

## BOND PURCHASE AGREEMENT

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

\_\_\_\_\_, 2012

County of El Dorado, California  
 330 Fair Lane  
 Placerville, California 95667  
 Attention: County Auditor-Collector

Ladies and Gentlemen:

The undersigned (the "**Underwriter**") offers to enter into this Bond Purchase Agreement (this "**Purchase Contract**") with the County of El Dorado, California (the "**Issuer**"), which, upon your acceptance of this offer, will be binding upon the Issuer and the Underwriter. Capitalized terms used in this Purchase Contract and not otherwise defined herein have the meanings given to such terms in the Indenture described below.

This offer is made subject to the acceptance by the Issuer of this Purchase Contract on or before 5:00 p.m. on the date set forth above.

1. Upon the terms and conditions and in reliance upon the respective representations, warranties and covenants herein, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell to the Underwriter, all (but not less than all) of the above-captioned bonds (the "**Bonds**") at a purchase price (the "**Purchase Price**") of \$\_\_\_\_\_ (equal to the par amount of the Bonds (\$\_\_\_\_\_.00) *less/plus* a net original issue discount/net original issue premium of \$\_\_\_\_\_, *less* an Underwriter's discount of \$\_\_\_\_\_).

The Bonds will be issued by the Issuer with respect to the County of El Dorado Community Facilities District No. 1992-1 (El Dorado Hills Development) (the "**District**") under the authority of the Mello-Roos Community Facilities Act of 1982 (constituting Section 53311 et seq. of the California Government Code) (the "**Act**") and Resolution No. \_\_\_\_\_ adopted on June 26, 2012 (the "**Bond Resolution**") by the Board of Supervisors of the Issuer (the "**Board of Supervisors**") acting as the legislative body of the District.

The special taxes that will provide a source of payment for the Bonds (the "**Special Taxes**") are being levied pursuant to (i) Resolution No. 65-93 adopted by the Board of Supervisors of the Issuer on February 23, 1993 (the "**Resolution of Formation**"), which

established the District and authorized the levy of a special tax within the District, (ii) Resolution No. 110-94, adopted by the Board of Supervisors of the Issuer on May 10, 1994 (the “**First Resolution Ordering Changes**”), which ordered certain changes with respect to the District, (iii) Resolution No. 232-94, adopted by the Board of Supervisors of the Issuer on September 20, 1994 (the “**Second Resolution Ordering Changes**”), which ordered certain changes with respect to the District, (iv) a two-thirds vote of the qualified electors at an election held in the District on September 20, 1994, and (v) Ordinance No. 4648 enacted by the Board of Supervisors of the Issuer on May 4, 2004 (the “**Ordinance**”), pursuant to which the Special Taxes were levied in the District. Together, the Bond Resolution, the Resolution of Formation, the First Resolution Ordering Changes, the Second Resolution Ordering Changes and the Ordinance are referred to as the “**Resolutions and the Ordinance**” in this Purchase Contract.

The Bonds will be issued pursuant to the terms of an Indenture, dated as of August 1, 1999 (the “**Original Indenture**”), as amended by a First Amendment to Indenture, dated as of May 1, 2004 (the “**First Amendment**”), as supplemented by a First Supplemental Indenture, dated as of May 1, 2004 (the “**First Supplement**”), as supplemented by a Second Supplemental Indenture dated as of July 1, 2012 (the “**Second Supplement**”, and together with the Original Indenture, the First Amendment and the First Supplement, the “**Indenture**”), each by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as fiscal agent (the “**Fiscal Agent**”).

The proceeds of the sale of the Bonds will be applied in accordance with the Indenture to (i) refund in full on a current basis the Community Facilities District No. 1992-1 (El Dorado Hills Development), County of El Dorado, California, Series 1999 Special Tax Bonds (the “**1999 Bonds**”), (ii) refund on an advance basis certain maturities (specifically, those on and after September 1, \_\_\_\_\_) (the “**Refunded 2004 Bonds**,” and together with the 1999 Bonds, the “**Prior Bonds**”) of the Community Facilities District No. 1992-1 (El Dorado Hills Development), County of El Dorado, California, Series 2004 Special Tax Bonds (the “**2004 Bonds**”), (the “**Prior Bonds**”); (iii) fund a debt service reserve fund for the Bonds; and (iv) pay costs of issuing the Bonds. The 1999 Bonds were issued to refund on an advance basis the Community Facilities District No. 1992-1 (El Dorado Hills Development), County of El Dorado, California, Series 1994 Special Tax Bonds (the “**1994 Bonds**”) and to finance additional improvements for the District. The Refunded 2004 Bonds were issued to finance additional improvements for the District.

The Bonds are special obligations of the County by and through the District, secured by a pledge of and payable from the Special Taxes, on a parity with those 2004 Bonds that are not being refunded with proceeds of the Bonds (the “**Unrefunded 2004 Bonds**”). The Bonds are also payable from amounts on deposit in certain accounts held by the Fiscal Agent under the Indenture.

