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ORDINANCE NO. 508

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF SEWER REVENUE BONDS, FIXING THE FORM OF THE BONDS AND PROVIDING COVENANTS FOR THEIR PROTECTION

COUNTY OF MARIPOSA

COULTERVILLE COUNTY SERVICE AREA NO. 1

$360,000 SEWER REVENUE BONDS OF 1979

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ORDINANCE NO. ________

AN ORDINANCE PROVIDING FOR
THE ISSUANCE OF SEWER REVENUE BONDS,
FIXING THE FORM OF THE BONDS AND PROVIDING
COVENANTS FOR THEIR PROTECTION

COUNTY OF MARIPOSA

COULTERVILLE COUNTY SERVICE AREA NO. 1

$360,000 SEWER REVENUE BONDS OF 1979

The Board of Supervisors of the County of Mariposa, State of California, does ordain as follows:

WHEREAS, the County of Mariposa, State of California, herein called "County", is a political subdivision of the State of California;

WHEREAS, this Board, acting on behalf of Coulterville County Service Area No. 1 adopted on February 20, 1979, Resolution No. 79-1 entitled "A Resolution of Intention to Issue Sewer Revenue Bonds", providing for the acquisition, construction, and financing of certain sanitary sewage facilities therein described and referred to as "works" (herein referred to as "Works") to serve an area therein described, and herein referred to as "Area";

WHEREAS, in accordance with law, a public hearing was duly held thereon, after due notice thereof, and no petition of owners or registered voters was filed requesting that the Board call and hold a special election of registered voters in the Area on the proposition of acquiring or constructing the proposed Works; and

WHEREAS, County proposes herein to issue Revenue Bonds to finance the cost of the acquisition, construction, and financing of the Works, and to provide that the principal of and interest on the Bonds shall be paid from a Bond Fund herein created, and that their payment be further secured by a Reserve Fund herein created, both of which funds will be maintained from the Gross Revenues of the Works, and said Revenues will be such that the County can and does herein determine that the principal of and interest on the Bonds of this Issue, together with the payment of all other obligations which are, or may be, a charge against said Revenues, and the costs of the maintenance and operation of said Works, can be financed solely from said Revenues and to which its tax fund need not make any contribution at all;

NOW, THEREFORE, IT IS DETERMINED and ORDERED, as follows:
ARTICLE I - DEFINITIONS

1.01 General. Unless the context otherwise requires, as used herein, the words and terms defined in this Article shall have the meanings hereinafter set forth.

1.02 Annual. "Annual" means the Fiscal Year of the County, July 1 to June 30 both inclusive.

1.03 Area. "Area" means the area to be served by the Works, as described in Resolution No. 79-1, including areas served by additions, extensions, improvements and betterments thereto.

1.04 Board or Board of Supervisors. "Board or Board of Supervisors" means the Board of Supervisors of the County, the governing body of the County acting on behalf of Coulterville Service Area No. 1.

1.05 Bondholder(s); Holder(s) of Bonds; Holder(s). "Bondholder(s)"; "Holder(s) of Bonds"; or "Holder(s)" means the holders of bearer Bonds or the registered owners of registered Bonds or one of such holders or owners.

1.06 Bond Law. "Bond Law" means Chapter 5 (commencing with Section 4950) of Part 3, Division 5 of the Health and Safety Code of the State of California, commonly referred to as the Sewer Revenue Bond Act of 1933.

1.07 Bond(s); Revenue Bond(s); Bond(s) of this Issue. "Bond(s)"; "Revenue Bond(s)" or "Bond(s) of this Issue" means the issue of Bonds in the total principal amount of $360,000 herein authorized to be issued by the County, or one of such Bonds.

1.08 Bond Year. "Bond Year" means the period between the dates of maturity of the annual series of Bonds.

1.09 Chairman. "Chairman" means the Chairman of the Board of Supervisors.

1.10 Charges. "Charges" means fees, tolls, rates and rentals prescribed by the Board of Supervisors for the use and maintenance of the Works and the services and facilities thereof.

1.11 Clerk. "Clerk" means the person elected or appointed as the Clerk of the County and its Board of Supervisors.

1.12 County. "County" means the County of Mariposa.

1.13 Fiscal Year. "Fiscal Year" means the fiscal year of the County which is from July 1 to June 30, both inclusive.


1.15 Improve. "Improve" means to reconstruct, replace, extend, repair, better, equip, embellish or otherwise improve.

1.16 Indenture. "Indenture" means this Ordinance.

1.17 Independent Public Accountant. "Independent Public Accountant" means any registered or licensed public accountant or
firm of such public accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State of California, appointed and paid by the County, and who, or each of whom:

(a) is in fact independent, and not under domination of the County;

(b) does not have any substantial interest, direct or indirect, with the County; and

(c) is not connected with the County as an officer or employee of the County, but who may be regularly retained to make annual or other similar audits of the books of the County.

1.18 Independent Engineer. "Independent Engineer" means any individual or firm of engineers having special knowledge and experience in the utility field, appointed and paid for by the County, and who, or each of whom:

(a) is in fact independent and not under domination of the County;

(b) does not have any substantial interest, direct or indirect, with the County; and

(c) is not connected with the County as an officer or employee of the County, but who may be regularly retained to make annual or other periodic reports to the County.

1.19 Net Revenues; Net Revenues of the Works. "Net Revenues" or "Net Revenues of the Works" means annual Gross Revenues of the Works after deducting all sums expended therefrom for the annual administration, management, operation, maintenance and repair of the Works, including all incidental costs, fees and expenses properly chargeable thereto.

1.20 Revenues; Revenues of the Works. "Revenues" or "Revenues of the Works" means all Charges received for, and all other income and receipts derived from the operation of the Works, or arising from the Works, or any improvements, additions, or extensions thereto, within the Area, including Revenues deposited in any funds to secure or to provide for the payment of the Bonds of this Issue, and interest received on the Revenues or received on any invested moneys of the Works; provided, however, that any special charges levied for the express purpose of reimbursing others for all or a portion of the cost of acquisition or construction of specific facilities, are not Revenues subject to the lien of the Bonds.

1.21 Treasurer. "Treasurer" means the Treasurer of the County.

1.22 Works. "Works" means the sanitary sewage facilities described in Resolution No. 79-1, the cost of acquiring, constructing, and financing of which is to be paid from the proceeds of the Bonds of this Issue, to serve the Area, to wit:
(a) The acquisition and completion of a sewage collection, treatment and disposal system and facilities consisting of a treatment plant, pump stations and ponds, with related buildings, systems and site work, to serve the lands within the Coulterville County Service Area No. 1, together with necessary collector, intercepting and outfall sewers, reservoir, irrigation and disposal facilities and maintaining equipment.

(b) The making of all acquisitions, and the construction of all works and appurtenances necessary, useful, or convenient to and in completing any of the above.
ARTICLE II - GENERAL PROVISIONS

2.01 Bond Law. The proceedings have been conducted and the Bonds are being issued pursuant to the Bond Law.

2.02 Public Interest. The public interest, economy and general welfare will be served by the acquisition, construction and financing of the Works, including all expenses incidental thereto or connected therewith.

2.03 Conditions Precedent. All acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of the Bonds have existed, have happened and have been performed in due time, form and manner as required by law, and the County is now authorized, pursuant to each and every requirement of law, to issue Revenue Bonds in the manner and form as provided herein.

2.04 Purpose of Bonds. Revenue Bonds of the County on behalf of Coulterville County Service Area No. 1 shall be issued to pay the cost of the acquisition, construction, and financing of the Works.

2.05 Cost of Works. The total estimated cost of the Works, including construction of improvements, the engineering and other fees, acquisition of lands and easements, and all other expenses incidental thereto including bond discount, if any, and bond reserve funds, working capital and estimated interest during construction and for 12 months thereafter, is the sum of $1,340,000, of which amount it is estimated $980,000 will be contributed by the United States of America and the State of California, the remainder to be paid from the proceeds of the Bonds of this Issue.

2.06 Complete Project. It is hereby found and determined that the County has made all necessary arrangements for the financing of the Works. Accordingly, it is hereby found and determined that:

(a) Adequate Funds. The acquiring, constructing and financing of the Works can be accomplished from the funds to be available from the proceeds of the sale of the Bonds, together with the aforesaid contributions of the United States of America and the State of California;

(b) Adequate Rates. Charges have been and will be fixed, levied and collected; and

(c) Bond Payment. The Charges and all other income and receipts included in the definition of "Revenues" shall constitute the Revenues of the Works pledged to service the Bonds as provided herein.

2.07 Single Transaction. The acquiring, constructing, and financing of the Works is one transaction, complete in and of itself and the proceeds of the Bonds of this Issue will be applied to the cost thereof as herein provided.

2.08 Separate Fund. The County, during the term of the Bonds, will operate the Works as a separate and distinct agency, and will create and maintain a separate and distinct special fund and account for the Works into which all Revenues of the Works to be received are to be deposited, and from which all disbursements herein provided relating to the Works, are to be made during the term of the Bonds.
2.09 Legality. If any article, section, subsection, paragraph, sentence, clause or phrase of this Indenture is for any reason adjudged by any court of competent jurisdiction to be unconstitutional, unenforceable or invalid, such decision shall not affect the validity of the remaining portions of the Indenture. The Board of Supervisors hereby declares it would have adopted the Indenture and each and every article, section, subsection, paragraph, sentence, clause or phrase hereof and would have authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more articles, sections, subsections, paragraphs, sentences, clauses or phrases be adjudged to be unconstitutional, unenforceable or invalid.
ARTICLE III - AUTHORIZATION; PROVISIONS GOVERNING THE ISSUANCE

3.01 Authorization. The Bonds shall be issued in the aggregate amount of $360,000, shall be dated May 15, 1979, shall be Three hundred sixty (360) in number and of the denomination of $1,000 each, shall be known as "County of Mariposa Coulterville County Service Area No. 1 Sewer Revenue Bonds of 1979", and shall be numbered and mature serially on the 15th day of May in the amounts and years, as follows:

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<td>350 - 360</td>
<td>11,000</td>
<td>2019</td>
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3.02 Form of the Bonds and Coupons. The Bonds and coupons thereto attached shall be in form substantially as provided in Exhibit "A" hereto attached and by reference made a part hereof.
3.03 Interest and Coupons. The Bonds shall bear interest from their date to their respective dates of maturity, at the rate or rates provided in the accepted bid for the purchase of the Bonds but not to exceed one percent (1%) per annum. Said interest shall be payable on May 15, 1980 and semiannually thereafter on the 15th days of November and May in each year to the date of maturity. Attached to each Bond shall be interest coupons payable at the times the respective interest payments thereon become due.

3.04 Callable Bonds. The Bonds are subject to redemption, at the option of the County, as a whole or in part, in inverse order of maturity and by lot within a maturity, on any interest payment date after their issuance and prior to their respective stated maturity dates at the principal amount thereof and accrued interest thereon to the date of redemption, together with a premium equal to one-eighth of one percent (1/8 of 1%) of such principal amount for each semiannual interest period, from the date fixed for redemption to the respective stated maturity dates of the Bonds so redeemed, provided, however, that in no event shall the total of such premiums so paid exceed one percent (1%) of the principal amount of each Bond so redeemed.
ARTICLE IV - PROVISIONS RELATING TO PAYMENT AND EXECUTION

4.01 Source of Payment. The Bonds shall recite that they are issued pursuant to the Bond Law and that they are payable solely from the Revenues.

4.02 Bonds Not a Debt. The Bonds and interest thereon shall not be a debt of the County, nor a charge, lien or encumbrance, legal or equitable, upon any of their property or upon any of their income or receipts or revenues, other than the Revenues of the Works which have been pledged to the payment thereof as herein provided.

4.03 Entity Credit Not Encumbered. No recourse shall be had for the payment of the Bonds, or of the interest thereon, or any part thereof, against the General Fund of the County, nor shall its credit or taxing power be deemed to be pledged thereto, and the Holders of the Bonds, or the coupons thereon, shall never have the right to compel the exercise of the taxing power of the County or the forfeiture of any of its property for the payment of the Bonds or the interest thereon.

4.04 Bonds a Special Obligation. The Bonds of this Issue and all additional bonds which may be issued in accordance with the terms and conditions hereof shall be a special obligation of the Coulterville County Service Area No. 1 and shall be payable from and secured by a lien upon the Gross Revenues of the Works as herein provided.

4.05 Where Payable. The principal and interest on the Bonds shall be payable in lawful money of the United States of America at the office of the Treasurer of the County, Courthouse, Mariposa, California.

4.06 Negotiable Instruments. At issuance the Bonds will be negotiable instruments and title thereto, unless registered as hereinafter provided, shall pass by physical delivery thereof. The Holders of the Bonds shall have all of the rights possessed by holders of negotiable instruments payable to bearer.

4.07 Interest After Maturity. If sufficient funds to pay the principal of and interest on any Bond on the due date have been made available in the fund provided therefor, no interest shall accrue thereafter with respect to such Bond or matured interest; otherwise, until funds have been so made available, such Bond shall continue to bear interest at the rate stated therein, and such matured interest amount shall bear interest from its due date at the rate stated in the Bond to which it appertains.

4.08 Execution of Bonds. Said Bonds shall be signed by the Chairman and countersigned by the Clerk. The official seal of the County shall be affixed on each of said Bonds. The coupons attached to the Bonds shall be signed by the Treasurer. All of said signatures, except that of the Clerk, may be printed, engraved, lithographed, or stamped on the Bonds and coupons in lieu of signing by hand. The official seal may be similarly reproduced on the Bonds. Such signing, countersigning, and sealing shall constitute and be a sufficient and binding execution of each of said Bonds and coupons.

4.09 Continuing Validity of Signatures. If any officer whose signature or countersignature appears on the Bonds or coupons ceases to be such officer before delivery of the Bonds, such signature or countersignature is nevertheless valid and sufficient for all purposes as if such officer had remained in office.

-9-
Any Bond or coupon may be signed and countersigned on behalf of the County by such persons as at the actual date of the execution of such Bond or coupon shall be the proper officers of the County although at the nominal date of such Bond or coupon any such person shall not have been such officer of the County.

4.10 Delivery. The Bonds shall be delivered to the purchasers thereof. The County shall deliver the Bonds upon receipt of the purchase price and shall credit the proceeds to the special fund and account for the payment of the cost of the Works, as provided herein, but the purchasers shall not be required to see to the proper application thereof.

4.11 Transcript. The Clerk is hereby authorized to prepare and provide to the purchasers of the Bonds issued hereunder and attorneys examining the same a complete set of certified copies of all ordinances, resolutions, and documents of the County relating to the issuance of Bonds and of all other proceedings and records of the Board showing the right, power, and authority to issue the Bonds and to provide the security therefor, and such certified copies and certificates shall be deemed representations of the Board as to all facts stated therein.

4.12 Use of Proceeds Certificate. The County Clerk is authorized to certify for the County the use of proceeds of the Bonds reasonably expected, including the facts and estimates upon which the expectations are based, on the date of delivery.

4.13 Purchase of Bonds. The County may, from time to time, purchase in the open market any or all of the Bonds at prices offered. All Bonds purchased shall be canceled and shall not again be reinstated.

4.14 Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the County, shall be without coupons and may contain such reference to any of the provisions of the Indenture as may be appropriate. Every temporary Bond shall be executed by the County upon the same conditions.
ARTICLE V - REGISTRATION

Part I - Against Theft

5.01 Registration and Transfer of Bonds. Each Bond herein authorized may be registered as to both principal and interest or as to principal only, upon the written request of the Holder and upon presentation of the Bond to the Treasurer, who shall be the Registrar for the Bonds.

5.02 Registration Book. An appropriate book shall be kept in the Registrar's office showing at all times what Bonds are registered and in whose names, and, upon presentation of the Bonds for such purpose, the Registrar shall, and under such reasonable regulations as the Registrar may prescribe, register or transfer or cause to be registered or transferred, in said registry book, the Bonds as herein provided.

5.03 Principal and Interest. When a Bond is presented for registration as to both principal and interest, the coupons shall be removed therefrom and canceled (or preserved in a place of safekeeping, at the option of the Registrar), and the number of the Bond, the name and address of the Holder in whose name it is to be registered, the date of such registration and a notation that the Bond is registered as to both principal and interest shall be entered in the registry book, and appropriate endorsement thereof shall be made by the Registrar in the space provided therefor on the back of the Bond. Until such registration is discharged as hereinafter provided, the interest when due shall be payable only to the registered owner and the principal when due shall be payable only to such owner upon surrender of the Bond to the Registrar.

5.04 Principal Only. When a Bond is presented for registration as to principal only, the entries specified in the preceding paragraph shall be made in the registry book and on the Bond, except that a notation in said book and on said Bond shall indicate that the Bond is registered as to principal only. In such case, the coupons remain negotiable and transferable by delivery and shall not be removed from the Bond. Interest on such Bond shall be paid to or upon the order of the person presenting the coupons for payment; principal, however, shall be paid only to the registered owner upon surrender of such Bond to the Registrar.

5.05 Transfer. A registered Bond may be transferred only by the registered owner, in person or by attorney duly authorized in writing, by a written instrument of transfer in form acceptable to the Registrar, and by the Registrar endorsing such transfer on the Bond and in the registry book. No transfer shall be required to be made during the fifteen (15) days next preceding an interest payment date.

5.06 Discharge from Registration. A registered Bond may be discharged from registration upon written request of the registered owner. In such case, the Registrar shall transfer the Bond to bearer by appropriate endorsement on the Bond and in the registry book, cause all unmatured coupons that have been removed from the Bond to be reattached to the Bond (such coupons to be reprinted, if necessary) and deliver the Bond and coupons to the owner, and thereupon negotiability and transferability by delivery shall be restored.

5.07 Reregistration. Bonds that have been discharged from registration are subject to successive registrations and transfers in the manner heretofore provided.
5.08 Charges. The person requesting registration, transfer or discharge from registration shall, as a condition precedent to the exercise of such privilege, pay the Registrar's reasonable charges therefor, if any, including any cost of reprinting the coupons and any tax or other governmental charge required to be paid with respect thereto.

5.09 Form of Registration Endorsement. The form of registration endorsement to be provided on the back of each Bond is set forth in said Exhibit "A".

Part 2 - Against Delinquency

5.10 Endorsement. When a Bond or interest coupon is presented to the Treasurer for payment and is not paid for want of funds, the Treasurer shall endorse thereon "not paid for want of funds", the date of presentation, as serial number indicating the order of payment, and shall sign or stamp his name thereon.

5.11 Record. The Treasurer shall keep a book or other record in which shall be entered the number and designation or series of the Bonds, the date and serial number of their registration, and, if known, the names and addresses of their respective owners or persons who presented the Bonds or coupons for payment.

5.12 Setting Aside Money. Upon receipt of the first money applicable to their payment, there shall be set apart the amount necessary to pay the registered Bonds and coupons.

5.13 Notice and Payment. The Treasurer shall give notice by registered or certified mail to the owner or Holder of the registered Bonds and coupons at the address last entered, or to the person who presented them that funds are available to pay the Bonds and coupons.

5.14 Order of Payment. The Bonds and coupons shall be paid in the order of their serial numbers.

5.15 Failure to Present. If the registered Bonds and coupons are not presented for payment within 30 days from mailing of the notice, or if the name and address of the owner or person who presented the Bonds or coupons is unknown, the Treasurer shall apply the amount set aside to the payment of the unpaid registered Bonds and coupons next in order, until all registered Bonds and coupons have been paid.
ARTICLE VI - CALL AND REDEMPTION

6.01 Notice of Redemption. When Bonds are called for redemption, the Treasurer shall cause notice of redemption to be given by publication once, not less than thirty (30) days prior to the date of call, in a financial newspaper circulated in San Francisco, California. The Treasurer shall also cause such notice to be mailed by registered or certified mail, not less than thirty (30) days prior to the date of call, to the last known Holder of any bearer Bond so called, and to the registered owner of any registered Bond so called, as shown on the records of the Treasurer.

6.02 Form of Notice. The notice of redemption shall:

(a) State the redemption date;

(b) State the redemption price;

(c) State the numbers and dates of maturity of the Bonds to be redeemed; provided, however, that whenever any call includes all of the Bonds of a maturity, the numbers of the Bonds of such maturity need not be stated;

(d) Require that such Bonds be surrendered, together with all interest coupons maturing subsequent to the redemption date, at the office of the Treasurer;

(e) Require that Bonds which at the time of call are payable otherwise than to bearer shall be accompanied by appropriate instruments of assignment to County duly executed; and

(f) Give notice that further interest on such Bonds will not accrue after the designated redemption date.

6.03 Receipt of Notice Unnecessary. The actual receipt by the Holder of any Bond of notice of such redemption shall not be a condition precedent to redemption, and failure to receive such notice shall not affect the validity of the proceedings for the redemption of such Bonds or the cessation of interest on the date fixed for redemption. Publication of notice of redemption may be waived by the holder of the Bond accepting payment therefor, in full, without objection.

6.04 Certificate of Notice Conclusive. A certificate by the Treasurer that notice of call and redemption has been given to owners of Bonds as herein provided shall be conclusive as against all parties, and no Bondholder whose Bond is called for redemption may object thereto or object to the cessation of interest on the redemption date fixed by any claim or showing that such Bondholder failed to actually receive such notice of call and redemption.

6.05 Redemption Fund. Prior to the time the Board of Supervisors determines to call and redeem any of said Bonds, the Treasurer shall establish a redemption fund to be designated "County of Mariposa Coulterville County Service Area No. 1 Sewer Revenue Bonds of 1979 Redemption Fund", herein called "Redemption Fund". Prior to the publication of the notice of a redemption there must be available to or set aside in said Redemption Fund moneys sufficient to redeem, at the premiums payable as herein provided, the Bonds designated in such notice for redemption.

(a) Use of Funds. Said moneys must be set aside in said fund solely for that purpose and shall be applied on or after
the redemption date to payment for the Bonds to be redeemed upon presentation and surrender of such Bonds and (except as to Bonds registered as to both principal and interest) all interest coupons maturing after the redemption date, and shall be used only for that purpose;

(b) Coupons Due. Any interest coupon due on or prior to the redemption date shall be paid from the Bond Fund provided in Section 7.08 upon presentation and surrender thereof;

(c) Coupons Not Due. Each Bond presented (if unregistered or registered as to principal only) must have attached thereto or presented therewith all interest coupons maturing after the redemption date; and

(d) Retransfers. If after all of the Bonds have been redeemed and canceled or paid and canceled, there are moneys remaining in said Redemption Fund, said moneys shall be transferred to the Revenue Fund; provided, however, that if said moneys are part of the proceeds of refunding bonds, said moneys shall be transferred to the fund created for the payment of principal of and interest on such refunding bonds.

6.06 Effect of Notice of Redemption. When notice of redemption has been given substantially as provided in Sections 6.01 and 6.02, and when the amount necessary for the redemption of the Bonds called for redemption is set aside or made available for that purpose as provided in Section 6.05, the Bonds designated for redemption shall become due and payable on the date fixed for redemption thereof, and, upon presentation and surrender of said Bonds and (except as to Bonds registered as to both principal and interest) all interest coupons maturing after the redemption date, to the Treasurer and, if any of said Bonds be registered, upon the appropriate assignment thereof, such Bonds shall be redeemed and paid at said redemption price out of the Redemption Fund.

(a) Interest Terminates. No interest will accrue on such Bonds called for redemption or on any interest coupons thereon after the redemption date specified in such notice, and the Holders of said Bonds so called for redemption after such redemption date shall look for the payment of such Bonds and the premium thereon only to said Redemption Fund. All Bonds redeemed and all interest coupons thereon shall be canceled forthwith and shall not be reissued; and

(b) Matured Coupons Payable. All interest coupons, pertaining to any redeemed Bonds, which coupons have matured on or prior to the time fixed for redemption, shall continue to be payable to the respective Holders thereof but without interest thereon. All unpaid interest payable at or prior to the date fixed for redemption upon Bonds registered in such manner that the interest is payable only to the registered owners shall continue to be payable to the respective registered owners of such Bonds, or their order, but without interest thereon.
ARTICLE VII - PLEDGE OF REVENUES AND FUNDS

7.01 Pledge of Revenues. All of the Revenues are hereby pledged to pay the principal of and interest on the Bonds, and to provide:

(a) a Bond Fund,
(b) a Reserve Fund,
(c) operation and maintenance funds, and
(d) surplus funds.

7.02 First Lien on Revenues. The sums required to meet the payment of interest on and principal of the Bonds shall be secured by a first and prior lien upon and pledge of all of the Gross Revenues of the Works including the Gross Revenues of all improvements, extensions and additions thereto within the Area, together with any interest earned thereon, and such Revenues may only be used as provided herein.

7.03 Revenues a Trust Fund. The Revenues shall constitute a trust fund for the security and payment of the Bonds. After the payment of the principal and interest requirements on the Bonds, there shall be paid from the Revenues such sums as may be required to pay the costs of necessary and reasonable maintenance and operation of the Works, which costs shall include the reasonable expenses of administration, management, operation, repair, and other expenses necessary to maintain and preserve said Works in good repair and working order; provided, however, that such costs and expenses may be paid from such sources of funds other than the Revenues as may be legally available for such purposes.

7.04 Equal Parity. All of the Bonds shall be equally and ratably secured without preference or priority by reason of number, date, date of sale, or of execution or of delivery of the Bonds, by said lien upon the Revenues in accordance with the Bond Law and the Indenture. Said lien shall be prior and paramount to any and all other claims and obligations that have arisen or may arise or be incurred against the Revenues, except as otherwise herein provided.

7.05 Ratio of Net Revenue Coverage. The County covenants that it will at all times establish, maintain, and collect charges sufficient, with other Revenues received, to provide Net Revenues equal to not less than 1.1 times the aggregate amount of the principal of and interest on the Bonds which shall become due and payable within the next succeeding twelve (12) months.

7.06 Construction Fund. There is hereby created a special fund to be designated "County of Mariposa Coulterville County Service Area No. 1 1979 Sewer Facilities Construction Fund", herein called "Construction Fund", which shall be maintained by the Treasurer as a separate account, distinct from all other funds of the County. The proceeds of the Bonds (other than accrued interest and premium, if any, which shall be deposited in the Bond Fund) together with the proceeds of any grants received by the County for such purposes, shall be deposited in the Construction Fund and shall be expended as follows:

(a) Acquisition Costs. The cost of acquiring any lands and easements necessary for the Works for which contracts have been or shall be made, or any interlocutory decree in eminent domain had and taken, shall be paid to the persons entitled thereto.
(b) Works Acquisition or Construction Costs. The costs of acquiring or constructing any part of the Works under contracts for construction work shall be paid to persons entitled thereto, on certificates of the Engineer having responsibility therefor, as to the work completed substantially in accordance with the plans and specifications adopted therefor and as said certificates are approved by the Board of Supervisors.

(c) Incidental Expenses. The incidental expenses of said proceedings, consisting of all engineering, inspection, legal, financial, and fiscal fees, and the costs of authorizing and issuing the Bonds as approved by the Board of Supervisors shall be paid to those persons entitled thereto or to the appropriate County fund to be reimbursed therefor.

Any remaining balance in the Construction Fund upon completion of the purpose of the Bonds shall be transferred to the Reserve Fund up to the maximum provided to be deposited therein by Section 7.09(a) hereof, and shall thereafter be transferred to the Bond Fund.

7.07 Revenue Fund. There is hereby created a special fund to be designated "County of Mariposa Coulterville County Service Area No. 1 1979 Sewer Facilities Revenue Fund", herein called "Revenue Fund", which shall be maintained and operated by the Treasurer as a separate account, distinct from all other funds of the County, into which all Revenues shall be paid immediately following their receipt. As long as any Bonds of this Issue or any additional Bonds authorized hereunder are outstanding, or any interest thereon is unpaid, said Fund shall be administered and disbursements shall be made therefrom in the manner and in the order progressively set forth in Sections 7.08, 7.09, 7.10, 7.11 and 7.12 hereof.

7.08 Bond Fund. There is hereby created a special account designated "County of Mariposa Coulterville County Service Area No. 1 1979 Sewer Revenue Bond Fund", herein called "Bond Fund", which shall be maintained and operated by the Treasurer to cover the payment of the principal of and interest on the Bonds.

(a) Forthwith upon receipt of the proceeds of the Bonds, the Treasurer shall deposit into the Bond Fund any funds received on account of premium and interest accrued on said Bonds from their date to the date of their delivery.

(b) On or before the first day of each calendar month, as long as any Bonds remain outstanding, beginning with the date of the Bonds and after the funds therein have been applied, the Treasurer shall deposit into the Bond Fund an equal aliquot part of the amount necessary to pay the next maturing installment of interest on the Bonds.

(c) On or before the first day of each calendar month, as long as any Bonds remain outstanding, beginning twelve (12) months prior to the first maturity of the Bonds and after the funds therein have been applied, the Treasurer shall deposit into the Bond Fund an equal aliquot part of the amount necessary to pay the next maturing installment of principal of the Bonds.

(d) In the event that rates and charges are collected with, and not separately from, taxes, the Treasurer shall deposit the amounts necessary to pay the next maturing installments of interest and principal, forthwith as they
become available in same proportion as they are collected with
the installments of taxes.

Any amount required to be set aside, transferred to and
placed in the Bond Fund may be prepaid in whole or in part by being
erlier set aside, transferred to and placed in the Bond Fund, and
in that event the monthly transfer which has been so prepaid need
not be made at the time appointed therefor. In any event, all sums
required for the payment thereof must be in the Bond Fund at least
one month prior to the due date of the maturity of any Bonds and
interest.

All moneys in this Fund shall be used and withdrawn
solely for the purpose of paying the principal of and interest on
the Bonds as the same shall become due and payable. After full
payment of the Bonds and interest, any balance in the Fund shall be
returned to the Revenue Fund.

7.09 Reserve Fund. Upon request of the holders of not less
than 75% of the outstanding bonds, there shall be created a special
account designated "County of Mariposa Coulterville Service Area
No. 1 1979 Sewer Revenue Bond Reserve Fund", herein called "Reserve
Fund", which shall be maintained by the Treasurer as a separate
account, distinct from all other funds of the County to further
secure the payment of the principal of and interest on the Bonds.

(a) On each 15th day of May, commencing in the year
following such request, and for the next successive three
years, the Treasurer shall deposit into the Reserve Fund a sum
equal to one-fourth (1/4) of the amount required to accumulate
therein a sum equal to the average annual amount of principal
and interest requirements to be paid during the term of the
Bonds.

(b) Whenever any moneys are withdrawn from the Reserve
Fund to pay principal and interest of Bonds, the amount so
withdrawn shall be restored from available surplus funds, and,
if none, then by transfers from the Revenue Fund, commencing
on the next following 15th day of May and continuing annually
for the next successive three years, each equal to at least
one-fourth (1/4) of the amount necessary to restore therein
the gross amount provided in subdivision (a) of this Section.

Money in the Reserve Fund shall be used solely for the
purpose of paying the principal of and interest on the Bonds in the
event that the moneys in the Bond Fund are insufficient therefor and
for that purpose may be withdrawn and transferred to the Bond Fund.
After reaching the year of maximum debt service on the Bonds, moneys
in said fund in excess of an amount equal to the maximum annual
principal and interest requirements to accrue during the remaining
period of the Bonds shall be transferred from the Reserve Fund to
the Bond Fund. Similar transfers shall be made upon reaching each
successive year of maximum debt service to the end that the balance
in said Fund is always equal to the maximum annual principal and
interest requirement for the remaining period of the Bonds.

The moneys in the Reserve Fund shall be transferred to
the Bond Fund at the times and for the purposes necessary to pay the
last remaining installments of principal and interest of the Bonds.
Any balance thereafter shall be transferred to the Revenue Fund.

7.10 Maintenance and Operation Funds. From the moneys
remaining in the Revenue Fund, the Treasurer shall pay the
reasonable expense of administration, management, operation,
maintenance, and repair costs of the Works, including all incidental costs, fees and expenses properly chargeable thereto, and including any sums required by contract, rule or regulation to be paid to any person, agency or government.

7.11 Surplus Funds. The funds remaining in the Revenue Fund after the transfers therefrom to the Bond Fund and to the Reserve Fund, payment of costs of administration, management, maintenance, operation, and repair of the Works shall constitute surplus funds and may be used for any of the following purposes:

(a) To pay the cost of unusual or extraordinary maintenance of or repair to the Works;

(b) To extend, enlarge, replace, better, or improve the Works;

(c) To pay the principal of and interest on the Bonds;

(d) To pay the principal, interest, and premiums of Bonds called prior to maturity;

(e) To pay the principal, interest, and premiums of Bonds purchased in the open market at prices offered at or below the sum required to be paid in the event of redemption by call;

(f) To pay the principal and interest of general obligation or revenue bonds heretofore or hereafter issued for sewer purposes, or to accumulate capital funds for the purpose of construction of sanitary sewerage and sewage disposal systems for the Coulterville County Service Area No. 1; and

(g) For any other lawful purpose.

All uses for any of the purposes identified in (c), (d), (e) and (f) hereof (excepting accumulation of capital funds) shall be made on or before the time funds may next be required for such purpose, and any funds remaining, including funds remaining in the event of a failure to make timely use of such funds for any such purpose, shall thereupon cease to be useable for such purpose.

No moneys shall be paid or transferred from surplus funds unless all of the requirements of the Indenture then required to be performed have been fully accomplished.

7.12 Feeding Higher Priority. In the event that the balance in any fund or account is below its requirements, moneys from a fund or account of lower priority shall be transferred up to fill such deficiency, and said higher fund or account shall have a first claim on the moneys of said lower fund or account for said purpose.

7.13 Investment of Funds. All moneys in the various funds that are not required to be used within such time may be invested in any obligations which are then authorized by the laws of the State of California as investments for local agencies, maturing on a date or dates prior to the need for such moneys.

The County covenants with the Holders of all the Bonds at any time outstanding that it will make no use of the proceeds of the Bonds which will cause the Bonds to be "arbitrage bonds" subject to federal income taxation by reason of Section 103(c) of the Internal Revenue Code of 1954. To that end, so long as any of the Bonds are
outstanding, the County with respect to the proceeds of the Bonds, shall comply with all requirements of said Section 103(c) and all regulations of the United States Department of the Treasury issued hereunder, to the extent that such requirements are, at the time applicable and in effect.

7.14 Inactive Deposits. Any moneys not then needed may be deposited as Inactive funds of the County.

7.15 No Restriction on Other Powers. Nothing in the Indenture shall be construed to prevent the County from exercising any powers which it may otherwise have, nor prevent the County from paying the costs of maintenance and operation from such funds other than those mentioned in this Article or in the Indenture, as are legally available for such purpose, including taxes.
ARTICLE VIII - COVENANTS BY THE COUNTY

8.01 General. For the protection and security of the Bonds, the County on behalf of the Coulterville County Service Area No. 1 covenants and agrees to and with the Holders of the Bonds as provided in this Article.

8.02 Acquire Works. It will commence and complete the acquisition, construction, and financing of the Works with all practical dispatch and in a sound and economical manner.

8.03 Operate Works. It will operate, or cause to be operated, the Works in an efficient and economical manner and will prescribe, revise and collect such Charges that the services and facilities of the Works may be furnished to the users within the Area and other users at the lowest possible cost consistent with sound economy and prudent management.

8.04 Good Repair. It will operate, maintain, preserve, and keep, or cause to be operated, maintained, preserved, and kept, the Works and every part thereof in good repair, working order and condition.

8.05 Preserve Security. It will preserve and protect the security of the Bonds and the rights of the Holders thereof, and warrant and defend such rights against all claims and demands of all persons whomsoever.

8.06 Collect Revenues. It will collect and hold in trust the Revenues or other funds pledged to the payment of the Bonds for the benefit of the Holders of the Bonds and apply such Revenues or other funds only as provided by this Indenture.

8.07 Service Bonds. It will pay and cause to be paid punctually the principal of the Bonds and the interest thereon on the date or dates and at the place or places and in the manner mentioned in the Bonds and in the coupons thereto appertaining and in accordance with this Indenture.

8.08 Pay Claims. It will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials and supplies, which, if unpaid, might by law become a lien or charge upon the Revenues of the Works, or any part of said Revenues, or any funds thereof in its hands, prior to or superior to the lien of the Bonds, or which might impair the security of the Bonds, to the end that the priority and security of the Bonds shall be fully preserved and protected.

8.09 Sales or Encumbrances. It will not sell or dispose of any of the Works other than as herein provided, or mortgage or otherwise encumber any of the Works, or any of the Revenues thereof, nor enter into any lease or agreement which would impair or impede operation of the Works, or any part thereof necessary to secure adequate Revenues for the payment of the principal of and interest on the Bonds, or which otherwise would impair or impede the rights of the Holders of the Bonds with respect to such Revenues or the operation thereof without provision for the retirement of the Bonds of this issue then outstanding from the proceeds thereof; provided, however, that material and equipment worn out, made obsolete or not needed for the efficient and proper operation of the Works may be sold without the consent of the Bondholders if the proceeds thereof are applied to the improvement or extension of the Works or to the retirement of the Bonds.
8.10 No Free Service. It will not permit any part of the Works, as to which it has jurisdiction to establish charges, to be used or taken advantage of free of charge by any person, firm or corporation, or by the State of California or the United States of America, or by any public corporation, political subdivision, city, county, district, or agency of either, including this County or the Coulterville County Service Area No. 1.

8.11 No Competition. It will acquire, construct, operate or maintain, and not permit any other public or private corporation or agency or any persons whatsoever to acquire, construct, operate, or maintain within the boundaries of the Area any system or utility competitive with the Works.

8.12 Insurance. Except as herein provided, it will procure and keep in force insurance upon all buildings and structures of the Works and the machinery and equipment therein, which are usually insured by Entities operating like property, in good and responsible insurance companies. The amount of the insurance shall be such as may be required to adequately protect it and the Holders of the Bonds from loss due to any such casualty, and in the event of any such loss due to any such casualty, and in the event of any such loss the proceeds shall be used to repair or restore the Works or for the payment of the Bonds issued hereunder. All such insurance policies shall contain a loss payable clause making any loss thereunder payable to the Treasurer as its interests may appear (except that proceeds for any one loss not exceeding fifty thousand dollars ($50,000) shall be paid to the County for the Coulterville County Service Area No. 1).

In the event of any damage to or destruction of the Works caused by the perils covered by such insurance, the proceeds of such insurance shall be applied to the repair, reconstruction or replacement of the damaged or destroyed portion of the Works. The County shall cause such work of repair, reconstruction or replacement to begin promptly after such damage or destruction shall occur and to continue and to be properly completed as expeditiously as possible. The Treasurer shall pay out of the proceeds of such insurance paid to it, upon receipt of a written request of the County, all costs and expenses in connection with such repair, reconstruction or replacement so that the same shall be completed and the Works shall be free and clear of all liens and claims. If the proceeds received by reason of any such loss shall exceed the costs of such repair, reconstruction or replacement, the excess shall be deposited by the Treasurer in the Revenue Fund and applied as provided therefor.

Alternatively, if the proceeds of such insurance are sufficient to enable the County to retire all outstanding Bonds, the County may elect not to repair, reconstruct or replace the damaged or destroyed portion of the Works, and thereafter, upon receipt of a written request of the County, such proceeds shall be applied by the Treasurer to refund or purchase all outstanding Bonds in the manner specified in Section 8.16(a).

All policies of insurance required to be maintained shall provide that a policy shall not be cancelled or renewal of such a policy declined for reasons other than nonpayment of premium unless notice is mailed to the County at least 45 days prior to the effective date of nonrenewal or at least 60 days prior to the effective date of cancellation. The Treasurer shall not be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of any such insurance or any adjustment, compromise or settlement of any loss

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agreed to by the County. If at any time following an analysis of
insurance needs and costs by the County, the Board of Supervisors
determines that self-insurance or coinsurance is more appropriate
and cost effective than continued maintenance of insurance with a
qualified insurance company, written notice of such proposed program
shall be presented to the Treasurer. If the program provides
substantially the same amount of coverage as would otherwise be
provided hereunder, such self-insurance or coinsurance program may
be substituted for all or any part of the required commercial
insurance, unless the Treasurer determines that such substitution
would result in a significant reduction of security to the
Bondholders. Any determination by the Treasurer hereunder shall be
made within sixty (60) days following the giving of the written
notice.

8.13 Fidelity Bonds. It will procure suitable fidelity bonds
covering all of its officers and other employees charged with the
operation of any portion of the Works, and the collection and
disbursement of Revenues therefrom.

8.14 Engineers. It will employ, or cause to be employed,
consulting engineers of acknowledged reputation, skill and
experience in the construction and operation of the Works or any
unusual or extraordinary items of extensions or betterments as shall
be required from time to time, copies of all reports, estimates and
recommendations of such consulting engineers to be filed with the
Clerk and furnished to the purchasers of the Bonds issued hereunder
if requested.

8.15 Audit and Report. It will employ an independent public
accountant who shall prepare and file with the Treasurer, and make
available to the purchaser of the Bonds if requested, annually
within one hundred twenty (120) days after the close of each fiscal
year commencing in the year 1980, an annual audit for the preceding
year which shall include:

(a) Balance Sheet. A balance sheet including balances
of all funds herein created.

(b) Revenues and Payments. A statement in detail of
the Revenue receipts and disbursements from the Revenues of the
Works.

(c) Insurance. A statement as to the insurance carried
by it, including a brief description of each policy as to its
coverage and name of company issuing it.

(d) Customers. The number of customers classified by
rate or charge for service groups, the number of properties
connected to the Works and number of applications for service on
hand but not connected.

(e) Billing. The annual billings and the average
monthly billing per user, where such bills are collected by means
other than the tax roll.

(f) Rate Schedules. The schedules of the rates and
charges prescribed by the rate ordinance then in effect.

(g) Recapitulation. A recapitulation of funds and
accounts created by this Indenture into which are put the Revenues
and moneys derived from the sale of the Bonds and grants, which
shall show balances at the beginning of the period, deposits and
withdrawals made during the period and balances at the end of the
period; and also deposit requirements for funds and amounts during the next succeeding fiscal period.

(h) Comments. Comments of the accountant relative to the fulfillment of the provisions of this Indenture and the manner in which the Works has been operated, and his recommendations for improving the operation of the Works.

8.16 Eminent Domain. If all or any part of the Works shall be taken by eminent domain proceedings, the net proceeds realized by the County therefrom shall be deposited by the Treasurer in a special fund in trust and shall be applied and disbursed by the County subject to the following conditions:

(a) If such proceeds are sufficient to provide for the payment of the entire amount of principal on all of the then outstanding parity lien bonds of the County so as to enable the County to retire all of such outstanding parity lien bonds, either by call prior to maturity or by payment at maturity or partly by call prior to maturity and partly by payment at maturity, the Treasurer shall provide for the application of such moneys to such retirement and to the payment of such interest. The balance of such moneys, if any, shall be available for use by the County on behalf of the Coulterville County Service Area No. 1 for any lawful purpose.

(b) If such proceeds are insufficient to provide the moneys required for the purposes set forth in the foregoing subsection (a), the Board of Supervisors shall by resolution determine to apply such proceeds for one of the following purposes, subject to the conditions hereinafter in this subsection (b) set forth:

(i) The Board of Supervisors may determine to apply such proceeds to the purchase or call of outstanding parity lien bonds of the County on behalf of the Coulterville County Service Area No. 1. In that event, such proceeds shall be applied pro rata to the purchase or call of such outstanding Bonds of each Division, Issue or Series in the proportion which the then outstanding principal amount of such Division, Issue or Series bears to the aggregate principal amount of all such outstanding Bonds. If the County is unable to purchase or call outstanding Bonds of any particular Division, Issue or Series in amounts sufficient to exhaust the moneys applicable to such Division, Issue or Series, the remainder of such moneys shall be held in trust and applied to the payment of the outstanding principal of such Series as the same become due by its terms, and, pending such application, such remaining moneys may be invested as other funds of the County.

(ii) The Board of Supervisors may determine to apply such proceeds to the cost of additions or improvements to the Works if (a) the County first secures an Independent Engineer's Report containing (1) the loss in annual Revenues, if any, suffered, or to be suffered, by the County by reason of such eminent domain proceedings, (2) a general description of the additions or improvements then proposed to be acquired by the County from such proceeds, and (3) an estimate of the additional Revenues to be derived from such additions or improvements; and (b) the Treasurer, on the basis of such Engineer's Report, determines that such additional Revenues will sufficiently offset the loss of Revenues resulting from such eminent domain proceedings so that
the ability of the County to meet its obligations hereunder will not be substantially impaired. Such determination by the Treasurer shall be final and conclusive. The County shall then promptly proceed with the construction of the additions or improvements substantially in accordance with such Engineer's Report. Payments for such construction shall be made from such eminent domain proceeds. Any balance of such proceeds not required by the County for the purposes of aforesaid shall be deposited in the Revenue Fund.

(iii) If such eminent domain proceedings have had no effect or, at the most, a relatively immaterial effect upon the Revenues and the security of the then outstanding Bonds, and an Independent Engineer's Report filed with the Treasurer so concludes, the Treasurer may so determine. Such determination by the Treasurer shall be final and conclusive and, upon such determination, the eminent domain proceeds shall forthwith be deposited in the Revenue Fund.

8.17 Unconditional Obligation. Except only as provided herein for alteration of the Bonds or the Indenture, nothing in the Indenture or in the Bonds or in the coupons contained shall affect or impair the obligation of the County acting on behalf of the Coulterville County Service Area No. 1 which is absolute and unconditional, to pay the principal of and interest on the Bonds to the respective Holders of the Bonds and coupons at the respective dates of maturity, or upon prior redemption, as herein provided, and out of the Revenues herein pledged for such payment, or affect or impair the right of action, which is also absolute and unconditional, of such Holders to institute suit to enforce such payment by virtue of the contract embodied in the Bonds and coupons.

8.18 Performance of Essence. The performance of the duties prescribed in the Indenture and in the Bond Law by the County acting on behalf of the Coulterville County Service Area No. 1 or its proper officers, agents, or employees, is of the essence of County's contract with the Bondholders.

8.19 Recourse to Bond Law. Each taker and subsequent Holder of the Bonds and attached or detached coupons has recourse to all of the provisions of the Indenture and of the Bond Law and is bound by their terms.

8.20 Indenture is Covenant. From the time the Bonds are issued hereunder, each and all of the terms of the Indenture shall be and constitute a covenant on the part of the County to, and with, each and every Bondholder.

8.21 Continuing Agreement. The Indenture and the covenants, agreements, provisions, and conditions herein contained, constitute a continuing agreement with the Holders of all of the Bonds issued or to be issued hereunder and then outstanding, to secure the full and final payment of the principal of and premiums, if any, and the interest on all Bonds which may from time to time be executed and delivered hereunder.

8.22 Period of Agreement. Whenever all of the Bonds and all interest then accrued thereon shall have been fully paid and discharged, or sufficient sums have been set aside for such purpose with the Treasurer, the agreements in the Indenture contained shall cease and terminate, and the County shall be under no further obligation to apply the Revenues of the Works as herein required, or otherwise to do or perform any of the covenants, conditions, or agreements in this Indenture contained.
9.01 Additional Bonds. No additional bonds shall be issued or other obligations incurred which shall be payable from the Revenues and constitute a lien thereon which shall have priority over the Bonds of this Issue. The County acting on behalf of the Coulterville County Service Area No. 1 may issue additional bonds payable as to principal and interest from the Revenues, on a parity with the Bonds of this Issue for the purpose of improving the Works, or for acquiring, constructing or improving additions, extensions or betterments to the Works, within or for the benefit of the Area, or for the purpose of refunding any outstanding Bonds issued for the Works or for any combination of such purposes and subject to the conditions provided in this Article.

9.02 Default. The County shall not at the time of the issuance of such additional bonds be in default hereunder unless the bonds are for refunding such defaulted obligation.

9.03 Terms. Such additional bonds shall mature on May 15 or November 15 in each year and fixed serial maturities or minimum annual sinking fund payments or any combination thereof shall be established in amounts sufficient to provide for the payment and retirement of all such additional bonds on or before their respective maturity dates.

9.04 Net Revenues. The annual Net Revenues of the Works for the latest fiscal or bond year prior to the issuance of such additional bonds, as shown by an audit, certificate, or opinion of an independent public accountant employed by the County, plus the additional Net Revenues, estimated as provided in Section 9.05, shall have produced one and one hundredths (1.1) times the sum of the average annual debt service of any then outstanding and proposed additional bonds during their term or during the term of the Bonds of this issue, whichever amount is greater. "Debt service" as used herein means principal and interest accruing on bonds or the amount of any transfers required to be made to any funds from which such principal and interest are to be paid.

9.05 Estimated Additional Net Income. The Net Revenues shown as provided in Section 9.04 may be revised and enlarged in a written report of an independent engineer or the County Engineer, as approved by a certificate or opinion of an independent public accountant, to include any or all of the following:

(a) Additional Connections. The Net Revenues of the additional number of users connected to the Works within the Area at the time of the issuance of said report, had such users been connected to the Works and subject to charges for the entire fiscal or bond year used for the audit, certificate, or opinion referred to in Section 9.04.

(b) Acquisitions. The Net Revenues to be derived from the users connected to a sewer system or facilities to be acquired by the County from the proceeds of the additional bonds.

(c) Construction. Seventy-five percent (75%) of the additional Net Revenues estimated to be produced by the construction of the additions, extensions or betterments for which additional bonds are to be issued, or by construction from other available revenues, in any twelve (12) month period out of the twenty-four (24) months next succeeding the completion of construction.
(d) **Rate Increase.** Seventy-five percent (75%) of the additional revenues estimated to be derived from any increase in charges made by the County which have not been reflected in the audit, certificate, or opinion for the full fiscal or bond year covered therein.

9.06 **Deficiency Bonds.** If the proceeds of the Bonds for any reason are less than the cost of the Works, additional bonds may in like manner be issued and sold without compliance with the provisions of this Article to provide for the amount of the deficit but not to exceed the amount necessary to complete the Works according to the original plans and specifications. Such deficiency bonds shall be deemed to be the same in all respects as the original issue, and shall be entitled to payment, without preference or priority over the Bonds first issued, and shall be disposed of in like manner.

9.07 **Refunding Bonds.** In the event and to the extent that additional bonds are to be issued for the purpose of refunding and retiring any Bonds of this Issue, for the purpose of the calculations required under this Article, the amounts of annual principal, interest, and minimum sinking funds required to have been paid on the Bonds to be refunded as provided in Section 9.01, need not be taken into consideration in computing the coverage for such additional bonds.

9.08 **Subordinate Lien Bonds.** Nothing in this Indenture shall be deemed to limit or restrict the power of the County to issue such additional bonds payable from but inferior as to the lien of any of the then outstanding Bonds on the Revenues without compliance with the provisions of this Article or of any other provision of this Indenture.

9.09 **Issuance of Refunding Bonds.** The Board of Supervisors may, with the consent of the Holder of any noncallable Bond, and without the consent of the holder of any callable Bond, refund said Bond as provided by law. If payable from revenues, the refunding bond shall be on a parity of lien with the refunded Bond, providing that the principal and the installments of interest thereof shall not increase any annual installment of principal and interest of the Bonds more than the minimum coverage ratio provided herein. Nothing herein shall prohibit the Board of Supervisors from issuing such refunding Bonds subordinate as to the lien of the Bonds and of bonds subsequently issued and payable from the same Revenue. For the purpose of curing a default or threatened default, the Board of Supervisors may issue additional Bonds of this Issue and, with the consent of the Bondholder, exchange such Bonds for maturing or matured Bonds or sell them and use the proceeds thereof to pay said Bonds, provided that either the new Bonds shall be made to mature after the maturity of the Bonds or the requirements for issuance of additional Bonds hereunder have been met. In any event, the final maturity of the new Bonds shall not extend later than forty (40) years from their date.

9.10 **Amount of Refunding Bonds.** Funding or refunding bonds may be issued in a principal amount sufficient to provide funds for the payment of all of the following:

(a) All Bonds to be funded or refunded by them.

(b) All expenses incident to the calling, retiring, or paying of the outstanding Bonds and the issuance of the funding or refunding bonds, including the difference in amount
between the par value of the funding or refunding bonds and any amount less than that for which the funding or refunding bonds may be sold.

(c) Interest upon the funding or refunding bonds from the date of sale to the date of payment of the Bonds to be funded or refunded out of the proceeds of the sale or the date upon which the Bonds to be funded or refunded will be paid pursuant to the call or an agreement with the Holders of such Bonds.

(d) Any premium necessary in the calling or retiring of the outstanding Bonds and the interest accruing on them to the date of the call or retirement.
ARTICLE X - MODIFICATIONS

10.01 Modifications. From and after the sale and delivery of any of the Bonds, no amendment, alteration or modification of the Bonds or of this Indenture which will impair, impede or lessen the rights of the Holders of the Bonds then outstanding shall be made without the prior written consent, or alternatively, the prior consent given at a Bondholders' meeting, of the Holders of at least sixty percent (60%) of the aggregate principal amount of affected Bonds then outstanding, unless the amendment, alteration or modification be as herein authorized. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter or impair the obligation of the County to pay the interest or principal or redemption premiums at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Holder of such Bond, nor reduce the percentage of Bonds required for the written consent to any such amendment or modification, nor, without its written consent thereto, modify any of the rights or obligations of the Treasurer.

10.02 Amendment Without Consent. The Indenture and the rights and obligations of the County and of the Holders of the Bonds and the coupons may also be modified or amended at any time by a Supplemental Ordinance which shall become binding upon adoption, without the consent of any Holders of Bonds, but only to the extent permitted by law and only for any one or more of the following purposes:

(a) To add to the covenants and agreements of the County in the Indenture contained, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the County;

(b) To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture or in regard to questions arising under this Ordinance, as the County may deem necessary or desirable and not inconsistent with this Indenture and which shall not adversely affect the interest of the Holders of the Bonds; or

(c) To provide for the issuance of a Series of Bonds, and to provide the terms and conditions under which such Series of Bonds may be issued, subject to and in accordance with the provisions of Article II.

10.03 Consent Binding. Any amendment, alteration or modification which shall have received the consent of the Holders of the percentage of said outstanding Bonds as provided in Section 10.01 of this Article shall be binding on the Holders of all of the Bonds and coupons appertaining thereto, either attached to or detached from the Bonds. If any alteration, amendment or modification shall affect less than all outstanding Bonds, then the provisions of Section 10.01 of this Article shall apply only to the Bonds affected by the amendment, alteration or modification.

10.04 Calling Bondholders' Meeting. If the Board of Supervisors shall desire or shall be required to obtain the consent of the Bondholders to a proposed action, it may adopt a resolution calling a meeting of the Bondholders affected by the proposed action for the purpose of considering the action, the consent to which is desired or required.
10.05 Discretion of Board of Supervisors. The place, date and hour of holding the meeting and the date or dates of publishing and mailing notice shall be determined by the Board of Supervisors in its discretion.

10.06 Notice of Meeting. Notice to Bondholders specifying the purpose, place, date and hour of the meeting shall be given by mail and by publication at least once not less than thirty (30), nor more than sixty (60) days prior thereto in one or more financial newspapers circulated in San Francisco or Los Angeles. The notice shall set forth the nature of the proposed action, consent to which is desired or required.

10.07 List of Owners. The Treasurer shall prepare and deliver to the chairman of the meeting a list of the names and addresses of Bondholders, to the extent known by him, together with a statement of the maturities, series and numbers of the Bonds held by each, and no Bondholder shall be entitled to vote at the meeting unless his name appears upon the lists or unless, at the meeting, he shall present his Bond or Bonds or a certificate of deposit thereof.

10.08 Certificate of Deposit. Holders of coupon Bonds may deposit them with a bank, trust company, investment banker, bond dealer or broker within or without the State, and obtain from the depositary a certificate of deposit which shall constitute proof of ownership and entitle the depositor named therein to vote upon filing it with the Treasurer who shall add it to the list of owners. The Treasurer may designate a depositary where the Bonds may be deposited, which shall be an agency for that purpose.

10.09 Limit on Voting. No Bondholder shall be permitted to vote with respect to a larger aggregate principal amount of Bonds than is set against his name on the list, unless he shall produce the additional Bonds upon which he desires to vote or a certificate of deposit.

10.10 Attendance and Voting by Proxy. Attendance and voting by a Bondholder at the meeting may be by proxy. An owner of fully registered Bonds may, by an instrument in writing under his hand, appoint any person as his proxy to vote at the meeting for him, and that instrument when presented at the meeting shall be sufficient to entitle that person to vote as the proxy of said owner. Any person may vote as the proxy of the owner of a coupon Bond on presentation of the Bond or certificate of deposit thereof and an instrument in writing under the hand of the Bondholder appointing the person as his proxy to vote at the meeting for him, or if the instrument in writing has been delivered to the agency designated by the County at the time the Bond was delivered to the agency as provided for in Section 10.08 of this Article and the person's name appears on the list delivered by the Treasurer to the chairman of the meeting, the certificate of deposit may verify him as the proxy of the owner of said coupon Bond.

10.11 Quorum and Procedure. A representation of at least sixty percent (60%) in aggregate principal amount of the Bonds affected by the proposed action and then outstanding shall be necessary to constitute a quorum at the meeting of Bondholders, but less than a quorum may adjourn the meeting, from time to time, and the meeting may be held as so adjourned without further notice, whether the adjournment shall have been by a quorum or less than a quorum.

10.12 Officers. The Board of Supervisors shall, by an instrument in writing, appoint a temporary chairman of the meeting,
and the meeting shall be organized by the election of a permanent chairman and a secretary.

10.13 **Votes.** At the meeting, each Bondholder shall be entitled to one vote for every $1,000 principal amount of Bonds with respect to which he shall be entitled to vote, and the vote may be given in person or by proxy. The Board of Supervisors by its duly authorized representative, may attend the meeting of the Bondholders, but shall not be required to do so.

10.14 **Vote Required.** At the meeting, there shall be submitted for the consideration and action of the Bondholders a statement of proposed action, consent to which is desired or required, and if the action shall be consented to and approved by the Bondholders in person or by proxy holding at least sixty percent (60%) of the aggregate principal amount of the Bonds affected by the proposed action and then outstanding, the chairman and the secretary of the meeting shall so certify in writing to the Board of Supervisors, and the certificate shall constitute complete evidence of the consent of the Bondholders.

10.15 **Disqualified Bonds.** Bonds owned or held by or for the account of the County (but excluding Bonds held in any employees' retirement fund) shall not be deemed outstanding for the purpose of any consent or other action or any calculation of outstanding Bonds in this Article provided for, and shall not be entitled to consent to, or take any other action in this Article provided for.

10.16 **Certificate of Notice Conclusive.** The actual receipt by a Bondholder of the notice required to be given by Section 10.06 of this Article shall not be a condition precedent to the undertaking, notice of which is required to be given, and failure to receive notice shall not affect the validity of the proceedings thereat or prevent the notice from having the effect intended by the giving of notice, provided that notice has been published and has also been mailed to Bondholders to the extent known to the Treasurer. No irregularity in the form of the notice shall affect its validity provided notice has been given. A certificate signed by the chairman and secretary of the meeting shall be conclusive evidence and the only competent evidence of the matters stated in the certificate relating to the proceedings taken at the meeting, as against all parties and it shall not be open to a Bondholder to show that he failed to receive notice.

10.17 **Filing Certificate.** The certificate shall be filed in the office of the Treasurer and shall be kept on file so long as the Bonds and the interest thereon are outstanding and unpaid. A duplicate original, if there is one, and, if not, then a reproduced copy thereof, including the signatures thereon, shall be filed with the papers of the proceedings authorizing the issuance of the Bonds.

10.18 **Endorsement or Replacement of Bonds After Amendment.** After the effective date of any action taken as hereinabove provided, the County may determine that the Bonds shall bear a notation, by endorsement in form approved by the County, as to such action, and in that case upon demand of the Holder of any Bond outstanding at such effective date and presentation of his Bond for the purpose at the office of the Treasurer and at such additional offices as the Treasurer may select and designate for that purpose, a suitable notation as to such action shall be made on such Bond. If the County shall so determine, new bonds so modified as, in the opinion of the County, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the
Holder of any Bond outstanding at such effective date such new bonds shall be exchanged at the office of the Treasurer and at such additional offices as the Treasurer may select and designate for that purpose, without cost to each Holder, for Bonds then outstanding, upon surrender of such outstanding Bonds with all unmatured coupons appertaining thereto.

10.19 Amendment by Mutual Consent. The provisions of this Article shall not prevent any Holder of Bonds from accepting any amendment as to the particular Bonds held by him, provided that due notation is made on such Bonds.
ARTICLE XI - EVENTS OF DEFAULT AND REMEDIES

11.01 Event of Default. One or more of the following events shall constitute an event of default:

(a) Principal. If default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise, and such default shall continue for a period of thirty (30) days;

(b) Interest. If default shall be made in the due and punctual payment of an installment of interest of any Bond when and as the interest installment shall become due and payable, and such default shall continue for a period of thirty (30) days;

(c) Covenants. If default shall be made in the observation of any of the covenants, agreements, or conditions on its part herein or in the Bonds contained, and the default has continued for a period of sixty (60) days after the County shall have been given notice in writing of such default by a Bondholder; or

(d) Bankruptcy. If the County or the County on behalf of the Coulterville County Service Area No. 1 shall file a petition or answer seeking reorganization or arrangement under the Federal bankruptcy laws or other applicable laws or statutes of the United States of America, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the County, seeking reorganization under the Federal bankruptcy laws or other applicable laws or statutes of the United States of America or if under the provisions of the Federal bankruptcy laws or the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Coulterville County Service Area No. 1 or of the whole or any substantial part of its property.

11.02 Acceleration. Upon the happening of an event of default, the Holders of not less than sixty percent (60%) in aggregate principal amount of the Bonds at the time outstanding shall be entitled, upon notice in writing to the County, to declare the principal of all of the Bonds then outstanding and the interest accrued thereon to be due and payable immediately, and upon such declaration the same shall become and shall be immediately due and payable.

11.03 Application of Funds. When acceleration has been declared under Section 11.02, all of the Gross Revenues pledged to the payment and security of the Bonds, including all sums in all of the funds and accounts provided therefor upon the date of the happening of an event of default, and all sums thereafter received by the County shall be applied by it, upon presentation of the several Bonds and coupons, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid, in the following order:

(a) Costs and Expenses. To the payment of the costs and expenses of the Bondholders in declaring an event of default, and to the payment of the costs and expenses of the Treasurer in carrying out the provisions of this Article, including reasonable compensation to each of their agents, attorneys and counsel.

(b) Interest on Undue Bonds. In case the principal of the Bonds shall not have become due and shall not then be due and
payable, said moneys shall be applied to the payment of the interest
in default, first, in the order of registration under Part 2 of
Article V of the Indenture, and then in the order of maturity of the
installments of the interest.

(c) Principal and Interest on Due Bonds. In case the
principal of the Bonds shall have become and shall be then due and
payable, said moneys shall be applied to the payment of the
principal and interest of the Bonds, first, in the order of
registration under Part 2 of Article V of the Indenture, and then in
the order of maturity of the installments of principal and interest.

(d) Insufficient Funds. In case the moneys shall be
insufficient to pay in full the whole amount so owing and unpaid
upon the Bonds, under subsections (b) and (c) of this Section, then
the moneys shall be applied to the payment, first of interest, and
then of principal, ratably to the aggregate of the interest or
principal then due to the persons entitled thereto without
discrimination or preference.

11.04 Refunding Defaulted Bonds. The County may refund any
defaulted Bond by the issuance of a new Bond maturing after the
maturity of the last Bond of this Issue, but otherwise on a parity
as to payment of interest with the Bonds of this Issue, and with the
consent of the Holder thereof, exchange such Bonds for such matured
Bond, or, without his consent, issue and sell said refunding Bond
and pay said defaulted Bond, and in either such event such action
shall be deemed to cure such default hereunder.

11.05 Bondholder Remedies. Subject to any contractual
limitation binding upon the Holders of any of the Bonds (including
but not limited to, any limitations upon the exercise of any remedy
to the Bondholders holding a specific proportion or percentage of
such Bonds), any Holder of Bonds shall have the right, for the equal
benefit and protection of all Holders of Bonds similarly situated,
in addition to those provided in the Bond Law:

(a) Accounting. By action or suit in equity to require
the County and its Board of Supervisors and other officers, agents,
and employees to account as the trustee of an express trust.

(b) Injunction. By action or suit in equity to enjoin
any acts or things which may be unlawful or in violation of the
rights of the Bondholders.

(c) Mandamus. By mandamus or other suit, action, or
proceeding at law or in equity to enforce their rights against the
County and its and any of its officers, agents, and employees, and
to compel it or them to perform and carry out its and their duties
and obligations under the law and its and their covenants and
agreements with Bondholders as provided herein.

11.06 Nature of Remedies. As to remedies of the Bondholders:

(a) Cumulative. No remedy conferred hereby or by the
law upon any Holder of Bonds is intended to be exclusive of any
other remedy, but each such remedy is cumulative and in addition to
every other remedy and may be exercised without exhausting and
without regard to any other remedy conferred hereby or by the Bond
Law or by any other law.

