

## PURCHASE CONTRACT

**\$18,555,000**  
**ROSEVILLE FINANCE AUTHORITY**  
**SPECIAL TAX REVENUE REFUNDING BONDS**  
**SERIES 2016**

June 15, 2016

Roseville Finance Authority  
311 Vernon Street  
Roseville, California 95678  
Attention: Chair

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC (the "Underwriter") offers to enter into this purchase contract (this "Purchase Contract") with the Roseville Finance Authority (the "Authority") which, upon the acceptance of the Authority of this offer, will be binding upon the Authority and the Underwriter. This offer is made subject to the Authority's written acceptance hereof on or before 11:59 p.m. Pacific time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. Terms not otherwise defined in this Purchase Contract shall have the same meanings set forth in the Indenture (as defined herein) or in the Official Statement (as defined herein).

1. **Purchase and Sale of the Bonds.** Subject to the terms and conditions and in reliance upon the representations and agreements set forth herein, the Underwriter hereby agrees to purchase from the Authority, and the Authority hereby agrees to sell and deliver to the Underwriter, all, but not less than all, of the Authority's Special Tax Revenue Refunding Bonds, Series 2016 (the "Bonds").

The principal amount of the Bonds to be issued, the dated date therefor, the maturities, mandatory sinking fund redemption provisions and interest rates per annum are set forth in Exhibit A hereto and as further described in the Official Statement (as defined herein). The Bonds shall be as described in, and shall be issued and secured under and pursuant to the provisions of the resolution adopted by the Authority on June 1, 2016 (the "Resolution") and an Indenture of Trust, dated as of July 1, 2016 (the "Indenture"), by and between the Authority and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"). The Bonds are being issued pursuant to the Indenture and the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 of said Code.

The Underwriter has agreed to purchase all (but not less than all) of the Bonds from the Authority at a purchase price of \$20,809,335.75 (being 100% of the aggregate principal amount thereof, plus a net original issue premium of \$2,402,759.50 and less an Underwriter's discount of \$148,423.75).

Proceeds of the Bonds are to be used primarily to refund, on a current basis, the Authority's Revenue Bonds, 2006 Series A (Senior Lien Bonds) and 2006 Series B (Junior Lien

Bonds) (collectively, the “2006 Bonds”), the proceeds of which were used to purchase the City of Roseville Highland Reserve North Community Facilities District No. 1 Special Tax Bonds, Series 2006 and Woodcreek East Community Facilities District No. 1 Special Tax Bonds, Series 2006 (collectively, the “CFD Bonds”). The CFD Bonds were issued to fund public infrastructure in the City of Roseville’s Authority’s Highland Reserve North Community Facilities District No. 1 and Woodcreek East Community Facilities District No. 1 (together, the “Districts”) related to original development in the Districts.

**2. Public Offering.** The Underwriter agrees to make a bona fide public offering of all of the Bonds at a price not to exceed the public offering price set forth on the inside cover of the Official Statement (as defined herein) and as set forth in Exhibit A. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering price stated on the cover of the Official Statement (as defined herein). The Underwriter shall indemnify and hold harmless the Authority and its members, officers, directors, employees, agents and attorneys against any and all claims, damages, liabilities, costs and expenses (including fees and disbursements of counsel) incurred by them or any of them, which arise out of a breach by the Underwriter of the representations and warranties contained in this paragraph.

The Underwriter has been duly authorized to execute this Purchase Contract and to act hereunder. Inasmuch as this purchase and sale represents a negotiated transaction, the Authority acknowledges and agrees that (i) the transaction contemplated by this Purchase Contract is an arm’s length, commercial transaction between the Authority and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Authority and the Underwriter has financial interests that differ from those of the Authority; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Authority with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Authority on other matters); (iii) the Underwriter is acting solely in its capacity as Underwriter for its own account, (iv) the only contractual obligations the Underwriter has to the Authority with respect to the transaction contemplated hereby expressly are set forth in this Purchase Contract or otherwise imposed by law; and (v) the Authority has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate. Nothing in the foregoing paragraph is intended to limit the Underwriter’s obligations of fair dealing under MSRB Rule G-17 of the MSRB.

