
**THIRD
SUPPLEMENTAL FISCAL AGENT AGREEMENT**

by and between the

LAMMERSVILLE UNIFIED SCHOOL DISTRICT

and

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

Dated as of February 1, 2013

RELATING TO

**\$ _____
LAMMERSVILLE UNIFIED SCHOOL DISTRICT
SPECIAL TAX BONDS, SERIES 2013
(LAMMERSVILLE SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 2002
(MOUNTAIN HOUSE))**

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SUPPLEMENTAL FISCAL AGENT AGREEMENT
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THIRD SUPPLEMENTAL FISCAL AGENT AGREEMENT

THIS THIRD SUPPLEMENTAL FISCAL AGENT AGREEMENT, dated as of February 1, 2013 (the “**Third Supplemental Fiscal Agent Agreement**”), by and between the LAMMERSVILLE UNIFIED SCHOOL DISTRICT (formerly the Lammersville School District), a unified school district organized and existing under the Constitution and laws of the State of California (the “**District**”), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as successor fiscal agent (the “**Fiscal Agent**”);

WITNESSETH:

WHEREAS, the Governing Board of the District (the “**Board**”) previously conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with Section 53311) of the California Government Code (the “**Act**”), to form “Lammersville School District Community Facilities District No. 2002 (Mountain House)” (the “**CFD**”), to authorize the levy of special taxes (“**Special Taxes**”) upon the land within the CFD and to issue bonds secured by the Special Taxes for financing certain public improvements, all as described in those proceedings (“**Facilities**”); and

WHEREAS, the District and the Fiscal Agent thereafter executed a Fiscal Agent Agreement, dated as of September 1, 2002 (the “**Original Fiscal Agent Agreement**”), and the District issued and sold, for and on behalf of the CFD, the Lammersville School District Community Facilities District No. 2002 (Mountain House) Special Tax Bonds, Series 2002 (the “**Series 2002 Bonds**”) in the initial principal amount of \$25,000,000; and

WHEREAS, the District and the Fiscal Agent subsequently executed a First Supplemental Fiscal Agent Agreement, dated as of August 1, 2006 (the “**First Supplemental Fiscal Agent Agreement**”), and the District issued and sold, for and on behalf of the CFD, the Lammersville School District Community Facilities District No. 2002 (Mountain House) Special Tax Bonds, Series 2006 (the “**Series 2006 Bonds**”), in the initial principal amount of \$25,000,000, which 2006 Bonds constitute a series of Parity Bonds (as defined in the Original Fiscal Agent Agreement) under Section 3.06 of the Original Fiscal Agent Agreement; and

WHEREAS, for the purpose of refunding the Series 2002 Bonds, the District and the Fiscal Agent subsequently executed a Second Supplemental Fiscal Agent Agreement, dated as of July 1, 2012 (the “**Second Supplemental Fiscal Agent Agreement**”; together with the Original Fiscal Agent Agreement and the First Supplemental Fiscal Agent Agreement, the “**Master Fiscal Agent Agreement**”), and the District issued and sold, for and on behalf of the CFD, the Lammersville Unified School District Special Tax Refunding Bonds, Series 2012 (Lammersville School District Community Facilities District No. 2002 (Mountain House)) (the “**2012 Bonds**”), which 2012 Bonds constitute a series of Parity Bonds under Section 3.06 of the Original Fiscal Agent Agreement; and

WHEREAS, the District wishes to provide for the issuance of a series of Parity Bonds on behalf of the CFD under Section 3.06 of the Master Fiscal Agent Agreement for the purpose of paying for the costs of acquiring and constructing the Facilities, which Parity Bonds shall be entitled “Lammersville Unified School District Special Tax Bonds, Series 2013 (Lammersville School District Community Facilities District No. 2002 (Mountain House))” (the “**Series 2013 Bonds**”); and

WHEREAS, on January 16, 2013, the Board adopted Resolution No. _____ (the “**Resolution**”) authorizing the issuance of the Series 2013 Bonds for and on behalf of the CFD; and

WHEREAS, in order to provide for the authentication and delivery of the Series 2013 Bonds, to establish and declare the terms and conditions upon which the Series 2013 Bonds are to be issued and to secure the Parity Bonds by a lien and charge upon the Special Taxes and the respective funds and accounts established under the Master Fiscal Agent Agreement equal to and on a parity with the lien and charge securing the outstanding Series 2006 Bonds and the Series 2012 Bonds, the Governing Board has authorized the execution and delivery of this Third Supplemental Fiscal Agent Agreement; and

WHEREAS, the District has determined that all acts and proceedings required by law and the Master Fiscal Agent Agreement necessary to make the Series 2013 Bonds, when executed by the District, authenticated and delivered by the Fiscal Agent and duly issued, the valid, binding and legal special obligations of the District, and to constitute this Third Supplemental Fiscal Agent Agreement a valid and binding agreement for the uses and purposes herein set forth, in accordance with its terms, have been done and taken; and the execution and delivery of this Third Supplemental Fiscal Agent Agreement have been in all respects duly authorized;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

ARTICLE XV

DEFINITIONS; AUTHORIZATION AND PURPOSE OF SERIES 2013 BONDS; EQUAL SECURITY

Section 15.01. Definitions. Unless the context clearly otherwise requires or unless otherwise defined in this Section, the capitalized terms in this Third Supplemental Fiscal Agent Agreement shall have the respective meanings which such terms have in the Master Fiscal Agent Agreement.

“Authorized Denomination” means \$5,000 or any integral multiple thereof.

“Bond Date” means the Closing Date.

“Closing Date” means the date of initial issuance and delivery of the Series 2013 Bonds hereunder.

“Interest Payment Date” for the Series 2013 Bonds means March 1 and September 1 of each year, commencing September 1, 2013.

“Original Purchaser” and **“Participating Underwriter”** means Stifel, Nicolaus & Company, Incorporated dba Stone & Youngberg, a Division of Stifel Nicolaus, as the first purchaser of the Series 2013 Bonds from the District.

“Qualified Reserve Account Credit Instrument” means an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company and deposited with the Fiscal Agent, provided that all of the following requirements are met at the time of acceptance thereof by the Fiscal Agent: (a) in the case of a commercial bank, the long-term credit rating of such bank at the time of delivery of the irrevocable standby or direct-pay letter of credit is at least "A" from S&P or "A" from Moody's and, in the case of an insurance company, the claims paying ability of such insurance company at the time of delivery of the insurance policy or surety bond is at least "A" from S&P, or "A" from Moody's or, if not rated by S&P or Moody's but is rated by A.M. Best & Company, is rated at the time of delivery in the highest rating category by A.M. Best & Company; (b) such letter of credit, insurance policy or surety bond has a term of at least 12 months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released; and (d) the Fiscal Agent is authorized pursuant to the terms of such letter of credit, insurance policy or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Bond Fund for the purpose of making payments with respect to the Series 2013 Bonds and any Parity Bonds payable from the 2013 Reserve Fund.

“Reserve Requirement” means the sum of (i) \$_____, which is the least of (a) Maximum Annual Debt Service on the Series 2013 Bonds as of the Closing Date, (b) 125% of average Annual Debt Service on the Series 2013 Bonds as of the Closing Date and (c) 10% of the original principal amount of the Series 2013 Bonds *plus* (ii) with respect to any series of Parity Bonds the principal of and interest on which is payable from amounts in the 2013 Reserve Fund, an amount equal to the least of (x) Maximum Annual Debt Service on such Parity Bonds as of the date of their issuance, (y) 125% of average Annual Debt Service on such

Parity Bonds as of the date of their issuance and (z) 10% of the original principal amount of such Parity Bonds.

“**Series 2013 Bonds**” means the “Lammersville Unified School District Special Tax Bonds, Series 2013 (Lammersville School District Community Facilities District No. 2002 (Mountain House)).”

“**2013 Reserve Fund**” means the 2013 Reserve Fund established pursuant to Section 17.04.

Section 15.02. Rules of Construction. All references in this Third Supplemental Fiscal Agent Agreement to “Articles,” “Sections,” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Third Supplemental Fiscal Agent Agreement; and the words “herein,” “hereof,” “hereunder,” and other words of similar import refer to this Third Supplemental Fiscal Agent Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons.

Section 15.03. Authorization. Each of the parties represents and warrants that it has full legal authority and is duly empowered to enter into this Third Supplemental Fiscal Agent Agreement and has taken all actions necessary to authorize the execution of this Third Supplemental Fiscal Agent Agreement by the officers and persons signing it.

Section 15.04. Equal Security. As Parity Bonds issued pursuant to Section 3.06 of the Master Fiscal Agent Agreement, the Series 2013 Bonds shall be secured by a lien and charge upon the Special Taxes and the respective funds and accounts established under the Master Fiscal Agent Agreement equal to and on a parity with the lien and charge securing the outstanding Series 2013 Bonds.

From and after the Closing Date, all references to “Bonds” in the Master Fiscal Agent Agreement shall be deemed to be a reference to the Series 2006 Bonds, the Series 2012 Bonds, the Series 2013 Bonds and any other Parity Bonds issued under the Master Fiscal Agent Agreement except to the extent provided in this Third Supplemental Fiscal Agent Agreement or any other supplement to the Master Fiscal Agent Agreement.

ARTICLE XVI

ISSUANCE OF SERIES 2013 BONDS

Section 16.01. Terms of Series 2013 Bonds.

(a) The Series 2013 Bonds authorized to be issued by the District under and subject to the Act and the terms of the Master Fiscal Agent Agreement, as amended and supplemented by this Third Supplemental Fiscal Agent Agreement, shall be designated the "Lammersville Unified School District Special Tax Bonds, Series 2013 (Lammersville School District Community Facilities District No. 2002 (Mountain House))," and shall be issued in the initial principal amount of _____ Dollars (\$_____)

(b) The Series 2013 Bonds shall be dated the Closing Date, issued in fully registered form without coupons in Authorized Denominations, and shall mature on the dates and in the principal amounts and shall bear interest at the rates per annum set forth in the following schedule:

<u>Maturity Date</u> <u>(September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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The Series 2013 Bonds maturing September 1, and September 1, ____ ("Series 2013 Term Bonds") shall be subject to mandatory sinking fund redemption under Section 2.03 of this Third Supplemental Fiscal Agent Agreement as follows:

Series 2013 Bonds Maturing September 1, _____

Sinking Fund Redemption Date <u>(September 1)</u>	Principal Amount <u>To Be Redeemed (\$)</u>
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Series 2013 Bonds Maturing September 1, _____

Sinking Fund
Redemption Date
(September 1)

Principal Amount
To Be Redeemed (\$)

(c) Except as otherwise set forth in this Section 16.01, Sections 2.02-2.10 of the Master Fiscal Agent Agreement shall govern the Series 2013 Bonds.

Section 16.02. Payment of Interest on the Series 2013 Bonds. The Series 2013 Bonds shall bear interest at the rates set forth above in Section 16.01 payable on the Interest Payment Dates in each year set forth in Section 16.01 above. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each Series 2013 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such date of authentication, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the Bond Date; provided, however, that if at the time of authentication of a Bond, interest is in default thereon, such Series 2013 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 16.03. Redemption of Series 2013 Bonds.

(a) Redemption Provisions.

(i) Mandatory Prepayment Redemption. All of the Series 2013 Bonds are subject to redemption prior to their stated maturities, on any date, from the proceeds of the prepayment of Special Taxes, in whole or in part, at the redemption prices (expressed as a percentage of the principal amount of the Series 2013 Bonds to be redeemed) set forth below, together with accrued interest thereon to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
Prior to September 1, 2020	102 103%
September 1 , 2020 through March-August 30 , 2021	101 102
September 1, 2021 through August 30, 2022	101
March-September 21 , 2022 , and thereafter	100

(ii) Optional Redemption from any Source other than Prepayments. The Series 2013 Bonds maturing on or after September 1, ~~2023~~, are subject to optional redemption, from sources of funds other than prepayments of Special Taxes, prior to their stated maturity on any date on or after September 1, ~~2022~~, as a whole or in part, at ~~the a~~ redemption prices ~~(expressed as a percentage of equal to the principal amount of the Series 2013 Bonds to be redeemed) set forth below~~, together with accrued interest thereon to the date fixed for redemption, ~~without premium~~.

<u>Redemption Dates</u>	<u>Redemption Price</u>
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(iii) Mandatory Sinking Fund Redemption. The Series 2013 Term Bonds shall also be subject to mandatory redemption in part by lot, from Sinking Fund Payments made by the District from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts, all as set forth in the table in Section 16.01 above; provided, however, if some but not all of the Series 2013 Term Bonds of a given maturity have been redeemed under subsections (i) and (ii) above the total amount of all future Sinking Fund Payments relating to such maturity shall be reduced by the aggregate principal amount of Series 2013 Term Bonds of such maturity so redeemed, to be allocated among such Sinking Fund Payments as directed by the District or, in the absence of direction from the District, on a pro rata basis in integral multiples of \$5,000 as determined by the Fiscal Agent.

(b) Notice to Fiscal Agent. The District, shall give the Fiscal Agent written notice of its intention to redeem Series 2013 Bonds under subsection (a)(i) or (ii) not less than thirty (30) days prior to the applicable redemption date unless waived by the Fiscal Agent.

(c) Purchase of Series 2013 Bonds in Lieu of Redemption.

(i) In lieu of redemption under Section 16.03(a), moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding Series 2013 Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may Series 2013 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase and any premium which would otherwise be due if such Series 2013 Bonds were to be redeemed in accordance with this Third Supplemental Fiscal Agent Agreement.

(ii) In lieu of and following distribution of a notice of an optional redemption under Section 16.03(a)(ii), the District shall have the right to purchase or to cause the purchase of all or a portion of the Series 2013 Bonds in lieu of the optional redemption and to leave such Series 2013 Bonds outstanding.

(d) Redemption Procedure by Fiscal Agent.

(i) Notices. The Fiscal Agent shall cause notice of any redemption to be mailed by first class mail, postage prepaid, at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption, to the Original Purchaser, to the Securities Depositories, to the MSRB, to one or more Information Services, and to the respective registered Owners of any Series 2013 Bonds designated for redemption, at their addresses appearing on the Series 2013 Bond registration books in the Principal Office of the Fiscal Agent; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such Series 2013 Bonds.

(ii) Contents of Notices. Such notice shall state the redemption date and the redemption price and, if less than all of the then Outstanding Series 2013 Bonds are to be called for redemption shall state as to any Series 2013 Bond called in part the

principal amount thereof to be redeemed, and shall require that such Series 2013 Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, and shall state that further interest on such Series 2013 Bonds will not accrue from and after the redemption date. The cost of mailing any such redemption notice and any expenses incurred by the Fiscal Agent in connection therewith shall be paid by the District.

Any redemption notice may specify that redemption on the specified date will be subject to receipt by the District of moneys sufficient to cause such redemption (and shall specify the proposed source of such moneys), and neither the District nor the Fiscal Agent shall have any liability to the Owners or any other party as a result of its failure to redeem the Series 2013 Bonds as a result of insufficient moneys. The District shall have the right to rescind any redemption by written notice to the Fiscal Agent on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Series 2013 Bonds then called for redemption, and such cancellation shall not constitute a default hereunder. The Fiscal Agent shall mail notice of rescission of redemption in the same manner that notice of redemption was originally provided.

(iii) Redemptions. Whenever provision is made in this Agreement for the redemption of less than all of the Series 2013 Bonds of any maturity or any given portion thereof, the Fiscal Agent shall select the Series 2013 Bonds to be redeemed, from all Series 2013 Bonds or such given portion thereof not previously called for redemption as directed by the District or, in the absence of direction by the District, on a pro rata basis among maturities, and, within a maturity, by lot in any manner which the Fiscal Agent in its sole discretion shall deem appropriate.

(iv) New Bonds. Upon surrender of Series 2013 Bonds redeemed in part only, the District shall execute and the Fiscal Agent shall authenticate and deliver to the registered Owner, at the expense of the District, a new Series 2013 Bond or Series 2013 Bonds, of the same series and maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Series 2013 Bond or Series 2013 Bonds.

(e) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the Series 2013 Bonds so called for redemption shall have been deposited in the Bond Fund, such Series 2013 Bonds so called shall cease to be entitled to any benefit under this Agreement other than the right to receive payment of the redemption price, and no interest shall accrue thereon on or after the redemption date specified in the notice of redemption. All Series 2013 Bonds redeemed and purchased by the Fiscal Agent under this Section 16.03 shall be canceled by the Fiscal Agent. The Fiscal Agent shall destroy the canceled Bonds in accordance with the Fiscal Agent's retention policy then in effect.

Section 16.04. Form of Series 2013 Bonds. The Series 2013 Bonds, the Fiscal Agent's certificate of authentication, and the assignment to appear thereon, shall be substantially in the respective forms set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Third Supplemental Fiscal Agent Agreement.

ARTICLE XVII

ISSUE OF SERIES 2013 BONDS

Section 17.01. Issuance of Series 2013 Bonds. Upon the execution and delivery of this Third Supplemental Fiscal Agent Agreement and satisfaction of the requirements for issuance of Parity Bonds under Section 3.06 of the Master Fiscal Agent Agreement, the District shall execute and deliver Series 2013 Bonds in the aggregate principal amount of _____ Dollars (\$_____) to the Fiscal Agent for authentication and delivery to the Original Purchaser thereof upon receipt by the Fiscal Agent of an Officer's Certificate requesting authentication and delivery.

Section 17.02. Application of Proceeds of Sale of Series 2013 Bonds. Upon the receipt of the purchase price for the Series 2013 Bonds from the Original Purchaser on the Closing Date, the Fiscal Agent shall apply the proceeds of sale thereof (being an amount equal to the principal amount of the Series 2013 Bonds (\$_____), less an original issue discount of \$_____ and less an underwriter's discount of \$_____), as follows:

(a) The Fiscal Agent shall deposit in the Costs of Issuance Fund, maintained and administered by the Fiscal Agent in accordance Section 17.03 of this Third Supplemental Fiscal Agent Agreement, the sum of \$_____ for payment of the Costs of Issuance of the Series 2013 Bonds.

(b) The Fiscal Agent shall deposit in the 2013 Reserve Fund maintained and administered by the Fiscal Agent in accordance with Section 17.04, the sum of \$_____, being the amount equal to the Reserve Requirement for the Series 2013 Bonds.

(c) The Fiscal Agent shall deposit all remaining amounts in the Improvement Fund maintained and administered by the Fiscal Agent in accordance with Section 4.07 of the Master Fiscal Agent Agreement.

Section 17.03. Costs of Issuance Fund.

(a) Establishment of the Costs of Issuance Fund; Deposit. There is hereby established as a separate fund to be held by the Fiscal Agent to be designated the "Series 2013 Costs of Issuance Fund" (the "**Costs of Issuance Fund**"), to the credit of which a deposit shall be made as required by Section 17.02(a). Moneys in the Costs of Issuance Fund shall be held in trust by the Fiscal Agent and shall be disbursed as provided in paragraph (b) of this Section for the payment or reimbursement of Costs of Issuance.

(b) Disbursement. Amounts in the Costs of Issuance Fund shall be disbursed from time to time to pay Costs of Issuance, as set forth in an Officer's Certificate of the District containing respective amounts to be paid to the designated payees, and delivered to the Fiscal Agent concurrently with the delivery of the Series 2013 Bonds, or in any future Officer's Certificate submitted to the Fiscal Agent. Each such certificate shall be sufficient evidence to the Fiscal Agent of the facts stated therein and the Fiscal Agent shall have no duty to confirm the accuracy of such facts. The Fiscal Agent shall pay all Costs of Issuance after receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee pursuant to the Officer's Certificate

requesting payment of Costs of Issuance. The Fiscal Agent shall maintain the Costs of Issuance Fund for a period of 90 days from the date of delivery of the Series 2013 Bonds and then shall transfer any moneys remaining therein, including any investment earnings thereon, to the Improvement Fund.

(c) Investment. Moneys in the Costs of Issuance Fund shall be invested and deposited in accordance with Section 6.01 of the Original Fiscal Agent Agreement. Interest earnings and profits resulting from said investment shall be retained by the Fiscal Agent in the Costs of Issuance Fund to be used for the purposes of such fund.

Section 17.04. 2013 Reserve Fund.

(A) Establishment of Fund. The 2013 Reserve Fund is hereby established as a separate fund to be held by the Fiscal Agent to the credit of which a deposit shall be made as required by Section 17.02(b), which deposit, as of the Closing Date, is equal to (or in excess of) the initial Reserve Requirement, and deposits shall be made as provided in Section 4.05(B) of the Original Fiscal Agent Agreement. Moneys in the 2013 Reserve Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Series 2013 Bonds and such other series of Parity Bonds specified in a Supplemental Agreement (the “related Bonds”) as a reserve for the payment of the principal of, and interest and any premium on, the related Bonds and shall be subject to a lien in favor of the Owners of the related Bonds.

(B) Use of 2013 Reserve Fund. Except as otherwise provided in this Section, all amounts deposited in the 2013 Reserve Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Bond Fund in accordance with Section 4.04(B) of the Original Fiscal Agent Agreement or, in accordance with the provisions of this Section, for the purpose of redeeming the related Bonds from the Bond Fund.

(C) Transfer of Excess of Reserve Requirement. Whenever, on or before any Interest Payment Date, or on any other date at the request of the Finance Officer, the amount in the 2013 Reserve Fund exceeds the Reserve Requirement, the Fiscal Agent shall provide written notice to the Finance Officer of the amount of the excess and shall transfer an amount equal to the excess from the 2013 Reserve Fund as follows:

(i) so long as the Improvement Fund is open, to the Improvement Fund to be used to pay costs of the Project; and

(ii) after the Improvement Fund is closed, to the Bond Fund, to be used to pay interest on the related Bonds, ~~the Series 2006 Bonds, the Series 2012 Bonds and any other Parity Bonds~~ on the next Interest Payment Date.

Whenever transfer is made from the 2013 Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund, the Fiscal Agent shall provide written notice thereof to the Finance Officer, specifying the amount withdrawn.

(D) Transfer for Rebate Purposes. Amounts in the 2013 Reserve Fund shall be withdrawn for purposes of making payment to the federal government to comply with Section 5.11 of the Original Fiscal Agent Agreement, upon receipt by the Fiscal Agent of an Officer's Certificate specifying the amount to be withdrawn and to the effect that such amount is needed for rebate purposes. No amounts in the 2013 Reserve Fund shall be used for rebate unless the amount in the 2013 Reserve Fund, excluding earnings, equals the Reserve Requirement.

(E) Transfer When Balance Exceeds Outstanding Bonds. Whenever the balance in the 2013 Reserve Fund exceeds the amount required to redeem or pay the Outstanding related Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Fiscal Agent shall, upon the written request of the Finance Officer, transfer any cash or Permitted Investments in the 2013 Reserve Fund to the Bond Fund to be applied, on the redemption date to the payment and redemption, in accordance with Section 4.04 of the Original Fiscal Agent Agreement or Section 16.03 of this Third Supplemental Fiscal Agent Agreement, as applicable, of all of the Outstanding related Bonds. In the event that the amount so transferred from the 2013 Reserve Fund to the Bond Fund exceeds the amount required to pay and redeem the Outstanding related Bonds, the balance in the 2013 Reserve Fund shall be used to redeem or pay the Outstanding Series 2006 Bonds, the Outstanding Series 2012 Bonds and any other Parity Bonds and thereafter transferred to the Finance Officer to be used by the District for any lawful purpose.

Notwithstanding the foregoing, no amounts shall be transferred from the 2013 Reserve Fund under this Section 17.04(E) until after: (i) the calculation of any amounts due to the federal government under Section 5.11 and withdrawal of any such amount under Section 17.03(D) for purposes of making such payment to the federal government; and (ii) payment of any fees and expenses due to the Fiscal Agent.

(F) Investment. Moneys in the 2013 Reserve Fund shall be invested under Section 6.01 of the Original Fiscal Agent Agreement.

(G) Qualified Reserve Fund Credit Instruments. The District shall have the right at any time to direct the Fiscal Agent to release funds from the 2013 Reserve Fund, in whole or in part, by tendering to the Fiscal Agent: (i) a Qualified Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the Series 2013 Bonds or any Parity Bonds payable from the 2013 Reserve Fund the interest on which is excluded from gross income of the owners thereof for federal income tax purposes to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Fiscal Agent, and upon delivery by the District to the Fiscal Agent of written calculation of the amount permitted to be released from the 2013 Reserve Fund (upon which calculation the Fiscal Agent may conclusively rely), the Fiscal Agent shall transfer such funds from the 2013 Reserve Fund to the District to be deposited in the Improvement Fund and used for the purposes thereof. The Fiscal Agent shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this Section 17.04. Upon the expiration of any Qualified Reserve Account Credit Instrument, the District shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Fiscal Agent an amount of funds equal to the Reserve Requirement, to be derived from the first available Special Tax Revenues. If the Reserve Requirement is being maintained partially in cash and partially with a Qualified Reserve Account Credit Instrument, the cash shall be first used to meet any deficiency which may exist from time to time in the Bond Fund with respect to the Series 2013 Bonds and any Parity Bonds payable from the 2013 Reserve Fund. If the Reserve Requirement is being maintained with two or more Qualified Reserve Account Credit Instruments, any draw to meet a deficiency which may exist from time to time in the Bond Fund with respect to the Series 2013 Bonds and any Parity Bonds payable from the 2013 Reserve Fund shall be pro-rata with respect to each such instrument.

In the event that a Qualified Reserve Account Credit Instrument is available to be drawn upon for only one or more particular series of Bonds, a separate subaccount in the 2013 Reserve Fund may be established for such series, and the calculation of the Reserve Requirement with respect to all other Bonds payable from the 2013 Reserve Fund shall exclude the debt service on such issue of Bonds.

ARTICLE XVIII

ADDITIONAL PROVISIONS

Section 18.01. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate executed by the District on the Closing Date relating to the Series 2013 Bonds. Notwithstanding any other provision of the Master Fiscal Agent Agreement or this Third Supplemental Fiscal Agent Agreement, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Fiscal Agent shall, at the request of any Participating Underwriter or the holders of at least 25% aggregate principal amount of Outstanding Series 2013 Bonds, and upon receipt of indemnity satisfactory to the Fiscal Agent, or any holder or beneficial owner of the Series 2013 Bonds may, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 18.02. Applicable Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 18.03. Conflict with Act. In the event of a conflict between any provision of this Third Supplemental Fiscal Agent Agreement and any provision of the Act as in effect on the Closing Date, the provision of the Act shall prevail over the conflicting provision of this Agreement.

Section 18.04. Conclusive Evidence of Regularity. Series 2013 Bonds issued pursuant to this Third Supplemental Fiscal Agent Agreement shall constitute conclusive evidence of the regularity of all proceedings under the Act relative to their issuance and the levy of the Special Taxes.

Section 18.05. Confirmation of Master Fiscal Agent Agreement; Conflict With Master Fiscal Agent Agreement. All representation, covenants, warranties and other provisions of the Master Fiscal Agent Agreement, unless specifically amended, modified or supplemented by this Third Supplemental Fiscal Agent Agreement, are hereby confirmed as applicable to this Third Supplemental Fiscal Agent Agreement. In the event of any conflict between the provisions of this Third Supplemental Fiscal Agent Agreement and the Master Fiscal Agent Agreement, the provisions of this Third Supplemental Fiscal Agent Agreement shall govern.

Section 18.06. Counterparts. This Third Supplemental Fiscal Agent Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the LAMMERSVILLE UNIFIED SCHOOL DISTRICT has caused this Third Supplemental Fiscal Agent Agreement to be signed in its name by an authorized representative and its seal to be affixed hereon and attested to by the Clerk of its Governing Board, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., has caused this Third Supplemental Fiscal Agent Agreement to be signed in its corporate name by its officer identified below, all as of the day and year first above written.

