

\$16,885,000
LOMPOC VALLEY MEDICAL CENTER
Taxable Insured Refunding Revenue Bonds, Series 2020

BOND PURCHASE AGREEMENT

January 22, 2020

Lompoc Valley Medical Center
1515 East Ocean Avenue
Lompoc, CA 93436

Ladies and Gentlemen:

Hilltop Securities Inc. (the "Representative"), on behalf of itself and Piper Sandler & Co. (collectively, the "Underwriters"), offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with the Lompoc Valley Medical Center (the "District"), which, upon acceptance, will be binding upon the District and the Underwriters. This offer is made subject to the District's acceptance on or before 11:59 P.M., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon written notice delivered by the Underwriters to the District at any time prior to acceptance. The undersigned Representative has been duly authorized to execute this Bond Purchase Agreement on behalf of the Underwriters and to act hereunder.

The District hereby acknowledges and agrees that (a) the purchase and sale of the Bonds (as defined herein) pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriters, (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as the agent or fiduciary of the District, (c) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering and sale of the Bonds contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the District on other matters) and the Underwriters have no obligation to the District with respect to the offering and sale of the Bonds contemplated hereby except the obligations expressly set forth in this Bond Purchase Agreement, and (d) the District has consulted its own legal, financial and other advisors to the extent it has deemed appropriate, in connection with the issuance of the Bonds and the other matters contemplated by this Bond Purchase Agreement.

The District hereby acknowledges receipt from the Underwriters 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 Underwriters' role in the transaction, disclosures concerning the Underwriters' compensation, conflict disclosures, if any, and disclosures concerning complex municipal securities financing, if any.

1. Purchase, Sale and Delivery of the Bonds.

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the District, and the District hereby agrees to sell to the Underwriters, all (but not less than all) of \$16,885,000 aggregate principal amount of Lompoc Valley Medical Center Taxable Insured Refunding Revenue Bonds, Series 2020 (the "Bonds"), dated as of the date of their delivery, bearing interest and maturing on the dates and in the amounts set forth on Exhibit A attached hereto. The purchase price for the Bonds shall be \$16,803,862.77 (which consists of the principal amount of the Bonds of \$16,885,000.00, less an Underwriters' discount of \$81,137.23). As an accommodation to the District, the Underwriters will transfer, from the purchase price, the sum of \$461,102.86 to the Office (hereinafter defined) in payment for the bond insurance to be issued for the Bonds by the Office.

(b) The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable as provided in that certain Indenture, dated as of February 1, 2020 (the "Indenture"), between the District and U.S. Bank National Association, as trustee (the "Trustee"). The Bonds shall be limited obligations of the District payable from Revenues (as that term is defined in the Indenture) and secured by a pledge and assignment of the Revenues and of amounts held in the funds and accounts established pursuant to the Indenture (excluding the Rebate Fund established under the Indenture), subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture. Payment of the principal of and interest on the Bonds will be insured by the Office of Statewide Health Planning and Development of the State of California (the "Office"), in accordance with provisions of the California Health Facility Construction Loan Insurance Law, Chapter 1 of Part 6 of Division 107 of the California Health and Safety Code, and pursuant to that certain Contract of Insurance (the "Contract of Insurance") and that certain Regulatory Agreement (the "Regulatory Agreement"), each dated as of February 1, 2020, by and between the Office and the District.

The Bonds are authorized pursuant to the provisions of section 53570 *et seq.* of the California Government Code (the "Law"), the Indenture and a resolution adopted by the Board of Directors of the District on December 19, 2019 (the "Resolution").

(c) The proceeds from the sale of the Bonds will be used, together with certain other moneys, to (i) refund the outstanding Lompoc Valley Medical Center Insured Revenue Bonds, Series 2013 (the "2013 Bonds"), (ii) fund a debt service reserve fund for the Bonds, and (iii) pay the costs of issuance of the Bonds.

(d) At 10:00 A.M., Pacific Standard time, on February 19, 2020, or at such earlier or later time or date as shall be agreed by the District and the Underwriters (such time and date being herein referred to as the "Closing Date"), the District will direct the Trustee to deliver the Bonds to The Depository Trust Company ("DTC") in New York, New York (or to the Trustee in the event of a Fast Automated Securities Transaction ("F.A.S.T.")), for the account of the Underwriters (or at such other location as may be designated by the Underwriters), the Bonds in the form of a separate single fully-registered Bond for each of the Bond maturities (all Bonds being typewritten and bearing CUSIP numbers), duly executed by the District and authenticated by the Trustee, and in San Francisco, California, and the other documents herein mentioned; and the Underwriters will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (a) of this Section 1 by wire transfer, payable in immediately available funds (such delivery and payment being herein referred to as the "Closing"). The Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Notwithstanding the foregoing, neither the failure to place CUSIP numbers on any Bond nor any error with respect

thereto shall constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for the Bonds on the Closing Date in accordance with the terms of this Bond Purchase Agreement.

(e) Concurrently with its acceptance hereof, or as soon as practicable but within the time period specified below, the District will deliver to the Underwriters an official statement with respect to the Bonds, dated the date hereof, in substantially the same form as the Preliminary Official Statement (hereinafter defined), with only such changes therein as shall be mutually agreed upon, signed on behalf of the District (such official statement, together with all appendices thereto and any amendments or supplements thereto, is hereinafter referred to as the "Official Statement"). The District hereby authorizes the use by the Underwriters of the Indenture, the Contract of Insurance, the Regulatory Agreement, that certain Escrow Agreement relating to the refunding of the 2013 Bonds, to be dated the date of the Closing (the "Escrow Agreement"), by and between the District and U.S. Bank National Association, as escrow bank (the "Escrow Bank"), and the Official Statement and the information contained therein in connection with the offering and sale of the Bonds, and consents to and ratifies the use by the Underwriters prior to the date hereof of a preliminary official statement, dated January 10, 2020 (such preliminary official statement, together with all appendices thereto, is herein referred to as the "Preliminary Official Statement"). The District and the Office have each heretofore "deemed final" certain respective portions of the Preliminary Official Statement so as to enable the Underwriters to comply with the provisions of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The District hereby confirms that the information in the Official Statement is "deemed final" pursuant to said Rule. The District hereby agrees to provide to the Underwriters within seven business days of the date hereof sufficient copies of the Official Statement to enable the Underwriters to comply with the requirements of paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission and with the requirements of Rule G-32 and Rule G-36 of the Municipal Securities Rulemaking Board.

2. Bona Fide Public Offering. The Underwriters agree to make a bona fide public offering of all of the Bonds, at prices not in excess of the initial public offering yields or prices set forth on the cover page of the Official Statement. Subject to Section 3(c), the Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices; *provided, however,* that the Underwriters may offer a portion of the Bonds for sale to selected dealers who are members of the Financial Industry Regulatory Authority[, and the Underwriters reserve the right to change such offering prices or yields as the Underwriters shall deem necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering prices or at yields higher than the initial yields set forth on Exhibit A attached hereto]. The Underwriters also reserve the right to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market and to discontinue such stabilizing, if commenced, at any time. None of such activities shall affect the principal amounts, maturity dates, interest rates, redemption or other provision of the Bonds or the amount to be paid by the Underwriters to the District for the Bonds.

3. Representations, Warranties and Agreements of the District. The District represents and warrants to, and agrees with, the Underwriters that:

(a) The District is and will be at the Closing Date duly organized and existing under the Constitution and laws of the State of California as a local health care district with the full power and authority to issue the Bonds, and to carry out and consummate the transactions contemplated by this Bond Purchase Agreement, the Indenture, the Contract of Insurance, the

Regulatory Agreement, the Deed of Trust, dated as of February 1, 2020, executed by the District in favor of the Office (the "Deed of Trust"), the Official Statement, the Continuing Disclosure Certificate of the District, dated the Closing Date (the "Disclosure Certificate"), the Environmental Indemnity, dated as of February 1, 2020 (the "Environmental Indemnity"), and the Escrow Agreement;

(b) When delivered to and paid for by the Underwriters at the Closing in accordance with the provisions of this Bond Purchase Agreement, the Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding limited obligations of the District in conformity with, and entitled to the benefit and security of, the Indenture, and will be the subject of insurance under the California Health Facility Construction Loan Insurance Program;