**3. The Official Statement.**

(a) The Authority hereby ratifies, confirms and approves of the use and distribution by the Underwriter prior to the date hereof of the preliminary official statement relating to the Bonds, dated June 7, 2016 (including the cover page, all appendices thereto, and the supplement thereto dated June 13, 2016, the “Preliminary Official Statement”). The Authority hereby confirms that the Authority has deemed final the Preliminary Official Statement for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”). The Authority hereby agrees to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof, copies of the final official statement, dated the date hereof, relating to the Bonds (including all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements as have been approved by the Authority and the Underwriter) (the “Official Statement”) in such quantity as the Underwriter shall request in order to permit the Underwriter to comply with Rule 15c2-12. The Authority hereby approves

of the use and distribution by the Underwriter of the Official Statement in connection with the offer and sale of the Bonds.

(b) The Underwriter hereby agrees to file the Official Statement with the MSRB.

4. **Representations and Agreements of the Authority.** The Authority hereby represents to and agrees with the Underwriter that:

(a) The Authority is a joint powers agency organized and existing under the laws of the State of California and has full power and authority to adopt the Resolution and to enter into and to perform its obligations under the Indenture, the Escrow Agreement, the Continuing Disclosure Certificate and this Purchase Contract (collectively, the "Authority Documents"); and when executed and delivered by the respective parties thereto, the Authority Documents will constitute the legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against joint powers agencies in the State of California;

(b) By official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has approved and authorized the distribution of the Preliminary Official Statement and the Official Statement and authorized and approved the execution and delivery of the Authority Documents and the consummation by the Authority of the transactions contemplated thereby;

(c) To the knowledge of the Authority, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body pending against the Authority seeking to restrain or enjoin the sale or issuance of the Bonds, or in any way contesting or affecting any proceedings of the Authority taken concerning the sale thereof, the pledge or application of any moneys or security provided for the payment of the Bonds, in any way contesting the validity or enforceability of the Authority Documents or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or the existence or powers of the Authority relating to the sale of the Bonds;

(d) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(e) To the knowledge of the Authority, the statements and information relating to the Authority and the Districts contained in the Official Statement are true and correct in all material respects, and the information relating to the Authority and the Districts contained in the Official Statement does not contain an untrue statement of a material fact or omit any statement or information relating to the Authority and the Districts which is necessary to make such statements and information therein, in the light of the circumstances under which they were made, not misleading in any material respect;

(f) The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter, at the expense of the Underwriter as the Underwriter may reasonably request in endeavoring (i) to qualify the Bonds for offer and sale

under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Bonds; provided, however, that in no event shall the Authority be required to take any action which would subject it to general or unlimited service of process in any jurisdiction in which it is not now so subject;

(g) The financial statements of, and other financial information regarding, the Authority in the Official Statement fairly present the financial position and results of the Authority as of the dates and for the periods therein set forth. Except as may otherwise be described in the Official Statement, the Authority is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the Authority, would have a materially adverse effect on the financial condition of the Authority;

(h) To the knowledge of the Authority, the execution and delivery by the Authority of the Authority Documents and compliance with the provisions on the Authority's part contained therein will not conflict with or constitute a material breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Authority Documents;

(i) If before the earlier of the date 25 days from the "end of the underwriting period" (as defined in S.E.C. Rule 15c2-12) or the date all of the Bonds are sold (which the Authority may assume is the closing date unless otherwise informed in writing by the Underwriter), an event occurs which, in the reasonable opinion of the Underwriter or its counsel, might or would cause the information contained in the Official Statement as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading, the Authority, if requested by the Underwriter, or if the Authority is informed of need to amend or supplement the Official Statement by the City, the Authority will cooperate in amending or supplementing the Official Statement in a form and in a manner approved by the Underwriter.

(j) The Revenues constituting the security for the Bonds have been duly and lawfully authorized and may be pledged under the Act and the Constitution and the applicable laws of the State.

(k) Between the date of this Purchase Contract and the Closing Date, the Authority will not offer or issue any bonds, notes or other obligations of the Authority for borrowed money not previously disclosed to the Underwriter.