The refunding of the Prior Bonds will be accomplished as described in an Escrow Agreement, dated as of July 1, 2012 (the “**Escrow Agreement**”), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “**Escrow Agent**”).

2. The Bonds will mature on the dates and in the principal amounts, and will bear interest at the rates, as set forth in Exhibit B hereto. The Underwriter agrees to make a bona fide public offering of all of the Bonds at the offering prices set forth on Exhibit B hereto.

3. The Issuer agrees to deliver to the Underwriter as many copies of the Official Statement dated the date hereof relating to the Bonds (as supplemented and amended from time to time, the “**Final Official Statement**”) as the Underwriter shall reasonably request as

necessary to comply with paragraph (b)(4) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the “**Rule**”). The Issuer agrees to deliver such Final Official Statements within seven (7) business days after the execution hereof, or such earlier date identified by the Underwriter to be necessary to allow the Underwriter to meet its obligations under the Rule and Rule G-32 of the Municipal Securities Rulemaking Board (“**MSRB**”). The Underwriter agrees to file the Final Official Statement with the MSRB on or as soon as practicable after the Closing Date (defined below). The Underwriter agrees to deliver a copy of the Final Official Statement to each of its customers purchasing Bonds no later than the settlement date of the transaction.

The Issuer has authorized and approved the Preliminary Official Statement dated \_\_\_\_\_, 2012 relating to the Bonds (the “**Preliminary Official Statement**”) and the Final Official Statement and consents to their distribution and use by the Underwriter in connection with the offer and sale of the Bonds. The Issuer deems such Preliminary Official Statement final as of its date for purposes of the Rule, except for information allowed by the Rule to be omitted, and has executed a certificate to that effect in the form of Exhibit C.

In connection with issuance of the Bonds, and in order to assist the Underwriter in complying with the Rule, the Issuer will execute a Continuing Disclosure Certificate dated the date of issuance of the Bonds (the “**Continuing Disclosure Certificate**”). The form of the Continuing Disclosure Certificate is attached as Appendix E to the Final Official Statement.

4. The Issuer represents and warrants to the Underwriter that:

(a) The District is a community facilities district duly organized and validly existing under the laws of the State of California (the “**State**”), including the Act. The Issuer is duly organized and validly existing under the laws of the State, with the power to act as the legislative body of the District, and has the full legal right, power and authority, among other things, (i) upon satisfaction of the conditions in this Purchase Contract and the Indenture, to issue the Bonds for the District for the purpose specified in Section 1 hereof, (ii) to secure the Bonds in the manner contemplated in the Indenture and (iii) to levy the Special Taxes according to the rate and method of apportionment of special taxes for the District (the “**Rate and Method**”).

(b) The Board of Supervisors has the full legal right, power and authority to adopt the Resolutions and the Ordinance, and the Issuer has the full legal right, power and authority (i) to enter into this Purchase Contract, the Indenture, the Escrow Agreement and the Continuing Disclosure Certificate (such documents are collectively referred to herein as the “**Issuer Documents**”), (ii) to issue, sell and deliver the Bonds to the Underwriter as provided herein, and (iii) to carry out and consummate all other transactions on its part contemplated by each of the Issuer Documents and the Resolutions and the Ordinance, and the Issuer and the Board of Supervisors have complied with all provisions of applicable law, including the Act, in all matters relating to such transactions.

(c) The Issuer has duly authorized (i) the execution and delivery by the Issuer of the Bonds and the execution, delivery and due performance by the Issuer of its obligations under the Issuer Documents, (ii) the distribution and use of the Preliminary Official Statement and execution, delivery and distribution of the Final Official Statement, and (iii) the taking of any and all such action as may be required on the part of the Issuer to carry out, give effect to and consummate the transactions on its part contemplated by such instruments. All consents or approvals necessary to be obtained by the Issuer in

connection with the foregoing have been received, and the consents or approvals so received are still in full force and effect.

(d) The Resolutions and the Ordinance have been duly adopted by the Board of Supervisors and are in full force and effect; and the Issuer Documents, when executed and delivered by the Issuer and the other party thereto, will constitute legal, valid and binding obligations of the Issuer with respect to the District enforceable against the Issuer in accordance with its terms, except as enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally.

(e) When delivered to the Underwriter, the Bonds will have been duly authorized by the Board of Supervisors and duly executed, issued and delivered by the Issuer and will constitute legal, valid and binding obligations of the Issuer with respect to the District enforceable against the Issuer in accordance with their respective terms, except as enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally, and will be entitled to the benefit and security of the Indenture.

