Bond surrendered.

Section 16.4. Application of Proceeds of 2012 Refunding Bonds and Other Funds. The County shall cause the proceeds of the sale of the 2012 Refunding Bonds, \$_____, together with funds transferred from the Redemption Account, \$_____, and the Reserve Account, \$_____, to be set aside as follows:

(A) in the Escrow Fund established pursuant to the Escrow Agreement, the amount of \$_____. The moneys in the Escrow Fund shall be applied as provided in the Escrow Agreement; and

(B) in the 2012 Costs of Issuance Fund, the remainder of the proceeds in the amount of \$_____, out of which the costs of issuance will be paid.

The Fiscal Agent may, in its discretion, establish a temporary fund or account to facilitate the foregoing transfers.

Section 16.5. Establishment and Application of 2012 Costs of Issuance Fund. The Fiscal Agent shall establish and maintain a separate fund designated as the “2012 Costs of Issuance Fund.” The moneys in the Costs of Issuance Fund be applied by the Fiscal Agent to pay or to reimburse the County for the payment of the costs of issuance of the 2012 Refunding Bonds. Before any payment from the 2012 Costs of Issuance Fund shall be made, the County shall file or cause to be filed with the Fiscal Agent a requisition stating (i) the item number of such payment; (ii) the name and address of the person to whom each such payment is due, which may be the County in the case of reimbursement for costs theretofore paid by the County; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; and (v) that obligations in the stated amounts have been incurred by the County and are presently due and payable and that each item thereof is a proper charge against the Costs of Issuance Fund and has not been previously paid from that fund. At the end of six months from the date of issuance of the 2012 Refunding Bonds, or upon an earlier determination by the County that amounts in the fund are no longer required for the payment of costs of issuance, the Fiscal Agent shall transfer any remaining amounts in the fund to the County for deposit in the Facilities Account.

Section 16.6. Continuing Disclosure. The County hereby covenants that it will comply with and carry out all the provisions of the Continuing Disclosure Certificate dated July __, 2012, as originally executed or as it may from time to time be supplemented or amended in accordance with its terms.

Section 16.7. Authorized but Unissued Bonds. The County hereby covenants for the benefit of the Owners of the Bonds that it will not issue the remaining \$1,300 principal amount of Bonds authorized by the qualified electors of the District but unissued.

Section 16.8. Issuance of Refunding Bonds. The County may issue additional bonds on parity with the Bonds without complying with the provisions of subsections (a), (e), or (f) of Section 5.5, but only for the purpose of defeasing Bonds then Outstanding and only if debt service on the Bonds to be Outstanding in each future Fiscal Year following the defeasance of the refunded Bonds is less than or equal to the debt service on the Bonds for that Fiscal Year if the defeasance did not occur.

III. Provisions of the Indenture. Except as in this Second Supplemental Indenture expressly provided, every term and condition contained in the Indenture shall apply to this Second Supplemental Indenture and to the 2012 Refunding Bonds with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Second Supplemental Indenture.

This Second Supplemental Indenture and all the terms and provisions herein contained shall form part of the Indenture as fully and with the same effect as if all such terms and provisions had been set forth in the Indenture. The Indenture is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby.

IV. Separability of Invalid Provisions. If any one or more of the provisions contained in this Second Supplemental Indenture or in the 2012 Refunding Bonds shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Second Supplemental Indenture and such invalidity, illegality, or unenforceability shall not affect any other provision of this Second Supplemental Indenture, and this Second Supplemental Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The County hereby declares that it would have adopted this Second Supplemental Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issuance of the 2012 Refunding Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Second Supplemental Indenture may be held illegal, invalid, or unenforceable.

V. Effect of Headings and Table of Contents. The headings or titles of the several Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, or effect of this Second Supplemental Indenture.

IN WITNESS WHEREOF, the parties hereto have executed this Second Supplemental Indenture by their officers thereunto duly authorized as of the day and year first written above.

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

By: _____
Authorized Officer

COUNTY OF EL DORADO

By: _____

ATTEST:

APPROVED AS TO FORM:

EXHIBIT A

[FORM OF 2012 REFUNDING BOND]

REGISTERED
No. R-

REGISTERED
\$

**COMMUNITY FACILITIES DISTRICT NO. 1992-1
(EL DORADO HILLS DEVELOPMENT)
COUNTY OF EL DORADO, STATE OF CALIFORNIA
2012 SPECIAL TAX REFUNDING BONDS**

<u>MATURITY DATE</u>	<u>INTEREST RATE PER ANNUM</u>	<u>DATE</u>	<u>CUSIP:</u>
September 1, _____	____%	[closing date]	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