(l) The Authority has covenanted to comply with the Internal Revenue Code of 1986, as amended, with respect to the Bonds; and the Authority shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable State tax, of the interest on the Bonds.

(m) The Authority will apply the proceeds of the Bonds in accordance with the Indenture and as described in the Official Statement.

(n) Except as disclosed in the Official Statement, to the knowledge of the officer of the Authority executing this Purchase Contract and without investigation of any kind, no other public debt secured by an *ad valorem* tax, a special tax or a benefit assessment levied by the Authority, the City, or the Districts on the land in the Districts is in the process of being authorized by the City or the Districts and no *ad valorem* tax, assessment districts or community facilities districts have been or are in the process of being formed by the Authority or the City which include any portion of the land within the Districts. All outstanding debt secured by special taxes, benefit assessment or *ad valorem* levies for general obligation bonds of the School District and all authorized but unissued debt secured by special taxes, benefit assessment or *ad valorem* levies for general obligation bonds of the City, or the City, on behalf of the Districts, which is applicable to the property within the Districts, as applicable, is accurately described in the Official Statement.

(o) Except as described in the Preliminary Official statement, based on a review of its previous undertakings and except as described in the Official Statement, during the past five years, the Authority has never failed to materially comply with the provisions of Rule 15c2-12(b)(5).

(p) During the period described in the preceding paragraph, (i) the Authority will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing or which shall be disapproved by any of their respective counsel and (ii) if any event relating to or affecting the Authority shall occur as a result of which it is necessary, in the opinion of counsel for the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, the Authority will cooperate with the Underwriter to prepare and furnish to the Underwriter a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to counsel for the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading.

The execution and delivery of this Purchase Contract by the Authority shall constitute a representation by the Authority to the Underwriter that the representations and agreements contained in this Section are true as of the date hereof; provided, however, that as to all matters of law the Authority is relying on the advice of bond counsel to the Authority; and provided further, that no member, officer, agent or employee of the governing body of the Authority shall be individually liable for the breach of any representation, warranty or agreement contained herein.

5. **Closing.** At 8:00 a.m., California time, on July 14, 2016, (the "Closing Date") or at such other time and date as shall have been mutually agreed upon by the Authority and the Underwriter (the "Closing"), the Authority will, subject to the terms and conditions hereof, deliver to the Underwriter at the office of The Depository Trust Company ("DTC") in New York, New York, or at such other place as the Authority and the Underwriter may mutually agree upon, the Bonds in definitive fully registered form, bearing CUSIP numbers without coupons, with one

Bond for each maturity of the Bonds, registered in the name of Cede & Co., as nominee of DTC, and subject to the terms and conditions hereof and as provided in the Indenture, the Underwriter will accept such delivery and pay the purchase price of the Bonds by wire transfer payable in immediately available Federal funds. The Bonds shall be made available for inspection by the Underwriter and DTC (or its agent) at least one business day before the Closing.

6. **Closing Conditions.** The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the Authority contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Authority of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Authority of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the Authority of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Underwriter:

(a) The Authority shall be in compliance with each of the agreements made by it in this Purchase Contract (unless such agreements are waived by the Underwriter); there shall not have occurred an adverse change in the financial position, results of operations or financial condition of the Authority or the Districts which materially adversely affects the ability of the Authority to levy the Special Taxes, to pay principal and interest with respect to the Bonds when due or otherwise perform any of its obligations under the Indenture or any related agreement;

(b) The Authority Documents shall be in full force and effect, and shall not have been amended, modified or supplemented in any material respect from the forms of such documents which have been provided to the Underwriter as of the date hereof (except as may be agreed to by the Underwriter); all actions which, in the opinion of Jones Hall, a Professional Law Corporation ("Bond Counsel") shall be necessary in connection with the transactions contemplated hereby shall have been duly taken and shall be in full force and effect; and the Authority shall perform or shall have performed its obligations required under or specified in this Purchase Contract to be performed at or prior to the Closing;

(c) At the time of the Closing, the Official Statement (as amended and supplemented) shall be true and correct in all material respects, and shall not contain any untrue statement of a material fact or omit any statement or information necessary to make the statements therein, in the light of circumstances under which they were made, not misleading;

(d) Except as disclosed in the Official Statement, no decision, ruling or finding shall have been entered by any court or governmental entity since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside) which in the reasonable opinion of the Underwriter materially adversely affects the market for the Bonds;

(e) The representations and covenants of the Authority contained herein shall be true and correct at the date hereof and at the time of the Closing, as if made on the Closing Date.

(f) (i) No default by the Authority shall have occurred and be continuing in the payment of the principal of or premium, if any, or interest on the Bonds, and (ii) no bankruptcy, insolvency or other similar proceeding in respect of the Authority shall be pending nor to the knowledge of the Authority, contemplated;

(g) At or prior to the Closing, the Underwriter shall receive the following documents:

(1) Bond Counsel Opinions. The opinion of Bond Counsel, dated the Closing Date, in substantially the form included in the Official Statement as Appendix E, addressed to the Authority, together with a reliance letter addressed to the Underwriter stating that foregoing opinions of Bond Counsel may be relied upon by the Underwriter to the same extent as if such opinion was addressed to it;

(2) Supplemental Opinion. A supplemental opinion of Bond Counsel, substantially in the form attached hereto as Exhibit B.

(3) Opinion of Authority Counsel. An opinion of counsel to the Authority, in form and substance satisfactory to the Underwriter dated the Closing Date, addressed to the Underwriter, substantially to the effect that:

(i) the Authority is a joint powers agency duly organized and validly existing under the laws of the State;

(ii) the Resolution was duly adopted at a meeting of the governing body of the Authority, and the Resolution is in full force and effect, and has not been modified, amended or superseded;

(iii) the Authority Documents have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding obligation of the Authority enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought;

(iv) except as otherwise disclosed in the Official Statement and to the best knowledge of such counsel after due inquiry, there is no litigation, proceeding, action, suit, or investigation at law or in equity before or by any court, governmental authority or body, pending or threatened against the Authority, challenging the creation, organization or existence of the Authority, or the validity of the Authority Documents or seeking to restrain or enjoin the repayment of the Bonds or in any way contesting or affecting the validity of the Authority Documents or contesting the authority of the Authority to enter into or perform its obligations under any of the Authority Documents, or under which a determination adverse to the Authority would have a material adverse effect upon the financial condition or the revenues of the Authority, or

which, in any manner, questions the right of the Authority to pledge the Revenues to the payment of the Bonds.

(4) Disclosure Counsel Letter. A letter of Jones Hall, A Professional Law Corporation, Disclosure Counsel, dated the Closing Date and addressed to the District and the Underwriter, to the effect that, without having undertaken to determine independently the accuracy or completeness of the statements contained in the Preliminary Official Statement and the Final Official Statement, but on the basis of their participation in conferences with representatives of the Authority, the City, the Underwriter and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Preliminary Official Statement as of its date, and the Final Official Statement as of its date and as of the Closing Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need be expressed as to any financial or statistical data or information regarding DTC and the book-entry only system);

(5) Defeasance Opinion. An opinion of Bond Counsel, dated the Closing Date, to the effect that the Authority has taken all actions required to defease the 2006 Bonds to be refunded by the Bonds, and that such 2006 Bonds are no longer outstanding.

(6) Closing Certificate of Authority. A certificate of the Authority, dated the date of the Closing, signed on behalf of the Authority by a duly authorized representative of the Authority to the effect that, such representative's knowledge, (i) the representations contained in Section 4 of this Purchase Contract are true and correct in all material respects as of the date of the Closing, (ii) the Resolutions and the Authority Documents are in full force and effect and have not been amended, modified or supplemented, (iii) except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity, or by any court or regulatory agency, public board or body pending, with respect to which the Authority has been served with process, or threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the Authority, or the titles of its officers to their respective offices, (b) enjoin or restrain the issuance, sale and delivery of the Bonds, the CFD Bonds, the levy or collection of the Special Taxes or any other moneys or property pledged or to be pledged under the Indenture, (c) in any way question or affect any of the rights, powers, duties or obligations of the Authority with respect to the Revenues, of the Districts with respect to the Special Taxes, or the Authority or the Districts with respect to moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Bonds or the CFD Bonds, (d) in any way question or affect any authority for the issuance of the Bonds, or the validity or enforceability of the Bonds or the proceedings relating to the issuance of the Bonds, or (e) in any way question or affect this Purchase Contract or the transactions contemplated hereby, the Official Statement or the Authority Documents, (iv) the information regarding the Authority in the Official Statement is true and correct and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under



which they are made, not misleading; (v) the Authority has complied with all agreements and covenants, and satisfied all conditions, on its part to be complied with or satisfied under the Purchase Contract and under the Authority Documents at or prior to the date hereof; (vi) no event affecting the Authority has occurred since the date of the Official Statement which should be disclosed in the Official Statement in order to make the statements therein with respect to the Authority not misleading in any material respect, and (vii) the use of and distribution by the Underwriter of the Preliminary Official Statement and the Official Statement in connection with the offer and sale of the Bonds is hereby ratified.

(7) 15c2-12 Certificate. A certificate, dated the date of the Preliminary Official Statement, from the Authority deeming the Preliminary Official Statement final for purposes of the Rule;

(8) Certificate of Trustee. A certificate, dated the Closing Date, signed by a duly authorized officer of the Trustee, to the effect that (i) the Trustee is a national banking association, duly organized and validly existing and in good standing under the laws of the United States, having full power and being qualified to enter, accept and administer the trust created under the Indenture and, (ii) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter that would constitute a condition precedent to the performance by the Trustee of its duties and obligations under the Indenture and Escrow Agreement have been obtained and are in full force and effect, and (iii) the acceptance of the duties and obligations of the Trustee under the Indenture, and the consummation of the transactions on the part of the Trustee contemplated therein, and the compliance by the Trustee with the terms, conditions and provisions of such documents do not contravene any provisions of applicable law of regulation or any order or decree, writ or injunction of the Articles of Incorporation or Bylaws of the Trustee, and, to the best of such officer's knowledge, will not require the consent under, or result in a breach of or default under, any resolution, agreement or other instrument to which the Trustee is a party or by which it may be bound;

(9) Opinion of Counsel to Trustee. An opinion of counsel to the Trustee, dated the Closing Date, addressed to the Underwriter and the Authority, to the effect that (i) the Trustee is duly organized and validly existing under the laws of the United States of America, having full power and being qualified to enter into, accept and agree to the provisions of the Indenture and Escrow Agreement and (ii) the Indenture and Escrow Agreement have been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery by the other respective parties thereto, constitute the valid and binding obligations of the Trustee enforceable in accordance with their respective terms, subject to laws relating to bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally, to the application of equitable principles and to the exercise of judicial discretion in appropriate cases;

(10) Resolution. A certified copy of the Resolution and a resolution of the Trustee authorizing the execution and delivery of the Indenture and Escrow Agreement;

(11) Authority Documents. Two copies of each of the Authority Documents and the Official Statement, duly executed and delivered by the respective parties thereto;

(12) Tax Certificate. Tax Certificate of the Authority, in form satisfactory to Bond Counsel;

(13) Continuing Disclosure Certificate. The Continuing Disclosure properly executed by the City for and on behalf of the Authority substantially in the form presented in the Official Statement.

(14) Escrow Agreement. An escrow agreement between the Authority and The Bank of New York Mellon Trust Company, N.A., as escrow bank, relating to the 2006 Bonds;

(15) Bond Insurance. A bond insurance policy (the "Policy") issued by Assured Guaranty Municipal Corp. (the "Bond Insurer") insuring the payment of principal and interest on the Bonds maturing on September 1 of the years 2024 through 2027, inclusive (the "Insured Bonds");

(16) Reserve Surety. The municipal bond debt service reserve insurance policy (the "Reserve Surety") issued by the Bond Insurer for credit to the Reserve Fund with respect to the Bonds;

