

BOND PURCHASE CONTRACT

Parties:

The Bond Purchase Contract is to be executed by the Underwriter (or Representative of the Underwriters), accepted and agreed to by the Authority and the Treasurer of the State of California, as Agent for Sale, and approved by the Borrower.

Purchase, Sale and Delivery of the Bonds:

*Include the following at the end of the relevant section:

Not later than ten calendar days after the Closing Date, the Underwriter shall submit to the Authority the report referenced by Section 1899.532 of Subchapter 4 of Chapter 4, Division 2 of Title 2 of the California Code of Regulations.

Representations of the Authority:

The Authority is and will be at the Closing Date duly organized and existing under the laws of the State of California, has full power and authority to issue the Bonds, to adopt the Resolution, to enter into the Indenture, the Loan Agreement and this Purchase Contract (collectively, the "Authority Documents") and to perform its obligations under 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, or other laws related to or affecting the enforcement of creditors' rights generally and by the application of equitable principles as the court having jurisdiction may impose, regardless of whether such proceeding is considered in a proceeding in equity or law, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities in California.

When delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Purchase Contract and assuming proper authentication by the Trustee by the manual signature of an authorized officer thereof, the Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding limited obligations of the Authority, enforceable in accordance with their terms, in conformity with, and entitled to the benefit and security of the Indenture.

By official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has authorized and approved the distribution of the Preliminary Official Statement, the distribution of the Official Statement, and authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in, the Bonds and the Authority Documents and the consummation by the Authority of all other transactions contemplated by the Official Statement and this Purchase Contract.

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 (with service of process

against. the Authority having been accomplished) or known to the Authority to be threatened against the Authority seeking to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting any proceedings of the Authority taken concerning the issuance or 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 Bonds or the Authority Documents or contesting in any way the completeness or accuracy of the information in the Preliminary Official Statement or the Official Statement under the captions “THE AUTHORITY” or “ABSENCE OF MATERIAL LITIGATION – The Authority”, as amended or supplemented, or the existence or powers of the Authority relating to the issuance of the Bonds.

As of the date thereof and as of the date hereof, the statements and information contained in the Preliminary Official Statement under the caption “THE AUTHORITY” and “ABSENCE OF MATERIAL LITIGATION – The Authority” were and will be true, correct and complete in all material respects, and did not and will 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 and information therein, in light of the circumstances under which they were made, not misleading.

Both at the time of acceptance hereof by the Authority and at the Closing Date, the statements and information contained in the Official Statement under the captions “THE AUTHORITY” and “ABSENCE OF MATERIAL LITIGATION – The Authority” are and will be true, correct and complete in all material respects, and do not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or 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; it being further understood that no such representation, warranty or agreement shall apply to statements or information in or omissions from the Official Statement with respect to which the Borrower agrees to indemnify the Authority, the Treasurer and the Underwriter pursuant to the Letter of Representations of the Borrower dated the date hereof and attached hereto as Exhibit A.

The Authority will furnish such information, execute such instruments and take such other action in cooperation with 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 qualify as a foreign corporation in any such state or 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;

To the best knowledge of the Authority, the execution and delivery by the Authority of the Bonds and the Authority Documents and compliance with the provisions on the Authority’s part contained therein, will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any material law, administrative regulation, court order, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or by which it is bound, which breach or default

would have a material adverse effect on the Authority's ability to perform its obligations under the Authority Documents.

The Authority is not in breach of or in default under any applicable material law or administrative regulation of the State of California or the United States or any applicable material judgment or decree or any material loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, which breach or default would have a material adverse effect on the Authority's ability to perform its obligations under the Authority Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a breach of or a default or an event of default under any such instrument which breach or default would have a material adverse effect on the Authority's ability to perform its obligations under the Authority Documents.

If, between the date of this Purchase Contract and 25 days after the end of the underwriting period (as such term is defined in Rule 15c2-12), (i) an event occurs of which the Authority has knowledge, which might or would cause the information contained in the Official Statement under the captions "THE AUTHORITY" or "ABSENCE OF MATERIAL LITIGATION—The Authority," as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or, (ii) if the Authority is notified by the Borrower pursuant to Paragraph (___) of the Letter of Representation or otherwise requested to amend, supplement or otherwise change the Official Statement, the Authority will notify the Underwriter and the Borrower, and if in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will participate in the amendment or supplement in a form and in a manner approved by the Underwriter and counsel to the Authority, provided that all expenses thereby incurred will be paid by the Borrower and provided further that, for purposes of this provision, the end of the underwriting period shall be the Closing Date unless the Underwriter on or prior to Closing provides written notice to the contrary to the Authority and the Borrower).

For 25 days from the end of the underwriting period (as defined in Rule 15c2-12), (a) 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 or the Borrower shall reasonably object in writing or which shall be disapproved by their respective counsel and (b) 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 forthwith prepare and furnish to the Underwriter and the Borrower (at the expense of the Borrower) 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 and counsel for the Authority) 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. For

purposes of this subsection, the Authority will furnish such information with respect to itself as the Underwriter may from time to time reasonably request.