The County of El Dorado, a political subdivision of the State of California duly organized and existing under and pursuant to the Constitution and laws of the State of California (the "County"), for value received, hereby promises to pay (but only out of the special taxes hereinafter referred to) to the registered owner named above or registered assigns, on the maturity date specified above, the principal sum specified above together with interest thereon from the date hereof until the principal hereof shall have been paid, at the interest rate per annum specified above, payable on September 1, 2012, and semiannually thereafter on March 1 and September 1 in each year (each an "Interest Payment Date"). Interest hereon is payable in lawful money of the United States of America by check mailed on each Interest Payment Date or, upon the written request of any owner of \$1,000,000 or more in aggregate principal amount of bonds who has provided the Fiscal Agent with wire transfer instructions, by wire transfer on each Interest Payment Date to the registered owner as of the close of business on the 15th day of the calendar month immediately preceding such interest payment date. The principal hereof and premium, if any, hereon are payable at the corporate trust office of The Bank of New York Mellon Trust Company, N.A., as fiscal agent (together with any successor as fiscal agent under the hereinafter mentioned Indenture, the "Fiscal Agent"), in Los Angeles, California, in lawful money of the United States of America.

This bond is one of a duly authorized issue of bonds (the "Bonds") for Community Facilities District No. 1992-1 (El Dorado Hills Development), County of El Dorado, State of California, limited in aggregate principal amount to \$60,000,000, except for refunding bonds, which issue consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as provided in the Indenture (as defined below), all issued and to be issued pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (Sections 53311 *et seq.* of the California Government Code, as amended) (the "Act") and pursuant to the Indenture dated August 1, 1999, as amended and supplemented by the First Supplemental Indenture dated May 1, 2004, the First Amendment to Indenture dated May 1, 2004, the Second Amendment to Indenture dated August 23, 2011, and the Second

Supplemental Indenture dated July 1, 2012 (said Indenture, as so and from time to time hereafter amended and supplemented, the “Indenture”), between The Bank of New York Mellon Trust Company, N.A., successor to BNY Western Trust Company, as fiscal agent, and the County. This Bond is also one of a duly authorized series of Bonds additionally designated “2012 Special Tax Refunding Bonds” (the “2012 Refunding Bonds”), issued in the aggregate principal amount of \$_____. Pursuant to Government Code Sections 53362.7, the principal amount of the 2012 Refunding Bonds does not reduce the total authorized amount of bonded indebtedness of the Community Facilities District No. 1992-1 (El Dorado Hills Development) (“CFD No. 1992-1”).

Reference is hereby made to the Indenture and to the Act for a description of the terms on which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the special taxes levied and collected within CFD No. 1992-1, and the rights of the registered owners of the Bonds. All the terms of the Indenture and the Act are hereby incorporated herein and constitute a contract between the County and the and the registered owner from time to time of this 2012 Refunding Bond. The registered owner of this 2012 Refunding Bond, by its acceptance hereof, consents and agrees to all the provisions of the Indenture. Additional Bonds may be issued on a parity with the 2012 Refunding Bonds, but only subject to the conditions and limitations contained in the Indenture.

The 2012 Refunding Bonds and the interest thereon (to the extent set forth in the Indenture) are payable from, and are secured by a charge and lien on, the proceeds derived by the County from the special taxes imposed pursuant to the Act Law within CFD No. 1992-1. All of the Bonds are equally secured by a pledge of, and charge and lien upon, all of the special taxes. The special taxes constitute a trust fund for the security and payment of the interest on and principal of the Bonds; but, nevertheless, out of the special taxes, certain amounts may be applied for other purposes as provided in the Indenture.

The Bonds are limited obligations of the County and are payable, both as to principal and interest, and as to any premiums upon the redemption thereof, out of the special taxes and certain funds held by the Fiscal Agent under the Indenture. The general fund of the County is not liable, and the credit or taxing power (other than as described above) of the County is not pledged, for the payment of the Bonds or their interest. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the County or any of its income or receipts, except the special taxes. No registered owner of this 2012 Refunding Bond shall ever have the right to compel any exercise of the taxing power (other than as described above) of the County to pay this 2012 Refunding Bond or the interest hereon.

2012 Refunding Bonds maturing on or after September 1, 2021, are subject to redemption prior to their respective stated maturities, at the option of the County, from any source of available funds, as a whole or in part (by such maturities as may be specified by the County and at random within a maturity) on any date on or after September 1, 2020, at the following redemption prices (computed upon the principal amount of the 2012 Refunding Bonds called for redemption), plus accrued interest to the date fixed for redemption:

Redemption Period	Redemption Price
September 1, 2020, through August 31, 2021	102%
September 1, 2021, through August 31, 2022	<u>101</u>
September 1, 2022, and thereafter	100

The 2012 Refunding Bonds maturing on September 1, 20__, shall also be subject to redemption prior to their stated maturity, in part, at random, on each September 1 commencing September 1, 20__, in the amounts required by and as specified in the Indenture, at the principal amount thereof, without premium.