(17) Opinion of Bond Insurer. An opinion of counsel to the Bond Insurer, dated the Closing Date, addressed to the Authority, the Trustee and the Underwriter, regarding the Bond Insurer's valid existence, power and authority, the Bond Insurer's due authorization and issuance of the Policy and the Reserve Surety and the enforceability of the Policy and the Reserve Surety against the Bond Insurer;

(18) Certificate of Bond Insurer. A certificate of the Bond Insurer or an opinion of counsel to the Bond Insurer, dated the Closing Date, regarding the accuracy of the information in the Official Statement describing the Bond Insurer, the Policy and the Reserve Surety;

(19) Rating. A letter from Standard & Poor's indicating a rating of AA for the Insured Bonds and an underlying rating of "A" on the Bonds;

(20) Verification Report. A Verification Report verifying the sufficiency of the escrowed funds for the redemption of the 2006 Bonds;

(21) CDIAC Statements. Copies of the Notices of Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the California Government Code and Section 8855(g) of the California Government Code.

(22) Special Tax Administer Certificate. A certificate, dated the Closing Date from Willdan Financial Services addressed to the Authority and the Underwriter to the effect that (i) the amount of the Special Taxes that could be

levied in each Fiscal Year on all parcels subject to the Special Tax (as defined in the Rate and Method of Apportionment of Special Tax for the District) is at least one hundred ten percent (110%) of the total Annual Debt Service for each such Fiscal Year on the Bonds, and (ii) all information supplied by them for use in the Official Statement is true and correct as of the date of the Official Statement and as of the Closing Date

(23) Joint Powers Agreement. A copy of the Joint Exercise of Powers Agreement entered into in 2005 by and between the City of Roseville and the Roseville Parking Authority.

(24) Form 8038 G. An Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038-G), in a form satisfactory to Bond Counsel for filing, executed by a duly authorized officer of the Authority.

(25) Underwriter's Counsel Opinion. An opinion of Nossaman LLP, counsel for the Underwriter, dated the date of the Closing, addressed to the Underwriter in form and substance acceptable to the Underwriter.

(26) Letter of Representations. A copy of the Blanket Issuer Letter of Representations to DTC relating to the Bonds signed by the Authority.

(27) Official Statement. The Official Statement and each supplement or amendment, if any thereto, executed by an authorized officer of the Authority.

(28) Other Items Requested by Counsel. Such additional certificates, instruments and other documents as the Underwriter or its counsel or Bond Counsel may reasonably deem necessary to evidence the truth and accuracy as of the time of the Closing of the representations of the Authority under this Purchase Contract and the due performance or satisfaction by the Authority at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Authority.

**7. Condition to the Obligations of the Authority.**

(1) The Indenture, the Escrow Agreement, the Continuing Disclosure Certificate, applicable appendices to the Tax Certificate, and this Purchase Contract shall have been executed and delivered by the other parties thereto.

(2) No order, decree, injunction, ruling or regulation of any court, regulatory agency, public board or body shall have been issued nor shall any legislation have been enacted with the purpose of effect, directly or indirectly, of prohibiting the offering, sale or issuance of the Bonds as contemplated hereby or by the Official Statement.

(3) The Authority's closing fee and the fee of its special counsel shall have been paid by wire transfer or in other immediately available funds or arrangements reasonably satisfactory to the Authority and its special counsel shall have been made to pay such fees from proceeds of the Bonds or otherwise.

(4) The Underwriter shall provide information to which it has access in its ordinary course of business that is requested by the Authority for purposes of its compliance with California Government Code Section 8855.