(c) By official action of the District prior to or concurrently with the acceptance hereof, the District has ratified or authorized the distribution of the Preliminary Official Statement, approved and authorized the distribution of the Official Statement, authorized and approved the execution and delivery of, and the performance by the District of the obligations on its part contained in, the Bonds, the Indenture, the Regulatory Agreement, the Contract of Insurance, the Deed of Trust, this Bond Purchase Agreement, the Disclosure Certificate, the Environmental Indemnity and the Escrow Agreement;

(d) 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 or, to the knowledge of the District, threatened against the District or its properties or operations (i) seeking to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, (ii) in any way contesting or affecting the validity of the Bonds, any proceedings of the District taken concerning the issuance or sale thereof, the pledge or application of any moneys or security provided for the payment of the Bonds, the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or the existence or powers of the District relating to the issuance of the Bonds, or (iii) which, if determined adversely to the interests of the District or its interests, would have a material and adverse effect on the consummation of the transactions contemplated by or the validity of the Indenture, the Regulatory Agreement, the Contract of Insurance, the Deed of Trust, the Disclosure Certificate, the Official Statement, the Environmental Indemnity, the Escrow Agreement or this Bond Purchase Agreement or on the financial condition, properties or operations of the District;

(e) The execution and delivery of the Bonds, the Indenture, the Regulatory Agreement, the Contract of Insurance, the Deed of Trust, the Disclosure Certificate, the Environmental Indemnity, the Escrow Agreement and this Bond Purchase Agreement, and the consummation of the transactions therein and herein contemplated, and the fulfillment of or compliance with the terms and conditions thereof and hereof will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which the District is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the District, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Bond Purchase Agreement or the financial condition, properties or operations of the District or its properties.

(f) The District is not in breach or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or is otherwise subject, which breach or default may have consequences that would materially and adversely affect the consummation of the transactions described in the Indenture, the Regulatory Agreement, the Contract of Insurance, the Deed of Trust, the Disclosure Certificate, this Bond Purchase Agreement, the Environmental Indemnity, the Escrow Agreement or the Official Statement, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a default or an event of default under any such instrument;

(g) Both at the time of acceptance hereof by the District, and at the Closing Date, neither the Preliminary Official Statement nor the Official Statement does or will not contain any untrue statement of a material fact or omit any statement or information concerning the District 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;

(h) If between the date of this Bond Purchase Agreement and 90 days following the Closing Date any event shall occur which might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall notify the Underwriters and if, in the opinion of the Underwriters, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the District will supplement or amend the Official Statement in a form and in a manner approved by the Underwriters, provided all expenses thereby incurred will be paid by the District. If the Official Statement is so supplemented or amended prior to the Closing, such approval by the Underwriters of a supplement or amendment to the Official Statement shall not preclude the Underwriters from thereafter terminating this Bond Purchase Agreement, and if the Official Statement is so amended or supplemented subsequent to the date hereof and prior to the Closing, the Underwriters may terminate this Bond Purchase Agreement by notification to the District at any time prior to the Closing if, in the reasonable judgment of the Underwriters, such amendment or supplement has or will have a material adverse effect on the marketability of the Bonds.

(i) The District has not incurred any material liabilities, direct or contingent, nor has there been any material adverse change in the financial position, results of operation or condition, financial or otherwise, of the District since June 30, 2019, which is not described in the Preliminary Official Statement or the Official Statement, whether or not arising from transactions in the ordinary course of business;

(j) Between the date hereof and the date of the Closing, the District will not, without the prior written consent of the Underwriters, except as described in or contemplated by the Official Statement, incur any material liabilities, direct or contingent, other than in the ordinary course of business;

(k) All approvals, consents, authorizations, certifications and other orders of any governmental authority, board, agency or commission having jurisdiction, and all filings with any such entities, which would constitute conditions precedent to or the failure to obtain which would materially adversely affect the performance by the District of its obligations hereunder or under the Indenture, the Contract of Insurance, the Deed of Trust, the Disclosure Certificate, the Environmental Indemnity, the Regulatory Agreement, the Escrow Agreement or the consummation of the transactions described in the Official Statement have been or will be duly obtained and no further consent, approval, authorization or other action by any governmental

or regulatory authority having jurisdiction over the District is or will be required for the issue and sale of the Bonds or the consummation by the District of the other transactions described in this Bond Purchase Agreement and the Official Statement, except as such may be required under the state securities or Blue Sky laws in connection with the distribution of the Bonds by the Underwriters (as to which no representation or warranty is given by the District);