2012 Refunding Bonds are subject to redemption by the County prior to their respective stated maturities, as a whole or in part on any Interest Payment Date from the proceeds of property owner prepayments of the special taxes, at the following redemption prices (expressed as a percentage of the principal amount of 2012 Refunding Bonds called for redemption):

Redemption Dates	Redemption Price
Prior to September 1, 2020	103%
September 1, 2020, and March 1, 2021	102
September 1, 2021, and March 1, 2022	101
September 1, 2022, and thereafter	100

This 2012 Refunding Bond is transferable or exchangeable for other authorized denominations by the registered owner, in person or by its attorney duly authorized in writing, at the corporate trust office of the Fiscal Agent in Los Angeles, California, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this 2012 Refunding Bond. Upon such transfer a new fully registered 2012 Refunding Bond or 2012 Refunding Bonds without coupons, of authorized denomination or denominations, of the same tenor and maturity for the same aggregate principal amount will be issued to the transferee in exchange herefor.

Unless this 2012 Refunding Bond is presented by an authorized representative of the registered owner, to the Fiscal Agent or its agent for registration of transfer, exchange, or payment, ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, has an interest herein.

The County, the Fiscal Agent and any paying agent may deem and treat the registered owner hereof as the absolute owner hereof for all purposes, and the County, the Fiscal Agent and any paying agent shall not be affected by any notice to the contrary.

The rights and obligations of the County and of the registered owner of the 2012 Refunding Bonds may be modified amended at any time in the manner, to the extent, and upon terms provided in the Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owners of Bonds.

The County hereby certifies and recites that any and all acts, conditions, and things required to exist, to happen, and to be performed, precedent to and in the incurring of the

indebtedness evidenced by this 2012 Refunding Bond, and in the issuing of this 2012 Refunding Bond, do exist, have happened, and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, and that this 2012 Refunding Bond, together with all other indebtedness of the County pertaining to the CFD No. 1992-1 special taxes, is within every debt and other limit prescribed by the Constitution and the statutes of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture or the Act.

This 2012 Refunding Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Fiscal Agent.

IN WITNESS WHEREOF, the County of El Dorado has caused this 2012 Refunding Bond to be executed in its name and on its behalf by the Chair of its Board of Supervisors and countersigned by the Clerk of the Board of Supervisors, all as of the date stated above.

COUNTY OF EL DORADO

By: _____

Countersigned:

**FISCAL AGENT'S CERTIFICATE OF
AUTHENTICATION**

This is one of the 2012 Refunding Bonds, described in the within-mentioned Indenture, which has been authenticated and registered on the date indicated below.

Date: _____

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

Authorized Officer

FORM OF ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within 2012 Refunding Bond and do(es) hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the bond register of the Fiscal Agent, with full power of substitution in the premises.

Dated: _____

NOTE: The signature(s) to this Assignment must correspond with the name(s) on the face of the within 2012 Refunding Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature(s) Guaranteed by:

Note: Signature must be guaranteed by an eligible guarantor institution (banks, securities brokers, savings associations, credit unions, or other institutions with membership in an approved signature guarantee medallion program) pursuant to Securities and Exchange Commission Rule 17A(d)15.

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

CERTIFICATE

I hereby certify that the following is a true and correct copy of the legal opinion relating to the 2012 Refunding Bonds described therein that was manually signed by Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, and was dated the date of delivery and payment of the 2012 Refunding Bonds.

Clerk of the Board of Supervisors, County of El Dorado

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation
400 Capitol Mall, 27th Floor
Sacramento, CA 95814

Board of Supervisors of the County of El Dorado
Placerville, California

Re: Community Facilities District No. 1992-1 (El Dorado Hills Development),
County of El Dorado, State of California, 2012 Special Tax Refunding Bonds

Members of the Board of Supervisors:

We have acted as bond counsel in connection with the issuance by the County of El Dorado (the "County") of \$_____ aggregate principal amount of Community Facilities District No. 1992-1 (El Dorado Hills Development), County of El Dorado, State of California, 2012 Special Tax Refunding Bonds (the "Bonds"), under and pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 of the State of California (being §§53311, *et seq.*, of the Government Code of the State of California, as amended) and all laws amendatory thereof or supplemental thereto, and pursuant to the provisions of the Indenture dated August 1, 1999, as amended and supplemented by the First Supplemental Indenture dated May 1, 2004, the First Amendment to Indenture dated May 1, 2004, the Second Amendment to Indenture dated August 23, 2011, and the Second Supplemental Indenture dated July 1, 2012 (said Indenture, as so and from time to time hereafter amended and supplemented, the "Indenture"), between The Bank of New York Mellon Trust Company, N.A., successor to BNY Western Trust Company, as fiscal agent, and the County. In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied upon the representations of the County contained in the Indenture and in the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The County has duly authorized, executed and delivered the Bonds. The Bonds are valid and binding limited obligations of the County, payable solely from the proceeds of the special taxes levied and collected in Community Facilities District No. 1992-1 (El Dorado Hills Development) (the "Special Taxes") and certain funds held under the Indenture to the extent specified therein.

2. The Indenture constitutes a valid and binding obligation of the County. The Indenture creates a valid lien on the Special Taxes and other funds pledged by the Indenture for the security of the Bonds.

3. Interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the County comply with all requirements of the Internal Revenue Code of 1986 that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The County has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. Interest on the Bonds is exempt from present State of California personal income taxes.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation