

\$4,012,670
CITY OF KING
(Monterey County, California)
Wastewater Refunding Revenue Bonds, Series 2021

BOND PURCHASE AGREEMENT

May 12, 2021

City of King
212 South Vanderhurst Avenue
King City, CA 93930

Ladies and Gentlemen:

JPMorgan Chase Bank, N.A. (the "Purchaser"), offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with the City of King (the "City"), which will be binding upon the City and the Purchaser upon the acceptance hereof by the City. This offer is made subject to its acceptance by the City by execution of this Bond Purchase Agreement and its delivery to the Purchaser on or before 5:00 P.M., California time, on the date hereof.

Terms not otherwise defined herein shall have the same meanings as set forth in the Indenture, described below.

1. *Purchase and Sale.* Upon the terms and conditions and in reliance upon the representations, warranties and covenants herein, the City hereby agrees to sell to the Purchaser and the Purchaser hereby agrees to purchase from the City, all (but not less than all) of the \$4,012,670 City of King (Monterey County, California) Wastewater Refunding Revenue Bonds, Series 2021 (the "Bonds"), at the purchase price of \$4,012,670 (the "Purchase Price"), being the principal amount of the Bonds. The Purchase Price will be delivered on the Closing Date (as defined in Section 6 below), to Wells Fargo Bank, National Association, as trustee (the "Trustee"), on behalf of the City.

The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the City and the Purchaser; (ii) in connection with such transaction, including the process leading thereto, the Purchaser is acting solely as a principal and not as an agent or a fiduciary of the City; (iii) the Purchaser has neither assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering of the Bonds or the process leading thereto (whether or not the Purchaser, or any affiliate of the Purchaser, has advised or is currently advising the City on other matters) nor has it assumed any other obligation to the City except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the Purchaser has financial and other interests that differ from those of the City; and (v) the City has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

The City hereby acknowledges receipt from Hilltop Securities Inc. as placement agent (the "Placement Agent"), of disclosures required by the Municipal Securities Rulemaking Board ("MSRB") Rule G-17 (as set forth in MSRB Notice 2012-25 (May 7, 2012), relating to disclosures concerning the Placement Agent's role in the transaction, disclosures concerning the Placement Agent's compensation, conflict disclosures, if any, and disclosures concerning complex municipal securities financing, if any.

The Bonds shall be dated the Closing Date, shall bear interest at the rate, shall mature on the date and in the principal amount and shall be subject to redemption, all as set forth in the attached Exhibit A.

The Bonds are authorized pursuant to the provisions of sections 53570 *et seq.* and 53580 *et seq.* of the California Government Code, a resolution adopted by the City Council of the City on May 11, 2021 (the "Bond Resolution"), and an Indenture of Trust (the "Indenture"), dated as of May 1, 2021, by and between the City and Wells Fargo Bank, National Association (the "Trustee"). The Bonds are being issued to provide funds to (i) refund the outstanding City of King Refunding Revenue Bonds, Series 2018 (the "2018 Bonds"), which were delivered for the purpose of refunding certain bonds issued in 2009 to finance improvements to the City's municipal wastewater enterprise (the "Wastewater System"), and (ii) pay the costs of issuing the Bonds.

The Bonds are payable from a pledge of the net revenues of the Wastewater System on a parity with any parity obligations issued or incurred by the City in the future.

Issuance of the Bonds and execution of this Bond Purchase Agreement and the Indenture was approved by the Bond Resolution. The Indenture and this Bond Purchase Agreement are referred to herein collectively as the "Financing Agreements." All capitalized terms used and not defined herein shall have the meanings assigned to such terms in the Indenture.

2. *Private Placement.*

(a) The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other obligations of a nature similar to the Bonds to be able to evaluate the risks and merits of the purchase of the Bonds.

(b) The Purchaser is acquiring the Bonds for its own account (or that of its consolidated taxpayer group) and not with a current view to, or for sale in connection with, any distribution thereof or any part thereof. The Purchaser has not offered to sell, solicited offers to buy, or agreed to sell the Bonds or any part thereof, and the Purchaser has no current intention of reselling or otherwise disposing of the Bonds *provided, however,* such representation shall not preclude the Purchaser from participating, transferring or selling of the Bonds in accordance with the provisions of the Indenture. The Purchaser is not acting in a broker-dealer capacity in connection with its purchase of the Bonds. The Purchaser has required as a condition to the purchase of the Bonds that no application be made to make the Bonds DTC eligible.