(l) After the Closing, the District will (a) not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriters shall reasonably object in writing or which shall be disapproved by its counsel and (b) for so long as the Underwriters are obligated by Rule 15c2-12 to deliver Official Statements to prospective purchasers, if any event relating to or affecting the District or its present or proposed facilities shall occur as a result of which it is necessary, in the opinion of counsel for the Underwriters, 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, forthwith prepare and furnish to the Underwriters (at the expense of the District for 25 days from the date of Closing, and thereafter at the expense of the Underwriters) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to counsel for the Underwriters) 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 the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading. For the purposes of this subsection, the District will furnish such information with respect to itself and its present and proposed facilities as the Underwriters may from time to time reasonably request. Unless otherwise notified by the Underwriters, the District can assume that the underwriting period (as defined in Rule 15c2-12) ends on the Closing Date;

(m) The District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order for the Underwriters (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 Underwriters may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such state 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 District 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;

(n) The audited financial statements of the District for the fiscal year ended June 30, 2019 which are referred to in the Preliminary Official Statement and the Official Statement (and summarized in Appendix A thereto), present fairly and accurately the financial condition and operations of the District for that period in accordance with generally accepted accounting principles and on a basis consistent with past accounting practices reflected in the prior fiscal year's audited financial statements; and

(o) The District has complied, in all material respect, with all continuing disclosure obligations it has undertaken, and which have been in effect for the past five years.

The execution and delivery of this Bond Purchase Agreement by the District shall constitute a representation by the District to the Underwriters that the representations, warranties and agreements contained in this Section 3 are true as of the date hereof; provided that as to all matters of law the District is relying on the advice of counsel to the District; and provided further that no member of the governing body of the District shall be individually liable for the breach of any representation, warranty or agreement contained herein.

4. Conditions to the Obligations of the Underwriters. The obligation of the Underwriters to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the representations, warranties and agreements on the part of the District contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the District made in any certificates or other documents furnished pursuant to the provisions hereof, and to the performance by the District of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) At the Closing Date, the Official Statement, the Indenture, this Bond Purchase Agreement, the Regulatory Agreement, the Deed of Trust, the Disclosure Certificate, the Environmental Indemnity, the Contract of Insurance and the Escrow Agreement shall be in full force and effect in the form heretofore submitted to the Underwriters, with only such changes as shall be agreed to in writing by the Underwriters, and there shall have been taken in connection with the issuance of the Bonds and with the transactions contemplated thereby and by this Bond Purchase Agreement, all such actions as, in the opinion of Quint & Thimmig LLP, Bond Counsel, shall be necessary and appropriate;

(b) At the Closing Date, the Official Statement, the Indenture, this Bond Purchase Agreement, the Regulatory Agreement, the Deed of Trust, the Disclosure Certificate, the Environmental Indemnity, the Contract of Insurance and the Escrow Agreement shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriters;

(c) Between the date hereof and the Closing Date, the market price or marketability, at the initial offering prices set forth in the Official Statement, of the Bonds shall not have been materially adversely affected, in the judgment of the Underwriters, by reason of any of the following:

(1) legislation shall have been enacted by the Congress of the United States or the Legislature of the State of California or favorably reported thereto for passage by any Committee to which such legislation has been referred for consideration or be pending before any such Committee or shall have been recommended to the Congress of the United States for passage by the President of the United States or recommended to the Legislature of the State of California for passage by the Governor of the State of California, or a decision shall have been rendered by a court of the United States, including the Tax Court of the United States, or of the State of California, or a ruling or an official release shall have been made or a regulation shall have been proposed or made by the Treasury Department of the United States or the Internal Revenue Service or other federal or State of California authority having jurisdiction over tax matters, with respect to federal or State of California taxation upon revenues or other income of the District or upon interest on obligations of the general character of the Bonds, or other actions or events shall have transpired that would, in the reasonable judgment of the Underwriters, have the purpose or effect, directly or indirectly, of changing the State of California tax consequences of any of the transactions contemplated in connection herewith and that in the reasonable judgment of the Underwriters, affects materially and adversely (i) the market price or marketability of the Bonds or (ii) the ability of the Underwriters to enforce contracts for the sale of the Bonds;