LAMMERSVILLE UNIFIED SCHOOL DISTRICT for and on behalf of the LAMMERSVILLE SCHOOL DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2002 (MOUNTAIN HOUSE)

By _____
Superintendent

[S E A L]

ATTEST:

Clerk of the Governing Board

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

By _____
Authorized Officer

EXHIBIT A
FORM OF SERIES 2013 BOND

No. ____

\$_____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF SAN JOAQUIN

LAMMERSVILLE UNIFIED SCHOOL DISTRICT
SPECIAL TAX BONDS, SERIES 2013
(LAMMERSVILLE SCHOOL DISTRICT COMMUNITY FACILITIES DISTRICT NO.
2002
(MOUNTAIN HOUSE))

INTEREST RATE

MATURITY DATE

BOND DATE

_____%

September 1, 20_____

_____, 2013

REGISTERED OWNER:

PRINCIPAL AMOUNT:

*****DOLLARS

The Lammersville Unified School District (the "District") for and on behalf of the Lammersville Community Facilities District No. 2002 (Mountain House) (the "CFD"), for value received, hereby promises to pay solely from the Special Tax (as hereinafter defined) to be collected in the CFD or amounts in certain funds and accounts held under the Fiscal Agent Agreement (as hereinafter defined), to the registered owner named above, or registered assigns, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount set forth above, and to pay interest on such principal amount from the Bond Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless this Bond is authenticated on or before an Interest Payment Date (as hereinafter defined) and after the close of business on the Record Date (as hereinafter defined) preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to the first Interest Payment Date, in which event it shall bear interest from the Bond Date identified above, payable semiannually on each March 1 and September 1, commencing September 1, 2013 (each an "Interest Payment Date"), at the interest rate set forth above, until the principal amount hereof is paid or made available for payment provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment. For the period during which Depository Trust Company of New York, New York, ("DTC") or any successor depository, is the registered owner of this bond, principal, redemption premiums, if any, and interest shall be paid by the District to DTC, or such successor depository, by wire transfer; provided that principal and redemption premiums, if any, shall be paid upon surrender to the District, at the corporate

trust office of The Bank of New York Mellon Trust Company, N.A., as Fiscal Agent, Authentication Agent, Registrar, Transfer and Paying Agent (the "Agent"), in San Francisco, California, of matured bonds or bonds called for redemption prior to maturity. As to any registered owner hereof other than DTC or successor depository, the principal and redemption premiums, if any, shall be payable at the office of the Agent specified above and interest shall be paid by check, draft or warrant mailed to DTC, or any successor depository, or in the event of termination of the book-entry system, to the registered owner hereof at the registered owner's address as it appears on the records of the Agent, or at such address as may have been filed with the Agent, for that purpose, as of the fifteenth day of the calendar month immediately preceding each Interest Payment Date; provided however, upon request in writing of an Owner of \$1,000,000 or more in aggregate principal amount of Bonds, such request having been made before fifteen calendar days preceding an Interest Payment Date, such interest shall be paid on such Interest Payment Date by wire transfer in immediately available funds to an account in the continental United States designated by such Owner to the Agent.

Principal of and interest on the Bonds (including the final interest payment upon maturity or earlier redemption), is payable by check of the Fiscal Agent mailed by first class mail to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the Record Date preceding the Interest Payment Date, or by wire transfer made on such Interest Payment Date upon written instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds delivered to the Fiscal Agent prior to the applicable Record Date. The principal of the Bonds and any premium on the Bonds are payable in lawful money of the United States of America upon surrender of the Bonds at the Principal Office of the Fiscal Agent.

This Bond is one of a duly authorized issue of bonds in the aggregate principal amount of \$_____ approved by resolution of the Governing Board of the District adopted on January 16, 2013 (collectively, the "Resolution"), under the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311, *et seq.*, of the California Government Code (the "Act") for the purpose of funding certain facilities for the CFD, and is one of the series of bonds designated "Lammersville Unified School District Special Tax Bonds, Series 2013 (Lammersville School District Community Facilities District No. 2002 (Mountain House))" (the "Bonds"). The issuance of the Bonds and the terms and conditions thereof are provided for by a Fiscal Agent Agreement, dated as of September 1, 2002 (the "Original Fiscal Agent Agreement"), between the District and The Bank of New York Mellon Trust Company, N.A., as successor fiscal agent (the "Fiscal Agent"), as supplemented by a First Supplemental Fiscal Agent Agreement, dated as of August 1, 2006, a Second Supplemental Fiscal Agent Agreement, dated as of July 1, 2012 and a Third Supplemental Fiscal Agent Agreement, dated as of February 1, 2013, each between the District and the Fiscal Agent (the "Third Supplemental Fiscal Agent Agreement," and together with the Original Fiscal Agent Agreement, the "Fiscal Agent Agreement") and this reference incorporates the Fiscal Agent Agreement herein, and by acceptance hereof the owner of this Bond assents to said terms and conditions. The Fiscal Agent Agreement is authorized under, this Bond is issued under and both are to be construed in accordance with, the laws of the State of California.