(f) The information relating to the Issuer and the District contained in the Preliminary Official Statement is, and as of the Closing Date such information in the Final Official Statement will be, true and correct in all material respects, and neither the Preliminary Official Statement nor the Final Official Statement will as of the Closing Date contain any untrue or misleading statement of a material fact relating to the Issuer or the District or omit to state any material fact relating to the Issuer or the District necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) If, at any time prior to the date twenty-five (25) days following the later of the Closing (as described in Section 6 below) or the date the Underwriter no longer retains, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public, which date shall be provided to the Issuer by written notice of the Underwriter (the "**End of the Underwriting Period**"), any event of which the Issuer has knowledge shall occur which might or would cause the Final Official Statement to contain an untrue statement of a material fact or to omit to state any 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, the Issuer will promptly notify the Underwriter in writing of the circumstances and details of such event. If, as a result of such event or any other event, it is necessary, in the opinion of the Underwriter, the Issuer or their respective counsel, to amend or supplement the Final Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Issuer will forthwith cooperate with the Underwriter in the prompt preparation and furnishing to the Underwriter of a reasonable number of copies of an amendment of or a supplement to the Final Official Statement, in form and substance reasonably satisfactory to the Underwriter, which will so amend or supplement the Final Official Statement so that, as amended or supplemented, it will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(h) None of the adoption of the Resolutions and the Ordinance, the execution and delivery of the Issuer Documents or the Final Official Statement, the consummation of the transactions on the part of the Issuer contemplated herein or therein and the

compliance by the Issuer with the provisions hereof or thereof will conflict with, or constitute on the part of the Issuer, a material violation of, or a material breach of or default under, (i) any indenture, mortgage, commitment, note or other agreement or instrument to which the Issuer is a party or by which it is bound, (ii) any provision of the State Constitution, or (iii) any existing law, rule, regulation, ordinance, judgment, order or decree to which the Issuer (or the members of the Board of Supervisors or any of its officers in their respective capacities as such) is subject, that would have a material adverse affect on the ability of the Issuer to perform its obligations under the Issuer Documents.

(i) The Issuer has never been in default at any time, as to principal of or interest on any obligation which it has issued, including those which it has issued as a conduit for another entity, which default may have an adverse effect on the ability of the Issuer to consummate the transactions on its part under the Issuer Documents, except as specifically disclosed in the Final Official Statement; and other than the Indenture, the Issuer has not entered into any contract or arrangement of any kind which might give rise to any lien or encumbrance on the Special Taxes following issuance of the Bonds.

(j) Except as is specifically disclosed in the Final Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending with respect to which the Issuer or the District has been served with process or known by the official of the Issuer executing this Purchase Contract to be threatened, which in any way questions the powers of the Board of Supervisors or the Issuer referred to in paragraph (b) above, or the validity of any proceeding taken by the Board of Supervisors in connection with the issuance of the Bonds, or wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions on the part of the Issuer contemplated by this Purchase Contract, or of any other Issuer Document, or which, in any way, could adversely affect the validity or enforceability of the Resolutions and the Ordinance, the Indenture, the Escrow Agreement, the Bonds or this Purchase Contract or, to the knowledge of the official of the Issuer executing this Purchase Contract, which in any way questions the exclusion from gross income of the recipients thereof of the interest on the Bonds for federal income tax purposes or in any other way questions the status of the Bonds under State tax laws or regulations.

(k) Any certificate signed by an official of the Issuer authorized to execute such certificate and delivered to the Underwriter in connection with the transactions contemplated by the Issuer Documents shall be deemed a representation and warranty by the Issuer to the Underwriter as to the truth of the statements therein contained.

(l) The Issuer has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon.

(m) The Special Taxes may lawfully be levied in accordance with the Rate and Method and the Ordinance, and, when levied, will be secured by a lien on the property on which they are levied.

(n) The Indenture creates a valid pledge of and first lien upon the Special Taxes deposited thereunder, and the moneys in certain funds and accounts established pursuant to the Indenture, subject in all cases to the provisions of the Indenture

permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(o) The Issuer has not failed in any material respect to comply with any undertaking of the Issuer under the Rule in the previous five years.

(p) The Issuer acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's length, commercial transaction between the Issuer and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer; (iii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (whether or not the Underwriter has provided other services or is currently providing other services to the Issuer on other matters) or any other obligation to the Issuer except the obligations expressly set forth in this Purchase Contract and (iv) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

5. The Issuer covenants with the Underwriter that the Issuer will cooperate with the Underwriter (at the cost and written directions of the Underwriter), in qualifying the Bonds for offer and sale under the securities or Blue Sky laws of such jurisdictions of the United States as the Underwriter may reasonably request; provided, however, that the Issuer shall not be required to consent to suit or to service of process, or to qualify to do business, in any jurisdiction. The Issuer consents to the use by the Underwriter of the Issuer Documents, the Preliminary Official Statement and the Final Official Statement in the course of its compliance with the securities or Blue Sky laws of the various jurisdictions related to the offering and sale of the Bonds.

6. At 9:00 a.m. on \_\_\_\_\_, 2012 (the "**Closing Date**") or at such other time and/or date as shall have been mutually agreed upon by the Issuer and the Underwriter, the Issuer will deliver or cause to be delivered to the Underwriter the Bonds in definitive form duly executed and authenticated by the Fiscal Agent together with the other documents mentioned in Section 8 hereof; and the Underwriter will accept such delivery and pay the Purchase Price of the Bonds by delivering to the Fiscal Agent for the account of the Issuer a check payable in federal funds or making a wire transfer in federal funds payable to the order of the Fiscal Agent.

The activities relating to the final execution and delivery of the Bonds and the Indenture and the payment therefor and the delivery of the certificates, opinions and other instruments as described in Section 8 of this Purchase Contract shall occur at the offices of Kronick Moskowitz Tiedemann & Girard, Sacramento, California ("**Bond Counsel**"). The payment for the Bonds and simultaneous delivery of the Bonds to the Underwriter is herein referred to as the "**Closing**." The Bonds will be delivered as fully registered, book-entry only Bonds initially in denominations equal to the principal amount of each maturity thereof. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, and will be made available for checking by the Underwriter at such place as the Underwriter and the Fiscal Agent shall agree not less than 24 hours prior to the Closing.

7. The Underwriter shall have the right to cancel its obligations to purchase the Bonds if between the date hereof and the date of Closing:

(a) the House of Representatives or the Senate of the Congress of the United States, or a committee of either, shall have pending before it, or shall have passed or recommended favorably, legislation introduced previous to the date hereof, which legislation, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the Issuer or by any similar body under the Indenture or upon interest received on obligations of the general character of the Bonds, or of causing interest on obligations of the general character of the Bonds, to be includable in gross income for purposes of federal income taxation, and such legislation, in the Underwriter's opinion, materially adversely affects the market price of the Bonds; or

(b) a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported or re-reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or be enacted or a decision by a federal court of the United States or the United States Tax Court shall have been rendered, or a ruling, release, order, circular, regulation or official statement by or on behalf of the United States Treasury Department, the Internal Revenue Service or other governmental agency shall have been made or proposed to be made having the purpose or effect, or any other action or event shall have occurred which has the purpose or effect, directly or indirectly, of adversely affecting the federal income tax consequences of owning the Bonds, including causing interest on the Bonds to be included in gross income for purposes of federal income taxation, or imposing federal income taxation upon revenues or other income of the general character to be derived by the Issuer under the Indenture or upon interest received on obligations of the general character of the Bonds, or the Bonds and also including adversely affecting the tax-exempt status of the Issuer under the Code, which, in the opinion of the Underwriter, materially adversely affects the market price of or market for the Bonds; or

(c) legislation shall have been enacted, or actively considered for enactment with an effective date prior to the Closing, or a decision by a court of the United States shall have been rendered, the effect of which is that the Bonds, including any underlying obligations, or the Indenture, as the case may be, is not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(d) a stop order, ruling, regulation or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Bonds, including any underlying obligations, or the execution and delivery of the Indenture as contemplated hereby or by the Final Official Statement, is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(e) any event shall have occurred or any information shall have become known to the Underwriter which causes the Underwriter to reasonably believe that the Final Official Statement includes an untrue statement of a material fact, or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and the Issuer fails to amend or supplement such Final Official Statement to cure such omission or misstatement pursuant to Section 4(g); or

(f) there shall have occurred any outbreak of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds; or

(g) there shall be in force a general suspension of trading on the New York Stock Exchange, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds; or

(h) a general banking moratorium shall have been declared by federal, New York or State authorities; or

(i) any proceeding shall be pending or threatened by the Securities and Exchange Commission against the Issuer or the District; or

(j) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which adversely affects the Underwriter's ability to sell the Bonds; or

(k) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(l) an amendment to the federal or State constitution shall be enacted or action taken by any federal or State court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Issuer, its property, income or securities (or interest thereon), the validity or enforceability of the Special Tax or the ability of the Issuer to issue the Bonds and levy the Special Tax as contemplated by the Indenture, the Rate and Method and the Final Official Statement; or

(m) any rating on the Bonds shall have been downgraded or withdrawn by a national rating service, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability of the Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Bonds.

8. The obligation of the Underwriter to purchase the Bonds shall be subject (a) to the performance by the Issuer of its obligations to be performed by it hereunder at and prior to the Closing, (b) to the accuracy as of the date hereof and as of the time of the Closing of the

representations and warranties of the Issuer herein, and (c) to the following conditions, including the delivery by the Issuer of such documents as are enumerated herein in form and substance satisfactory to the Underwriter:

(a) At the time of Closing, (i) the Final Official Statement, this Purchase Contract, the Continuing Disclosure Certificate, the Escrow 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 Underwriter, and (ii) the Issuer shall have duly adopted and there shall be in full force and effect such resolutions and ordinances (including, but not limited to, the Resolutions and the Ordinance) as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby.

(b) Receipt of the Bonds, executed by the Issuer and authenticated by the Fiscal Agent, at or prior to the Closing. The terms of the Bonds, when delivered, shall in all instances be as described in Final Official Statement.

(c) At or prior to the Closing, the Underwriter shall receive the following documents in such number of counterparts as shall be mutually agreeable to the Underwriter and the Issuer:

(i) A final approving opinion of Bond Counsel dated the date of Closing in the form attached to the Final Official Statement as Appendix D.

(ii) A letter or letters of Bond Counsel addressed to the Underwriter, which includes a statement to the effect that Bond Counsel's final approving opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to the Underwriter, and further provides:

(A) the statements contained in the Preliminary Official Statement and the Final Official Statement on the cover page and under the captions "INTRODUCTION," "THE REFUNDING BONDS" (other than information relating to DTC and its book-entry only system, as to which no opinion need be expressed), "SECURITY FOR THE BONDS," and "TAX MATTERS," and in Appendices C and D thereto, are accurate insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture and Bond Counsel's opinion concerning certain federal tax matters relating to the Bonds;

(B) this Purchase Contract and the Escrow Agreement constitute legal, valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting enforcement of creditors' rights in general and to the application of equitable principles if equitable remedies are sought; and

(C) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(iii) A letter of Kronick Moskowitz Tiedemann & Girard (“**Disclosure Counsel**”), addressed to the Issuer and the Underwriter, to the effect that:

(A) during the course of serving as Disclosure Counsel in connection with the issuance of the Bonds and without having undertaken to determine independently or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Final Official Statement, no information came to the attention of the attorneys in such firm rendering legal services in connection with the issuance of the Bonds that would lead them to believe that the Preliminary Official Statement or the Final Official Statement (excluding therefrom the financial statements, any financial or statistical data, or forecasts, charts, numbers, estimates, projections, assumptions or expressions of opinion included in the Preliminary Official Statement and the Final Official Statement, information regarding DTC, and the appendices to the Preliminary Official Statement and the Final Official Statement, as to which no opinion need be expressed), as of the date thereof or the Closing Date, contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(B) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended; and

(C) the Continuing Disclosure Certificate constitutes a legal, valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting enforcement of creditors’ rights in general and to the application of equitable principles if equitable remedies are sought.

(iv) The Final Official Statement executed on behalf of the Issuer by a duly authorized officer of the Issuer.

(v) Certified copies of the Resolutions and the Ordinance.

(vi) Evidence of recordation in the real property records of the County of El Dorado of (i) the Notice of Special Tax Lien in the form required by the Act, as document number 77681 in Book 4179 at Pages 73 through 89, on December 21, 1993, (ii) the Amendment to Notice of Special Tax lien (Altering the Rate and Method of Apportionment of the Special Tax), as document number 3100 in Book 4278 at page 653, on May 24, 1994 and (iii) the Second Amendment to Notice of Special Tax lien (Altering the Rate and Method of Apportionment of the Special Tax), as document number 056909 in Book 4354 at pages 415-428, on October 4, 1994.

(vii) A certificate, in form and substance as set forth in Exhibit A hereto, of the Issuer, dated as of the Closing Date.

(viii) Evidence that Federal Form 8038 has been executed by the Issuer and will be filed with the Internal Revenue Service.

(ix) Executed copies of the Indenture, the Escrow Agreement and the Continuing Disclosure Certificate.

(x) An arbitrage certificate in form satisfactory to Bond Counsel.

(xi) An opinion, dated the Closing Date and addressed to the Underwriter, of the County Counsel, to the effect that:

(A) the Issuer is duly organized and validly existing as a municipal corporation under and by virtue of the Constitution and laws of the State, with full legal right, power and authority to adopt the Resolutions and the Ordinance;

(B) the Resolutions and the Ordinance were each duly adopted at a meeting of the Board of Supervisors, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Resolutions and the Ordinance are in full force and effect and have not been amended or repealed, except as set forth therein;

(C) the Issuer has the full legal right, power and authority to enter into the Issuer Documents and to issue, sell and deliver the Bonds to the Underwriter;

(D) the Board of Supervisors has duly authorized the execution and delivery of the Bonds and the execution, delivery and due performance by the Issuer of its obligations under the Issuer Documents;

(E) the Issuer Documents constitute legal, valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting enforcement of creditors' rights in general and to the application of equitable principles if equitable remedies are sought;

(F) no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending with respect to which the Issuer has been served with process or to the knowledge of the County Counsel, is threatened, in any way affecting the existence of the Issuer or the titles of the Issuer's officials to their respective offices, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds or the application of the proceeds thereof in accordance with the Indenture, or the collection or application of the Special Taxes to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Issuer Documents or any action of the Issuer contemplated by any of said documents, or in any way contesting the completeness or accuracy of the Final Official Statement or the powers of the Issuer or its authority with respect to the Bonds, the Issuer Documents or any action on the part of

the Issuer contemplated by any of said documents, wherein an unfavorable decision, ruling, or finding could materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents;

(G) the execution and delivery of the Bonds and the Issuer Documents, and compliance with the provisions of each, will not conflict with or constitute a breach of or default under any loan agreement, note, ordinance, resolution, indenture, contract, agreement or other instrument of which the Issuer is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the ability of the Issuer to perform its obligations under the Bonds or the Issuer Documents;

(H) all approvals, consents, authorization, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the ability of the Issuer, to perform its obligations under the Bonds or the Issuer Documents, have been obtained or made, as the case may be, and are in full force and effect; and

(I) based upon the information made available to the County Counsel in the course of his participation in the transaction and without having undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Final Official Statement, nothing has come to the attention of the County Counsel which has led the County Counsel to believe that the Preliminary Official Statement or the Final Official Statement (excluding therefrom the financial and statistical data included in the Preliminary Official Statement and the Final Official Statement, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect;

(xii) In connection with printing and distribution of the Preliminary Official Statement, an executed certificate of the Issuer in the form attached hereto as Exhibit C.

(xiii) A certificate in form and substance as set forth in Exhibit D hereto of the Fiscal Agent/Escrow Agent and an opinion of its counsel in form and substance satisfactory to the Underwriter.

(xiv) A certificate in form and substance as set forth in Exhibit E hereto, of NBS Government Finance Group ("**Special Tax Consultant**"), dated as of the Closing Date.

(xv) A defeasance opinion of Bond Counsel with respect to the Prior Bonds.

(xvi) a letter from Jones Hall, A Professional Law Corporation, addressed to the Underwriter, to the effect that, during the course of serving as counsel to the Underwriter in connection with the issuance of the Bonds and without having undertaken to determine independently or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Final Official Statement, no information came to the attention of the attorneys in such firm rendering legal services in connection with the issuance of the Bonds that would lead them to believe that the Final Official Statement (excluding therefrom the financial statements, any financial or statistical data, or forecasts, charts, numbers, estimates, projections, assumptions or expressions of opinion included in the Official Statement, information regarding DTC, and the appendices to the Official Statement, as to which no opinion need be expressed), as of the date thereof or the Closing Date, contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(xvii) A closing certificate of the Underwriter in substantially the form and substance of Exhibit F.

(xviii) A certificate of NBS Government Finance Group, as dissemination agent, in the form attached as Exhibit G.

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

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Purchase Contract, or if the obligations of the Underwriter to purchase and accept delivery of the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the Issuer shall be under further obligation hereunder; except that the respective obligations to pay expenses, as provided in Section 11 hereof shall continue in full force and effect.

9. The obligations of the Issuer to issue and deliver the Bonds on the Closing Date shall be subject, at the option of the Issuer, to the performance by the Underwriter of its obligations to be performed hereunder at or prior to the Closing Date, and to the delivery by Bond Counsel of the opinion described in Section 8(c)(i) and by Disclosure Counsel of the letter described in Section 8(iii).

10. All representations, warranties and agreements of the Issuer hereunder shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter, and shall survive the Closing.

11. The Issuer shall pay or cause to be paid all expenses incident to the performance of its obligations under this Purchase Contract, including, but not limited to, delivery of the Bonds, costs of printing the Bonds, the Preliminary Official Statement and the Final Official

Statement, any amendment or supplement to the Preliminary Official Statement or Final Official Statement and this Purchase Contract, fees and disbursements of Bond Counsel and Disclosure Counsel, the financial advisor and other consultants engaged by the Issuer, including the fees and expenses of the Special Tax Consultant, the California Debt Investment and Advisory Commission fee, fees of the Fiscal Agent and the Escrow Agent, and fees and disbursements in connection with the qualification of the Bonds for sale under the securities or "Blue Sky" laws of the various jurisdictions and the preparation of "Blue Sky" memoranda.

The Underwriter shall pay all advertising expenses in connection with the public offering of the Bonds, and all other expenses incurred by it in connection with its public offering and distribution of the Bonds, including fees and expenses of its counsel, if any.

12. Any notice or other communication to be given to the Issuer under this Purchase Contract may be given by delivering the same in writing at its address set forth above, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to the following: Stifel, Nicolaus & Company, Incorporated dba Stone & Youngberg, a Division of Stifel Nicolaus, One Ferry Building, San Francisco, CA 94111, Attention: Eileen Gallagher.

13. This Purchase Contract is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Underwriter) and no other person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

14. This Purchase Contract shall be governed by and construed in accordance with the laws of the State applicable to contracts made and performed in the State.

15. This Purchase Contract shall become effective upon acceptance hereof by the Issuer.

STIFEL, NICOLAUS & COMPANY,  
INCORPORATED DBA STONE &  
YOUNGBERG A DIVISION OF  
STIFEL NICOLAUS

By: \_\_\_\_\_  
Authorized Representative

Accepted and agreed to as of  
the date first above written:

COUNTY OF EL DORADO, CALIFORNIA

By: \_\_\_\_\_  
Authorized Representative  
Time of Execution: \_\_\_\_\_

## EXHIBIT A

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

#### ISSUER CLOSING CERTIFICATE

I, the undersigned, hereby certify that I am the Auditor-Controller of the County of El Dorado, California, the Board of Supervisors of which is the legislative body for County of El Dorado Community Facilities District No. 1992-1 (El Dorado Hills Development) (the "**Community Facilities District**"), a community facilities district duly organized and existing under the laws of the State of California (the "**State**") and that as such, I am authorized to execute this Certificate on behalf of the Issuer in connection with the issuance of the above-referenced bonds (the "**Bonds**").

I hereby further certify on behalf of the Issuer that:

(A) no litigation is pending with respect to which the Issuer has been served with process or, to my best knowledge after reasonable inquiry, threatened (1) to restrain or enjoin the issuance of any of the Bonds or the collection of Special Taxes pledged under the Indenture; (2) in any way contesting or affecting the authority for the issuance of the Bonds or the validity or enforceability of the Bonds, the Indenture, the Escrow Agreement, the Continuing Disclosure Certificate or the Purchase Contract; or (3) in any way contesting the existence or powers of the Issuer;

(B) the representations and warranties made by the Issuer in the Issuer Documents are true and correct in all material respects on the Closing Date, with the same effect as if made on the Closing Date;

(C) no event has occurred since the date of the Final Official Statement that, as of the Closing Date, would cause any statement or information contained in the Final Official Statement to be incorrect or incomplete in any material respect or would cause the information in the Final Official Statement to contain an untrue statement of a material fact or omit to state a material fact necessary in order to make such statements therein, in the light of the circumstances under which they were made, not misleading; and

(D) as of the date hereof, the Indenture is in full force and effect in accordance with its terms and has not been amended, modified or supplemented except in such case as may have been agreed to by the Underwriter; and

(E) the Issuer has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under the Issuer Documents prior to issuance of the Bonds.

Capitalized terms used in this Certificate and not defined herein shall have the same meaning set forth in the Bond Purchase Agreement dated \_\_\_\_\_, 2012, between the Issuer and Stifel, Nicolaus & Company, Incorporated dba Stone & Youngberg, a Division of Stifel Nicolaus.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date hereinbelow set forth.

Dated: [Closing Date]

COUNTY OF EL DORADO, CALIFORNIA

By: \_\_\_\_\_  
Auditor-Controller

**EXHIBIT B**

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

**Serial Bonds**

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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**Term Bond**

**Redemption Provisions**

***Optional Redemption.*** [to come]

***Mandatory Sinking Payment Redemption.*** [to come]

***Mandatory Redemption From Special Tax Prepayments.*** [to come]

**EXHIBIT C**

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

**RULE 15C2-12 CERTIFICATE**

The undersigned hereby certifies and represents that he is the duly elected and acting Auditor-Controller of the County of El Dorado, California (the "**Issuer**"), the Board of Supervisors of which is the legislative body of the County of El Dorado Community Facilities District No. 1992-1 (El Dorado Hills Development) (the "**District**"), and is duly authorized to execute and deliver this Certificate and further hereby certifies on behalf of the Issuer as follows:

(1) This Certificate is delivered in connection with the offering and sale of the above-referenced bonds (the "**Bonds**") in order to enable the underwriter of the Bonds to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "**Rule**").

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, setting forth information concerning the Bonds, the Issuer and the District (the "**Preliminary Official Statement**").

(3) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters, all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule.

IN WITNESS WHEREOF, I have hereunto set my hand as of \_\_\_\_\_, 2012.

COUNTY OF EL DORADO, CALIFORNIA

By: \_\_\_\_\_  
Auditor-Controller

**EXHIBIT D**

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

**CERTIFICATE OF FISCAL AGENT/ESCROW AGENT**

The undersigned hereby states and certifies that the undersigned is an authorized officer of The Bank of New York Mellon Trust Company, N.A., (the "**Bank**"), which is acting (A) as fiscal agent (the "**Fiscal Agent**") under that certain Indenture, dated as of August 1, 1999 (the "**Original Indenture**"), as amended by a First Amendment to Indenture, dated as of May 1, 2004 (the "**First Amendment**"), as supplemented by a First Supplemental Indenture, dated as of May 1, 2004 (the "**First Supplement**"), as supplemented by a Second Supplemental Indenture dated as of July 1, 2012 (the "**Second Supplement**", and together with the Original Indenture, the First Amendment and the First Supplement, the "**Indenture**"), relating to the captioned bonds (the "**Bonds**"), and (B) as escrow agent (the "**Escrow Agent**") under the Escrow Agreement, dated as of July 1, 2012 (the "**Escrow Agreement**"), between the Issuer and the Escrow Agent, and as such, is familiar with the following facts and is authorized and qualified to certify the following facts on behalf of the Bank:

(1) The Bank is duly organized and existing as a national banking association under the laws of the United States of America, having the full power and authority to enter into and perform its duties under the Indenture and the Escrow Agreement.

(2) The Indenture and the Escrow Agreement have been duly authorized, executed and delivered by the Bank, and are legal, valid and binding agreements of the Bank enforceable upon the Bank in accordance with their respective terms.

(3) The Bonds have been authenticated by a duly authorized representative of the Bank in accordance with the Indenture.

(4) To the best knowledge of the Bank, after due inquiry, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental agency, public board or body pending against the Bank or threatened against the Bank which in the reasonable judgment of the Bank would affect the existence of the Bank or in any way contesting or affecting the validity or enforceability of the Indenture or the Escrow Agreement or contesting the powers of the Bank or its authority to enter into and perform its obligations under the Indenture and the Escrow Agreement.