8. **Termination.** The Underwriter shall have the right to cancel its obligation to purchase the Bonds if, between the date of this Purchase Contract and the Closing, the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds shall be materially adversely affected, in the reasonable judgment of the Underwriter, by the occurrence of any of the following:

(a) Legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or any member of the Congress or the Legislature of the State or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to impose, directly or indirectly, federal income taxation or state income taxation upon interest received on obligations of the general character of the Bonds or, with respect to state taxation, of the interest on the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences or state income tax consequences of any of the transactions contemplated herein;

(b) Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the 1933 Act, or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act, or that the issuance, offering, or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(c) Any state Blue Sky or securities commission or other governmental agency or body shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;

(d) A general suspension of trading in securities on the New York Stock Exchange or the American Stock Exchange or other major exchange, the establishment of minimum prices on either such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so;

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

(f) Any amendment to the federal or State Constitution or action by any federal or state court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the Authority, its property, income securities (or interest thereon), or the validity or enforceability of the special taxes to pay principal of and interest on the Bonds;

(g) Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(h) There shall have occurred any materially adverse change in the affairs or financial condition of the Authority or the Districts;

(i) The United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities;

(j) There shall have occurred any national or international calamity or crisis in the financial markets or otherwise of the United States or elsewhere;

(k) Any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to the Official Statement;

(l) The purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission;

(m) A material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred;

(n) A decision by a court of the United States of America shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Purchase Contract or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act; or

(o) Any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation or interest rates) or the extension of credit by, or a charge to the net capital requirements of credit by, or a charge to net capital requirements of, underwriters shall have been established by the New York Stock Exchange,

the SEC, any other federal or State agency or the Congress of the United States of America, or by Executive Order;

(p) Any proceeding is pending or threatened by the Securities and Exchange Commission against the Authority or the City;

(q) There shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the Authority's obligations secured in a like manner;

(r) There shall have occurred or any notice shall have been given of any intended downgrade, suspension, withdrawal or negative change in credit watch status by any national credit agency of the Insurer; and

(s) The debt ceiling of the United States is such that the Government Obligations (as defined in the Escrow Agreement), if any, required to fund the Escrow Agreement are not available for delivery on the date of the delivery of the Bonds.

## 9. **Expenses.**

Expenses. The costs and expenses incurred by the parties hereto with respect to the Bonds and the proceedings for the sale and issuance thereof shall be paid as follows:

(a) Authority. The Authority acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds. The Authority shall pay or cause to be paid (but solely from the proceeds of the Bonds and not otherwise) the expenses incident to the performance of the obligations of the Authority hereunder, including but not limited to:

(1) the cost of preparation and printing of the Preliminary Official Statement and the final Official Statement in reasonable quantities and all other documents (other than as set forth in subsection (b) below) prepared in connection with the transactions contemplated hereby;

(2) the fees and disbursements of the Trustee and counsel to the Trustee in connection with the issuance of the Bonds;

(3) the fees and disbursements of Bond Counsel and any other experts or consultants retained by the Authority in connection with the transactions contemplated hereby;

(4) the fees and expenses of disclosure counsel in connection with its preparation of the Official Statement and the rendering of its opinion;

(5) all expenses incurred by it or the Underwriter in connection with the preparation of the Official Statement, including expenses of obtaining information from information suppliers; and

(6) the Authority shall also pay for any expenses (by means of its being included in the expense component of the Underwriter's discount) incurred



14. **Severability.** In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but this Purchase Contract shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

15. **State of California Law Governs.** The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of California.

Very truly yours,

RBC CAPITAL MARKETS, LLC

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

ACCEPTED at \_\_\_\_\_ Pacific Daylight Saving Time this 15th day of June, 2016:

ROSEVILLE FINANCE AUTHORITY

By: \_\_\_\_\_  
Authorized Signatory



14. **Severability.** In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but this Purchase Contract shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

15. **State of California Law Governs.** The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of California.

Very truly yours,

RBC CAPITAL MARKETS, LLC

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

ACCEPTED at 1:35 PM Pacific Daylight Saving Time this 15th day of June, 2016:

ROSEVILLE FINANCE AUTHORITY

By: Jay Panzica  
Authorized Signatory

**EXHIBIT A  
MATURITY SCHEDULE**

Maturity September 1	Principal Amount	Interest Rate	Yield	Price
2017	\$1,505,000	3.000%	0.750%	102.527
2018	1,645,000	4.000	0.890	106.548
2019	1,705,000	4.000	1.040	109.092
2020	1,770,000	4.000	1.240	111.078
2021	1,840,000	4.000	1.390	112.879
2022	1,920,000	4.000	1.540	114.337
2023	2,000,000	4.000	1.690	115.454
2024*	2,075,000	4.000	1.760	116.898
2025*	2,155,000	4.000	1.910	117.433
2026*	950,000	4.000	2.010	118.155
2027*	990,000	4.000	2.100	118.768