Pursuant to the Act, the Resolution and the Fiscal Agent Agreement, the principal of and interest on this Bond are payable solely from the annual special tax authorized under the Act to be collected within the CFD (the "Special Tax") and certain funds held under the Fiscal Agent Agreement on a parity with the District's outstanding Lammersville School District Community Facilities District No. 2006 (Mountain House) Special Tax Bonds, Series 2006 (the "Series 2006 Bonds") and the Lammersville Unified School District Special Tax Refunding Bonds, Series

2012 (Lammersville School District Community Facilities District No. 2002 (Mountain House)) (the "Series 2012 Bonds"). Any tax for the payment hereof shall be limited to the Special Tax, except to the extent that provision for payment has been made by the District, as may be permitted by law. The Bonds do not constitute obligations of the District for which the District is obligated to levy or pledge, or has levied or pledged, general or special taxation other than described herein. Neither the faith and credit nor the taxing power of the District (except to the limited extent set forth in the Fiscal Agent Agreement) or the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

All of the Bonds are subject to redemption prior to their stated maturities, on any date, from the proceeds of the prepayment of Special Taxes, in whole or in part, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed) as set forth below, together with accrued interest thereon to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
<u>Prior to September 1, 2020</u>	<u>103%</u>
<u>September 1, 2020 through August 30, 2021</u>	<u>102</u>
<u>September 1, 2021 through August 30, 2022</u>	<u>101</u>
<u>September 1, 2022, and thereafter</u>	<u>100</u>
<u>Prior to September 1, _____</u>	<u>102%</u>
<u>September 1, _____, through March 1, _____</u>	<u>101</u>
<u>March 2, _____, and thereafter</u>	<u>100</u>

The Bonds maturing on or after September 1, _____, 2023 are subject to optional redemption, from sources of funds other than prepayments of Special Taxes, prior to their stated maturity on any date on or after September 1, _____, 2022 as a whole or in part, at a redemption price (expressed as equal to the a percentage of the principal amount of the Bonds to be redeemed), as set forth below, together with accrued interest thereon to the date fixed for redemption, without premium.:

<u>Redemption Dates</u>	<u>Redemption Price</u>
<u>September 1, _____, and thereafter</u>	<u>100%</u>

The Bonds maturing on September 1, _____ and September 1, _____, are subject to mandatory redemption in part by lot, from Sinking Fund Payments made by the District from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on the dates set forth in the tables below; provided, however, if some but not all of the Bonds of a given maturity have been redeemed by mandatory prepayment redemption, as described above, the total amount of all future Sinking Fund Payments relating to such maturity shall be reduced by the aggregate principal amount of the Bonds of such maturity so redeemed, to be allocated among such Sinking Fund Payments on a pro rata basis in integral multiples of \$5,000 as determined by the Fiscal Agent, notice of which determination shall be given by the Fiscal Agent to the District.

Series 2013 Bonds Maturing September 1, _____

<u>Sinking Fund Redemption Date (September 1)</u>	<u>Principal Amount To Be Redeemed (\$)</u>

Series 2013 Bonds Maturing September 1, _____

Sinking Fund Redemption Date <u>(September 1)</u>	Principal Amount <u>To Be Redeemed (\$)</u>
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The Bonds are subject to purchase in lieu of redemption in certain circumstances described in the Fiscal Agent Agreement.

Notice of redemption with respect to the Bonds to be redeemed shall be given to the registered owners thereof, in the manner, to the extent and subject to the provisions of the Fiscal Agent Agreement.

This Bond shall be registered in the name of the owner hereof, as to both principal and interest. Each registration and transfer of registration of this Bond shall be entered by the Fiscal Agent in books kept by it for this purpose and authenticated by its manual signature upon the certificate of authentication endorsed hereon.

No transfer or exchange hereof shall be valid for any purpose unless made by the registered owner, by execution of the form of assignment endorsed hereon, and authenticated as herein provided, and the principal hereof, interest hereon and any redemption premium shall be payable only to the registered owner or to such owner's order. The Fiscal Agent shall require the registered owner requesting transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange. No transfer or exchange hereof shall be required to be made (i) fifteen days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

The Fiscal Agent Agreement and the rights and obligations of the District thereunder may be modified or amended as set forth therein. The principal of the Bonds is not subject to acceleration upon a default under the Fiscal Agent Agreement or any other document.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been dated and signed by the Fiscal Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED by the District 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, and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Fiscal Agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made

to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, Lammersville Unified School District has caused this Bond to be dated _____, 2013, to be signed by the facsimile signature of the Chairperson of its Governing Board and countersigned by the facsimile signature of the Clerk of said Board with the seal of the District imprinted hereon.

[S E A L]

Clerk of the Governing Board

Chairperson of the Governing Board

[FORM OF FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION AND REGISTRATION]

This is one of the Bonds described in the Fiscal Agent Agreement which has been authenticated on _____, 2013

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

By: _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____, attorney, to transfer the same on the registration books of the Fiscal Agent, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor.

NOTICE: The signature on this assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.