(b) Waiver. No waiver of any default or breach of duty
or contract by any Bondholder shall extend to or shall affect any
subsequent default or breach of duty or contract or shall impair any
rights or remedies thereof.

(c) Delays. No delay or omission of any Bondholder to
exercise any right or power accruing upon any default shall impair
any such right or power or shall be construed to be a waiver of any
such default or acquiescence thereof.

(d) Enforcement. Every substantive right and every
remedy conferred upon the Bondholders may be enforced and exercised
from time to time and as often as may be deemed expedient.

(e) Status Quo. In case any suit, action, or
proceeding to enforce any right or exercise any remedy shall be
brought or taken and then discontinued or abandoned, or shall be
determined adversely to the Bondholders, then, and in every such
case, the County and such Bondholders shall be restored to their
former positions and rights and remedies as if no such suit, action,
or proceeding had been brought or taken.
ARTICLE XII - PUBLICATION

12.01. Publication. This ordinance shall be published within the time, in the manner, and by one of the methods provided for in Section 25124 of the Government Code of the State of California.

CHAIRMAN OF THE BOARD OF SUPERVISORS
Eugene P. Dalton, Jr.

ATTEST:

JOAN J. LYNN
CLERK OF THE BOARD

I hereby certify that the foregoing is a full, true and correct copy of an Ordinance introduced at a regular meeting of the Board of Supervisors of the County of Mariposa, California, duly held on the 24th day of April, 1979, and passed and adopted by said Board at a meeting thereof duly held on the 24th day of April, 1979, by the following vote:

AYES: Clark, Dalton, Owings, Weber, Erickson

NOES: None

NOT VOTING: None

ABSENT: None

CHAIRMAN OF THE BOARD OF SUPERVISORS
EUGENE P. DALTON, JR.

ATTEST:

JOAN J. LYNN
CLERK OF THE BOARD

-35-
EXHIBIT "A"

*Bond Form: The Bonds shall be substantially in the following form:

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF MARIPOSA

COULTERVILLE COUNTY SERVICE AREA NO. 1
SEWER REVENUE BOND OF 1979

No. __________ $1,000

COUNTY OF MARIPOSA acting on behalf of Coulterville County Service Area No. 1, State of California, hereinafter referred to as "County", for value received has obligated itself to pay to the bearer hereof (unless this Bond be registered as hereinafter provided) from the County of Mariposa, Coulterville County Service Area No. 1 1979 Sewer Revenue Bond Fund on the 15th day of May, __________,

ONE THOUSAND DOLLARS ($1,000)

together with interest thereon from date to the maturity date hereof at the rate of ______ percent (____%) per annum, said interest to be payable on May 15, 1980, and thereafter semiannually on November 15 and May 15 in each year, upon presentation and surrender of the interest coupons hereto attached as they respectively become due.

Both the principal of and interest on this Bond are payable in lawful money of the United States of America at the office of the County Treasurer, Courthouse, Mariposa, California.

If payment of this Bond or of any interest coupon thereon is not made in full accordance with the terms of the Ordinance providing for their issuance, such Bond or coupon, or both, shall continue to bear interest at the rate stated herein until paid in full.

This Bond is one of an issue of Bonds of said County on behalf of said Area designated County of Mariposa, Coulterville County Service Area No. 1 Sewer Revenue Bonds of 1979 (the "Bonds"), aggregating Three Hundred Sixty Thousand Dollars ($360,000) in principal amount, all of like tenor (except for such variation as may be required to designate number, maturity, redemption provisions, or interest rate), and all issued by the County for the purpose of providing money to pay the cost of acquiring, constructing, and financing certain sewage facilities (the "Works") to serve an area (the "Area"), both more fully described in Resolution No. 79-1, A Resolution of Intention to Issue Sewer Revenue Bonds, adopted by the Board of Supervisors on February 20, 1979, and as authorized by Ordinance No. ______, An Ordinance Providing for the Issuance of Sewer Revenue Bonds, adopted by the Board of Supervisors on ______, 1979 (the "Ordinance"), to which reference is hereby made for the obligations, duties, rights, and privileges hereby created, and in strict accordance with law and Chapter 5 (commencing with Section 4950), Part 3, Division 5 of the Health and Safety Code of the State of California, commonly referred to as the Sewer Revenue Bond Act of 1933.
This Bond is a negotiable instrument payable to bearer and title thereto, unless registered, shall pass by physical delivery thereof.

The Bonds are subject to redemption, at the option of the County, as a whole or in part, in inverse order of maturity and by lot within a maturity, on any interest payment date after their issuance and prior to their respective stated maturity dates at the principal amount thereof and accrued interest thereon to the date of redemption, together with a premium equal to one-eighth of one percent (1/8 of 1%) of such principal amount for each semiannual interest period, from the date fixed for redemption to the respective stated maturity dates of the Bonds so redeemed, provided, however, that in no event shall the total of such premiums so paid exceed one percent (1%) of the principal amount of each Bond so redeemed.

At least thirty (30) days prior to the date of call of any Bonds, notice of redemption shall be published once in a financial paper circulated in San Francisco, California, and such notice shall be mailed by registered or certified mail to the last known holder or holders of any bearer Bonds so called, and to the registered owner or owners of any registered Bonds so called. No interest shall accrue on said Bonds called for redemption or any interest coupons thereon after the redemption date specified in said notice. Publication of notice of redemption may be waived by the holder of the Bond accepting payment therefor, in full, without objection.

The County may also, from time to time, purchase any or all of the Bonds at prices offered. All Bonds purchased will be canceled and will not again be reissued.

This Bond may be registered as to principal and interest or as to principal only with the privilege of transfer, discharge from registration and successive registration, upon written request of the owner and presentation of the Bond to the Treasurer and payment of the charges, if any, all as provided in the Ordinance.

The Bonds and coupons appertaining thereto and the Ordinance may be amended, altered or modified, with the consent of the holders of at least sixty percent (60%) of the aggregate principal amount of Bonds then outstanding, in the manner, to the extent and upon the terms provided in the Ordinance.

Both principal and interest are payable solely from the Revenues as defined in the Ordinance and said County or Coulterville County Service Area No. 1 are not obligated to pay the principal hereof or interest hereon except from the Revenues. The Bonds constitute a first and prior lien upon the said Revenues except that additional bonds may be issued on a parity of lien in accordance with the Ordinance, or subordinate as to the lien thereof.

All of the Revenues to be derived from the sewer service charges imposed within the Area, including Revenues from all sewer facilities connected to the Works and improvements, additions and extensions thereto which may hereafter be constructed or acquired within said Area, are pledged to pay the principal of and interest on the Bonds, and to provide (1) a Bond Fund, (2) a Reserve Fund, (3) operating and maintenance funds, and (4) surplus funds as provided in the Ordinance.
The County has created a special 1979 Sewer Revenue Bond Fund for the payment of said principal and interest and has agreed to set aside in said fund at the times provided in the Ordinance, an equal aliquot part of the amount necessary to pay interest and principal which shall fall due at the next ensuing interest and principal payment dates.

It is hereby certified, recited and declared that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond have existed, happened and been performed in due time, form and manner as required by law; that said County is authorized by law to operate the Works herein referred to, and the Board of Supervisors has established and has covenanted to maintain rates and charges sufficient, with other Revenues received, to provide net revenues equal to not less than 1.1 times the aggregate amount of principal and interest which shall become due and payable within the next succeeding twelve (12) months on all of the Bonds then outstanding.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Mariposa, as Governing Board of Coulterville County Service Area No. 1 has caused this Bond to be signed by its Chairman, countersigned by its Clerk, the seal of said County to be hereto affixed, the coupons attached hereto to be signed by its Treasurer, and this Bond to be dated the 15th day of May, 1979.

CHAIRMAN OF THE BOARD OF SUPERVISORS
COUNTY OF MARIPOSA

COUNTERSIGNED:

CLERK OF THE BOARD OF SUPERVISORS
COUNTY OF MARIPOSA

(SEAL)

*If requested by the holder of all of the Bonds the foregoing bond form may be modified for registration purposes as a single Bond in order to represent the entire issue. In such event, the schedule of maturity, together with the applicable bond numbers, shall be set forth on the face of the Bond.
Interest Coupon Form. The coupons shall be substantially in the following form:

COUNTY OF MARIPOSA as Governing Board of Coulterville County Service Area No. 1, State of California, will on the due date hereof, unless the Bond designated herein is redeemed prior thereto, pay to the bearer hereof the sum hereon at the office of the County Treasurer, Courthouse, Mariposa, California as interest on its SEWER REVENUE BOND OF 1979, dated May 15, 1979.

Due ___________ 1, _____ $ _________________ Coupon No. _______________ No. _________________

Treasurer, County of Mariposa

Registration Form. Unless the Bonds are issued in the form of a single fully registered Bond, the form of endorsement for registration on said Bonds shall be substantially as follows:

This Bond is registered in the name of the registered owner last entered below, and both the principal of and interest on this Bond are payable only to such owner, unless registered as to principal only, in which event only the principal is so payable; provided that this Bond may be registered to bearer and thereby discharged from registration and the negotiability hereof restored.

NOTE: There must be no writing below except by the Treasurer.

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<tr>
<th>Date of Registry</th>
<th>Type of Registration*</th>
<th>Name and Address of Registered Owner</th>
<th>Signature of Treasurer</th>
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*If registration is as to principal only, strike the words "and interest"; if as to principal and interest, strike the word "only".