(c) The Purchaser has made its own credit inquiry and analysis with respect to the City and the Bonds and has made an independent credit decision based upon such inquiry and analysis and in reliance on the truth, accuracy, and completeness of the representations and warranties of the City set forth in the Indenture and in the information set forth in any materials submitted to the Purchaser by the City. The City has furnished to the Purchaser all the information which the Purchaser has requested of the City as a result of the Purchaser having attached significance thereto in making its decision with respect to the Bonds, and the Purchaser

has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the City and the Bonds. The Purchaser is able and willing to bear the economic risk of the purchase and ownership of the Bonds.

(d) The Purchaser understands that the Bonds have not been registered under the United States Securities Act of 1933, as amended, or under any state securities laws. The Purchaser agrees that it will comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Bonds by it, and further acknowledges that any current exemption from registration of the Bonds does not affect or diminish such requirements.

(e) The Purchaser has authority to purchase the Bonds and to execute any instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds. The undersigned is a duly appointed, qualified, and acting officer of the Purchaser and is authorized to cause the Purchaser to make the representations and warranties contained herein on behalf of the Purchaser.

(f) The Purchaser acknowledges that the Bonds are transferable with certain requirements, as described in the Indenture. The Purchaser acknowledges that the Bonds are exempt from the requirements of Rule 15c2-12 of the Securities and Exchange Commission and that the City has not undertaken to provide any continuing disclosure with respect to the Bonds but that the City has agreed to provide other ongoing information to the Purchaser as set forth in the Indenture and related documents.

3. *Closing.* On May 27, 2021, or at such other date as shall have been mutually agreed upon by the City and the Purchaser (the "Closing Date"), the City will deliver or cause to be delivered the Bonds to the Purchaser, and the City shall deliver or cause to be delivered to the Purchaser the certificates, opinions and documents hereinafter mentioned, each of which shall be dated as of the Closing Date. The activities relating to the execution and delivery of the Bonds, opinions and other instruments as described in Section 6 of this Bond Purchase Agreement shall occur on the Closing Date. The delivery of the certificates, opinions and documents as described herein shall be made at the offices Quint & Thimmig LLP, in Larkspur, California ("Bond Counsel"), or at such other place as shall have been mutually agreed upon by the City and the Purchaser. Such delivery is herein called the "Closing."

The Bonds will be prepared and physically delivered to the account of the Purchaser on the Closing Date in the form of a one fully registered bond. The Bonds will be authenticated by the Trustee in accordance with the terms and provisions of the Indenture.

The Purchaser will pay the Purchase Price of the Bonds by delivering to the Trustee, for the account of the City a wire transfer in federal funds of the Purchase Price payable to the order of the Trustee.

4. *Representations, Warranties and Agreements of the City.* The City represents and warrants to the Purchaser that, as of the Closing Date:

(a) The City is a charter city and municipal corporation, organized and existing under the laws of the State of California (the "State"), and is authorized, among other things, (i) to issue the Bonds, and (ii) to secure the Bonds in the manner contemplated by the Indenture.

(b) The City has the full right, power and authority (i) to adopt the Bond Resolution, (ii) to enter into the Financing Agreements, (iii) to issue, sell and deliver the Bonds to the Purchaser as provided herein, and (iv) to carry out and consummate all other transactions on its part

contemplated by each of the aforesaid documents, and the City has complied with all provisions of applicable law in all matters relating to such transactions.

(c) The City has duly authorized (i) the execution and delivery of the Bonds and the execution, delivery and due performance by the City of the Financing Agreements, and (ii) the taking of any and all such action as may be required on the part of the City to carry out, give effect to and consummate the transactions on its part contemplated by such instruments. All consents or approvals necessary to be obtained by the City in connection with the foregoing have been received, and the consents or approvals so received are still in full force and effect.

(d) The Bonds, when issued, authenticated and delivered in accordance with the Bond Resolution and the Indenture, and sold to the Purchaser as provided herein, will constitute legal, valid and binding obligations of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State, and are entitled to the benefits of the laws of the State, the Indenture and the Bond Resolution.

(e) Neither the execution and delivery by the City of the Indenture, this Bond Purchase Agreement and of the Bonds nor the consummation of the transactions on the part of the City contemplated herein or therein or the compliance with the provisions hereof or thereof will conflict with, or constitute on the part of the City a violation of, or a breach of or default under, (i) any statute, indenture, mortgage, note or other agreement or instrument to which the City is a party or by which it is bound, (ii) any provision of the State Constitution, or (iii) any existing law, rule, regulation, ordinance, judgment, order or decree to which the City (or the members of the City or any of its officers in their respective capacities as such) is subject.