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\* Insured Bonds



**EXHIBIT B**

**FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL**

[Closing Date]

RBC Capital Markets, LLC  
San Francisco, California

Roseville Finance Authority  
Special Tax Revenue Refunding Bonds  
Series 2016  
(Supplemental Opinion)

Ladies and Gentlemen:

This letter is addressed to you, as Underwriter, pursuant to Section 6(f)(2) of the Purchase Contract, dated June 24, 2016 (the "Purchase Agreement"), between you and the Roseville Finance Authority (the "Issuer"), providing for the purchase of \$18,555,000 principal amount of its Special Tax Revenue Refunding Bonds, Series 2016 (the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of July 1, 2016 (the "Indenture"), by and between the Authority and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture or, if not defined in the Indenture, in the Purchase Agreement.

We have delivered our final legal opinion (the "Bond Opinion") as bond counsel to the Issuer concerning the validity of the Bonds and certain other matters, dated the date hereof and addressed to the Issuer. You may rely on such opinion as though the same were addressed to you.

In connection with our role as bond counsel and disclosure counsel to the Issuer, we have reviewed the Purchase Agreement, the Indenture, the Tax Certificate, opinions of counsel to the Issuer and the Trustee, certificates of the Issuer, the Trustee and others, and such other documents, opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth herein.

The opinions and conclusions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions or conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the third paragraph hereof. We have further assumed compliance

with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the Bonds, the Indenture, the Tax Certificate and the Purchase Agreement and their enforceability may be subject to bankruptcy, insolvency, reorganization, receivership, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against joint powers agencies in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinions with respect to the state or quality of title to or interest in any real or personal property described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

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

(ii) The Purchase Agreement has been duly executed and delivered by the Issuer and is a valid and binding agreement of the Issuer.

(iii) The statements contained in the Official Statement under the captions "THE BONDS," "SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR," "SECURITY FOR THE CFD BONDS," "LEGAL MATTERS – Tax Matters," "APPENDIX E - FORM OF BOND COUNSEL OPINION" and "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS," excluding any material that may be treated as included under such captions by cross reference or reference to other documents or sources, insofar as such statements expressly summarize certain provisions of the Indenture and the form and content of our Bond Opinion, are accurate in all material respects.

(iv) We are not passing upon and do not assume any responsibility for the accuracy (except as explicitly stated in paragraph (iii) above), completeness or fairness of any of the statements contained in the Official Statement, and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. We do not assume any responsibility for any electronic version of the Official Statement, and assume that any such version is identical in all respects to the printed version. In our capacity as bond counsel in connection with issuance of the Bonds, we participated in conferences with your representatives, your counsel, representatives of the Issuer, assessment engineers and others, during which conferences the contents of the Official Statement and related matters were discussed. Based on our participation in the above-referenced conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon and on oral and written statements and representations of the Issuer and others and on the records, documents, certificates, opinions and matters herein mentioned, subject to the limitations on our role as bond counsel, we advise you as a matter of fact and not opinion that no facts came to the attention of the attorneys in our firm rendering legal services with respect to the Official Statement which caused us to believe that the Official Statement as of its date (except for any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data

or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about or provided by the bond insurer, any information about valuation, appraisals, absorption, real estate or environmental matters, any information about book-entry, DTC ratings, rating agencies, the underwriter, underwriting, and the information contained in Appendices \_\_\_\_\_, included or referred to therein or omitted therefrom, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. No responsibility is undertaken or view expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Official Statement.

This letter is furnished by us as bond counsel and disclosure counsel to the Issuer. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter. We disclaim any obligation to update this letter. This letter is delivered to you as Underwriter of the Bonds, is solely for your benefit as such Underwriter and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

JONES HALL, A PROFESSIONAL LAW  
CORPORATION