Dated: [closing date]

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

By \_\_\_\_\_  
Authorized Officer

**EXHIBIT E**

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

**CERTIFICATE OF SPECIAL TAX CONSULTANT**

NBS Government Finance Group (the "**Special Tax Consultant**") has been retained as Special Tax administrator for the County of El Dorado Community Facilities District No. 1992-1 (El Dorado Hills Development) (the "**District**") and has reviewed the Rate and Method of Apportionment of Special Tax for the District (the "**Rate and Method**"), a copy of which is set forth in Appendix B to the Official Statement, dated \_\_\_\_\_, 2012 (the "**Official Statement**") relating to the above-captioned bonds (the "**Bonds**").

Based upon such review, the Special Tax Consultant hereby certifies that the Special Tax, if collected in the maximum amounts permitted pursuant to the Rate and Method on the date hereof, would generate the debt service coverage shown in Table \_\_\_\_\_ of the Official Statement, provided that the annual debt service figures on the attached debt service schedule, which were relied upon by Special Tax Consultant, are substantially true and correct.

Although the Special Tax if collected in the maximum amounts pursuant to the Rate and Method, would generate the debt service coverage shown in Table \_\_\_\_\_ of the Official Statement, no representation is made herein as to actual amounts that will be collected in future years.

All information with respect to the Rate and Method in the Official Statement and all other information sourced to the Special Tax Consultant is true and correct as of the date of the Official Statement and as of the date hereof, and a true and correct copy of the Rate and Method is attached to the Official Statement as Appendix B.

Dated: \_\_\_\_\_, 2012

NBS GOVERNMENT FINANCE  
GROUP

By: \_\_\_\_\_

## EXHIBIT F

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

#### CLOSING CERTIFICATE OF THE UNDERWRITER

This Certificate is furnished by Stifel, Nicolaus & Company, Incorporated dba Stone & Youngberg, a Division of Stifel Nicolaus, as underwriter (the "Underwriter") of the captioned bonds in the aggregate principal amount of \$\_\_\_\_\_ (the "Bonds") by the County of El Dorado (the "Issuer"). The Underwriter hereby certifies and represents the following, based upon the information available to it:

1. Issue Price.

1.1 As of the date a purchase agreement was signed with respect to the Bonds (the "Sale Date"), we reasonably expected to sell a substantial amount of each maturity (i.e., at least 10%) of the Bonds to the general public (excluding bond houses, brokers, or similar persons acting in the capacity of underwriter or wholesalers) in a bona fide public offering at the prices listed on Schedule A.

1.2 In our opinion, and based upon our estimate as of the Sale Date, the initial offering prices of the Bonds set forth in Schedule A are within a reasonable range of, and should reflect, the fair market prices for such Bonds.

1.3 As of the date of execution of the attached Tax Certificate, all of the Bonds have actually been offered to the general public at the prices listed in Schedule A.

1.4 As of the Sale Date at least 10% of each maturity of the Bonds were sold or were reasonably expected to be sold at the prices referred to in Schedule A.

2. Arbitrage Yield.

2.1 We have calculated the arbitrage yield with respect to the Bonds to be \_\_\_\_\_% in accordance with the instructions provided by Kronick Moskovitz Tiedemann & Girard, Sacramento, California, as Bond Counsel, in Section \_\_\_\_ of the Tax Certificate.

3. Reserve Account.

The funding of the Reserve Account as provided in the Tax Certificate is reasonably required, was a vital factor in marketing the Bonds, facilitated the marketing of the Bonds at an interest rate comparable to that of bonds and other obligations of a similar type and is not in excess of the amount necessary for such purpose.

To the extent that we provided the Issuer and Bond Counsel with certain computations that show a bond yield, issue price, weighted average maturity and certain other information with respect to the Bonds, these computations are based on our understanding of directions that we have received from Bond Counsel regarding interpretation of the applicable law. We

express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel.

All terms not defined herein have the meanings ascribed to those terms in the attached Tax Certificate. Nothing herein represents our interpretation of any laws or regulations under the Internal Revenue Code of 1986, as amended.

STIFEL, NICOLAUS & COMPANY,  
INCORPORATED DBA STONE &  
YOUNGBERG A DIVISION OF  
STIFEL NICOLAUS

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

**EXHIBIT G**

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

**CLOSING CERTIFICATE OF DISSEMINATION AGENT**

The undersigned hereby states and certifies that:

(i) I am an authorized representative of NBS Government Finance Group, which acts as dissemination agent (the "Dissemination Agent") in connection with each of the continuing disclosure undertakings of the County of El Dorado (the "County") pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule"), and as such, I am familiar with the facts herein certified and am authorized and qualified to certify the same; and

(ii) in our capacity as Dissemination Agent, we have reviewed the previous undertakings of the District pursuant to the Rule, and all annual filings and other event filings (if any) made pursuant thereto, and conclude that in the previous five years, the District has filed each annual report in a complete and timely manner, and all event filings required to be made pursuant to the Rule have also been made in a timely manner pursuant to the Rule.

Dated: \_\_\_\_\_

**NBS GOVERNMENT FINANCE GROUP, as  
*Dissemination Agent***

By: \_\_\_\_\_  
Authorized Officer