(f) The City has never been in default at any time, as to principal of or interest on any obligation which it has issued except as otherwise specifically disclosed to the Purchaser; and the City has not entered into any contract or arrangement of any kind which might give rise to any lien or encumbrance on the Net Revenues pledged to the payment of the Bonds except as otherwise specifically disclosed to the Purchaser.

(g) Except as otherwise specifically disclosed in writing to the Purchaser, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, which has been served on the City or, to the best knowledge of the City, threatened, which in any way questions the powers of the City referred to in paragraph (b) above, or the validity of any proceeding taken by the City in connection with the issuance of the Bonds, or wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions contemplated by Financing Agreements, or which, in any way, could adversely affect the validity or enforceability of the Financing Agreements or the Bonds or, to the knowledge of the City, which in any way questions the exclusion from gross income of the recipients thereof the interest on the Bonds for federal income tax purposes or in any other way questions the status of the Bonds under federal or state tax laws or regulations or which in any way could materially adversely affect the availability of Net Revenues.

(h) The financial statements of, and other financial information regarding the City relating to the receipts, expenditures and cash balances of Net Revenues by the City as of June 30, 2017, fairly represent the receipts, expenditures and cash balances of such amounts and, insofar as presented, other funds of the City as of the dates and for the periods therein set forth. The financial statements of the City have been prepared in accordance with generally accepted accounting principles consistently applied. There has not been any materially adverse change in

the financial condition of the City or in its operations since June 30, 2017, and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(i) Any certificate signed by any official of the City and delivered to the Purchaser in connection with the offer or sale of the Bonds shall be deemed a representation, covenant and warranty by the City to the Purchaser as to the truth of the statements therein contained.

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

(k) The Bonds shall not be registered or otherwise qualified under any Blue Sky or other securities laws.

(l) All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the Indenture have been duly obtained or made and are in full force and effect.

(m) Between the date of this Bond Purchase Agreement and the Closing Date, the City will not offer or issue any bonds, notes or other obligations for borrowed money secured by the Net Revenues not previously disclosed to the Purchaser.

(n) The City will apply the proceeds of the Bonds in accordance with the Financing Agreements.

5. *Covenant of the City.* The City covenants with the Purchaser as of the Closing Date that the City will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner other than as provided in the Indenture or which would cause the interest on the Bonds to be includable in gross income for federal income tax purposes.

6. *Closing Conditions.* The obligations of the Purchaser hereunder shall be subject to the performance by the City of its obligations hereunder at or prior to the Closing Date and are also subject to the following conditions:

(a) the representations, warranties and covenants of the City contained herein shall be true and correct in all material respects as of the Closing Date;

(b) as of the Closing Date, there shall have been no material adverse change in the financial condition of the City;

(c) as of the Closing Date, all official action of the City relating to the Financing Agreements shall be in full force and effect;

(d) as of the Closing Date, the Purchaser shall receive the following certificates, opinions and documents, in each case satisfactory in form and substance to the Purchaser:

(i) a copy of the Indenture, as duly executed and delivered by the City and the Trustee;

(ii) an opinion of Bond Counsel, in form acceptable to the Purchaser, dated the Closing Date and addressed to the City, with a reliance letter addressed to the Purchaser;

(iii) a certificate, dated the Closing Date, of the City executed by the City Manager of the City (or other duly appointed officer of the City authorized by the City by resolution of the City) to the effect that (A) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body which has been served on the City or, to the knowledge of the City, threatened against or affecting the City to restrain or enjoin the City's participation in, or in any way contesting the existence of the City or the powers of the City with respect to, the transactions contemplated by the Financing Agreements and consummation of such transactions; (B) the representations and warranties of the City contained in this Bond Purchase Agreement are true and correct in all material respects, and the City has complied with all agreements and covenants and satisfied all conditions to be satisfied at or prior to the Closing Date as contemplated by the Financing Agreements, and (C) upon defeasance of the 2018 Bonds, there will be no obligations of the City secured by the Net Revenues on a basis senior to or on a parity with the Bonds;

(iv) an opinion of the City Attorney, dated the Closing Date and addressed to the City and the Purchaser to the effect that:

(A) the City is a general law city and municipal corporation, organized and existing under the laws of the State;

(B) the City has full legal power and lawful authority to enter into the Financing Agreements;

(C) the Bond Resolution has been duly adopted at a meeting of the City Council of the City, which was called and held pursuant to the law and with all public notice required by law and at which a quorum was present and acting throughout and the Bond Resolution is in full force and effect and has not been modified, amended or rescinded;

(D) the Financing Agreements have been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the other parties thereof, constitute the valid, legal and binding agreements of the City enforceable in accordance with their terms; and

(E) Except as otherwise specifically disclosed to the Purchaser, there is no litigation, action, suit, proceeding or investigation (or any basis therefor) at law or in equity before or by any court, governmental agency or body, pending by way of a summons served against the City or, to our knowledge, threatened against the City, challenging the creation, organization or existence of the City, or the validity of the Financing Agreements or seeking to restrain or enjoin any of the transactions referred to therein or contemplated thereby or contesting the authority of the City to enter into or perform its obligations under the Financing Agreements, or under which a determination adverse to the City would have a material adverse effect upon the availability of Net Revenues, or which, in any manner, questions the right of the City to enter into, and perform under, the Financing Agreements;

(v) an opinion of counsel to the Trustee, dated the Closing Date and addressed to the City and the Purchaser, to the effect that:

(A) The Trustee is a national banking association organized and existing under the laws of the United States of America, having full power to enter into, accept and administer the trust created under the Indenture and to authenticate the Bonds;

(B) The Indenture has been duly authorized, executed and delivered by the Trustee and the Indenture constitutes a legal, valid and binding obligation of the Trustee enforceable in accordance with its 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; and

(C) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Indenture or the consummation of the transactions contemplated by the Indenture;

(vi) a supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the City and the Purchaser, to the effect that:

(A) this Bond Purchase Agreement has been duly authorized, executed and delivered by the City and, assuming the valid execution and delivery by the other party thereto, is valid and binding upon the City, subject to the laws relating to bankruptcy, insolvency, reorganization of creditors' rights generally and to the application of equitable principles, and

(B) the Bonds are exempt from registration pursuant to Section 3(a)(2) 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.

(vii) a certificate, dated the Closing Date, of the Trustee, signed by a duly authorized officer of the Trustee, to the effect that (A) the Trustee is duly organized and validly existing as a national banking association, with full corporate power to undertake the trust of the Indenture; (B) the Trustee has duly authorized, executed and delivered the Indenture and by all proper corporate action has authorized the acceptance of the trust of the Indenture; and (C) to the best of such officer's knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body which has been served on the Trustee (either in state or federal courts), or to the knowledge of the Trustee which would restrain or enjoin the execution or delivery of the Indenture, or which would affect the validity or enforceability of the Indenture, or the Trustee's participation in, or in any way contesting the powers or the authority of the Trustee with respect to, the transactions contemplated by the Indenture, or any other agreement, document or certificate related to such transactions;

(viii) a certified copy of the Bond Resolution;

(ix) the specimen Bond;

(x) evidence that the federal tax information form 8038-G with respect to the Bonds has been prepared by Bond Counsel for filing;

(xi) evidence of required filings with the California Debt and Investment Advisory Commission; and

(xii) such additional legal opinions, certificates, instruments and other documents as the Purchaser may reasonably deem necessary to evidence the truth and accuracy as of the time of the Closing Date of the representations and warranties of the City contained in this Bond Purchase Agreement and the due performance or satisfaction by the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the City pursuant to this Bond Purchase Agreement.

7. *Termination.* The Purchaser shall have the right to cancel its obligations to purchase the Bonds if between the date hereof and the Closing Date:

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

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

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

(d) there shall have occurred any outbreak of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the

United States is such as, in the reasonable judgment of the Purchaser, would materially adversely affect the market for or market price of the Bonds; or

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

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

(g) any proceeding shall be pending or threatened by the Securities and Exchange Commission against the City; or

(h) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; or

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

(i) any change, which in the reasonable opinion of the Purchaser, materially adversely affects the marketability of the Bonds or, the financial condition of the City.

8. *Contingency of Obligations.* The obligations of the City hereunder are subject to the performance by the Purchaser of its obligations hereunder.

9. *Duration of Representations, Warranties, Agreements and Covenants.* All representations, warranties, agreements and covenants of the City shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Purchaser or the City and shall survive the Closing Date.