The execution and delivery of this Purchase Contract by the Authority shall constitute a representation by the Authority to the Underwriter that the representations, warranties and agreements contained in this Section [____] are true as of the date hereof; provided that as to information furnished by the Borrower pursuant to this Purchase Contract and the Letter of Representations or otherwise and in the Preliminary Official Statement and the Official Statement, the Authority is relying on such information in making the Authority's representations, warranties and agreements; and as to all matters of law, other than federal tax and securities laws, the Authority is relying on the advice of counsel to the Authority; and as to matters of federal tax law [and securities laws], the Authority is relying on the advice of Bond Counsel; and provided further that no officer, agent or employee or member of the governing body of the Authority shall be individually liable for the breach of any representation, warranty or agreement contained herein.

Conditions to the Obligation of the Authority:

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 or effect, directly or indirectly, of prohibiting the offering, sale or issuance of the Bonds as contemplated by the Bond Purchase Contract or by the Official Statement.

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

[Add closing document list other than what the Authority delivers unilaterally.]

[For private placements with an investor letter, add a condition that the investor letter be delivered to the Authority if the letter is not included as part of 3 above.]

If the conditions to the Authority's obligations or to the Underwriter's obligations contained in this Bond Purchase Contract shall not be satisfied, or if the Underwriter's obligations shall be terminated for any reason permitted herein, this Bond Purchase Contract shall terminate, and neither the Authority nor the Treasurer shall have any further obligation hereunder, except the Borrower shall be obligated with respect to all reasonable fees, expenses and costs payable to the Authority and the Treasurer pursuant to Section [expenses section] hereof.

Expenses:

All expenses and costs of the Authority incident to the performance of its obligations in connection with the authorization, issuance and sale of the Bonds to the Underwriter, including any out-of-pocket disbursements of the Authority, shall be paid by the Borrower.

Opinions Addressed to Authority:

Counsel to Authority

Supplemental Opinion of Bond Counsel (must include 10(b)(5) opinion)

Counsel to Borrower and any guarantor (must include 10(b)(5) opinion on entire Official Statement, except for sections relating to the Authority, DTC, the book-entry system, the Liquidity/Credit Facility Provider (if any) and bond insurance (if any), and subject to customary exclusions (e.g. financial and statistical data, forecasts, numbers, estimates, projections, assumptions or expressions of opinion)

Counsel to Liquidity/Credit Facility Provider

Counsel to the Trustee (and if applicable, counsel to the Escrow Agent)

Governing Law:

The laws of the State of California govern all matters arising out of or relating to this Purchase Contract, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

Any party bringing a legal action or proceeding against any other party arising out of or relating to this Purchase Contract shall bring the legal action or proceeding in the Sacramento County Superior Court, Sacramento, California, unless the Authority waives this requirement in writing. Each party agrees that the exclusive (subject to waiver as set forth herein)_choice of forum set forth in this section does not prohibit the enforcement of any judgment obtained in that forum or any other appropriate forum. Each party waives, to the fullest extent permitted by law, (a) any objection which it may now or later have to the laying of venue of any legal action or proceeding arising out of or relating to this Purchase Contract brought in the Sacramento County Superior Court, Sacramento, California, and (b) any claim that any such action or proceeding brought in such court has been brought in an inconvenient forum.

Arms-Length Transaction:

The State Treasurer, the Authority and the Underwriter acknowledge and agree that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length, commercial transaction between the State Treasurer, the Authority and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as an agent, advisor or fiduciary of the State Treasurer or the Authority, (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the State Treasurer or the Authority with respect to this Purchase Contract, the offering of the Bonds and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter, or any affiliate of the Underwriter, has provided other services or is currently providing other services to the State Treasurer or the Authority on other matters), (iii) the only contractual obligations the Underwriter has to the State Treasurer and the Authority with respect to the transactions contemplated hereby are those set forth in this Purchase Contract, (iv) the Underwriter has financial and other interests that differ from those of the State Treasurer and the Authority, and (v) the State Treasurer and the Authority have

consulted with their own legal, accounting, tax, financial and other advisors, as applicable, to the extent they have deemed appropriate. Nothing in the foregoing paragraph is intended to limit the Underwriter's obligations of fair dealing under MSRB Rule G-17.

Limitation of Liability of the Authority and the Treasurer:

Neither the Authority nor the Treasurer shall be directly, indirectly, contingently or otherwise liable for any costs, expenses, losses, damages, claims or actions of any conceivable kind under any conceivable theory under this Bond Purchase Contract or any document or instrument referred to herein or by reason of or in connection with this Bond Purchase Contract or other document or instrument except to the extent it receives amounts from the Borrower available for such purpose.

Signature Block*:

Accepted and Agreed to:

CALIFORNIA EDUCATIONAL
FACILITIES AUTHORITY

By: _____
Executive Director

TREASURER OF THE STATE OF
CALIFORNIA

By: _____
Deputy Treasurer
For California State Treasurer [Treasurer's Name]

* Add to bottom of signature page: [Name of Transaction], signature page for Bond Purchase Contract