10. *Expenses.* The City will pay or cause to be paid all reasonable expenses incident to the performance of its obligations under this Bond Purchase Agreement, including, but not limited to, mailing or delivery of the Bonds, costs of printing the Bonds, the fees and disbursements of the Trustee, the Placement Agent, its financial advisor, Bond Counsel and counsel to the City, the fees and expenses of the City's accountants and fiscal consultants, fees of counsel to the Purchaser and the reporting fee to the California Debt and Investment Advisory Commission. In the event this Bond Purchase Agreement shall terminate because of the default of the Purchaser, the City will, nevertheless, pay, or cause to be paid, all of the expenses specified above. The Purchaser shall pay all expenses incurred by it in connection with its purchase of the Bonds.

11. *Notices.* Any notice or other communication to be given to the City under this Bond Purchase Agreement may be given by delivering the same in writing to its City Manager, City of King, 212 South Vanderhurst Avenue, King City, CA 93930, and any notice or other communication to be given to the Purchaser under this Bond Purchase Agreement may be given by delivering the same in writing to JPMorgan Chase Bank, N. A., 796 East Shaw Avenue, Fresno CA 93710, Attention: Mr. Eric Mouradian, VP, Senior Relationship Manager, Government & Not-for-Profit Banking.

12. *Parties in Interest.* This Bond Purchase Agreement is made solely for the benefit of the City and the Purchaser (including the successors or assigns of the Purchaser) and no other person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

13. *Waiver of Jury Trial; Agreement for Judicial Reference; No Sovereign Immunity.* To the fullest extent permitted by law, the City hereby waives its right to trial by jury in any action, proceeding and/or hearing on any matter whatsoever arising out of, or in any way connected with, this Bond Purchase Agreement, or the enforcement of any remedy under any law, statute, or regulation. To the extent such waiver is not enforceable, the City hereby consents to the adjudication of any and all such matters pursuant to Judicial Reference as provided in section 638 of the California Code of Civil Procedure, and the judicial referee shall be empowered to hear and determine any and all issues in such Reference whether fact or law. The City hereby represents that it does not possess and will not invoke a claim of sovereign immunity for disputes arising out of contractual claims relating to this Bond Purchase Agreement.

14. *Governing Law.* This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and performed in California.

15. *Headings.* The headings of the paragraphs of this Bond Purchase Agreement are inserted for convenience of reference only and shall not be deemed to be a part hereof.

16. *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.

17. *Effectiveness.* This Bond Purchase Agreement shall become effective upon acceptance hereof by the City.

18. *Counterparts.* This Bond Purchase Agreement may be executed in several counterparts which together shall constitute one and the same instrument.

Very truly yours,

JPMORGAN CHASE BANK, N.A., as
Purchaser

By _____
Authorized Signatory

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

CITY OF KING

By _____
Mike Howard
Finance Director

Acknowledged:

HILLTOP SECURITIES INC., as Placement
Agent

By _____
Michael Cavanaugh
Managing Director

[Signature page to the Bond Purchase and Rate Lock Agreement
relating to the
City of King
(Monterey County, California)
Wastewater Refunding Revenue Bonds, Series 2021]

**EXHIBIT A TO THE
BOND PURCHASE AGREEMENT**

**\$4,012,670
CITY OF KING
(Monterey County, California)
Wastewater Refunding Revenue Bonds, Series 2021**

MATURITY SCHEDULE

Maturity Date (September 1)	Principal Amount	Interest Rate
2038	\$4,012,670	2.250%*

REDEMPTION PROVISIONS

No Optional Redemption. The Bonds are subject to optional redemption prior to maturity.

Mandatory Sinking Fund Redemption of Bonds. The Bonds are subject to mandatory sinking fund redemption on September 1 in each year, on the dates and in the amounts specified in the following table.

Mandatory Sinking Fund Redemption Date	Sinking Fund Redemption Amount
2021	\$178,330
2022	187,650
2023	191,880
2024	196,190
2025	200,610
2026	205,120
2027	209,740
2028	214,460
2029	219,280
2030	224,210
2031	229,260
2032	234,420
2033	239,690
2034	245,090
2035	250,600
2036	256,240
2037	262,000
2038†	267,900

† Maturity

*Upon a Determination of Taxability (as such term is defined in the Indenture) the interest rate shall convert to the Taxable Rate (as such term is defined in the Indenture). Upon default, the interest rate shall convert to the Default Rate (as such term is defined in the Indenture).