(2) legislation shall have been enacted or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court of competent jurisdiction or by the Tax Court of the United States, or an order,

ruling, regulation (final, temporary or proposed) or official statement 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, or the Bonds, including any or all underlying obligations, are not exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), or that the issuance, offering or sale of the Bonds, including any or all underlying obligations, is or would be in violation of the federal securities laws as amended and then in effect or that suspends the use of the Official Statement or any supplement thereto or any proceeding for such purpose shall have been initiated or threatened in any such court or by any such authority;

(3) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war or the engagement in major hostilities by the United States or the occurrence of any other national emergency or calamity relating to the effective operation of the government of or the financial community in the United States;

(4) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(5) the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, underwriters;

(6) the withdrawal or downgrading of any rating of the Bonds by a national rating agency or notice having been given by a national rating agency of any intended or potential downgrading or other review or possible change in such rating that does not indicate the direction of such possible change;

(7) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriters, 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 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; or

(8) 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 relating to Circular 230 (31 C.F.R. part 10) is issued, made or proposed, that, in the judgment of the Underwriters, affects materially and adversely the market for the Bonds or the market price generally of obligations of the general character of the Bonds.

(d) At or prior to the Closing Date, the Underwriters shall have received the following documents, in each case satisfactory in form and substance to the Underwriters:

(1) Copies of the Indenture, the Regulatory Agreement, the Deed of Trust, the Disclosure Certificate, the Environmental Indemnity, the Contract of Insurance and the Escrow Agreement, duly executed and delivered by the respective parties thereto, with such amendments, modifications or supplements as may have been agreed to in writing by the Underwriters;

(2) An unqualified approving opinion, dated the Closing Date and addressed to the District, of Quint & Thimmig LLP, Bond Counsel, in substantially the form attached as Appendix D to the Official Statement, together with a letter from said Bond Counsel authorizing the Underwriters to rely on said opinion, and a supplemental opinion in form acceptable to the Underwriters and the District, dated the Closing Date and addressed to the Underwriters and the District, to the effect that:

(i) the Bond Purchase Agreement has been duly executed and delivered by the District and, assuming due authorization, execution and delivery by the Underwriters, is a valid and binding obligation of the District, subject to laws relating to bankruptcy, insolvency, reorganization arrangement, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against a local health care district in the State of California;

(ii) the statements contained in the Official Statement in the sections thereof entitled: "THE BONDS," "SECURITY FOR THE BONDS," "TAX MATTERS," "EXHIBIT C—SUMMARY OF PRINCIPAL LEGAL DOCUMENTS," and "EXHIBIT D—FORM OF FINAL OPINION OF BOND COUNSEL," insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture, the Contract of Insurance, the Deed of Trust, the Regulatory Agreement, the Disclosure Certificate, the Environmental Indemnity and Bond Counsel's opinion concerning certain tax matters are accurate in all material respects; and

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

(3) An opinion dated the Closing Date and addressed to the District and the Underwriters, of McDougal, Love, Boehmer, Foley, Lyon & Canlas, counsel to the District, in substantially the form attached hereto as Exhibit B.

(4) A certificate of the President of the Board of Directors of the District, or such other officer as is acceptable to the Underwriters, dated the Closing Date, to the effect that the representations and agreements of the District contained herein are true and correct in all material respects as of the Closing Date, and:

(i) no litigation is pending or, to the knowledge of such officer, threatened (a) to restrain or enjoin the issuance or delivery of any of the Bonds or the collection of Revenues pledged under the Indenture, (b) in any way contesting or affecting the authority for the issuance of the Bonds or the validity of the Bonds, the Indenture, the Regulatory Agreement, the Contract of Insurance, the Deed of Trust, the Disclosure Certificate, the Environmental Indemnity or this Bond

Purchase Agreement, or (c) in any way contesting the existence or powers of the District;

(ii) no event affecting the District has occurred since the date of the Official Statement which would cause as of the Closing Date any statement or information contained in the Official Statement to contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading;

(iii) since June 30, 2019, no material and adverse change has occurred in the financial position or results of operations of the District other than as is set forth in the Official Statement;

(iv) the District has not, since June 30, 2019, incurred any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Official Statement; and

(v) no proceedings are pending or threatened (1) in any way contesting or affecting the District's status as a local health care district or (2) to subject any income of the District to federal income taxation;

(5) Satisfactory evidence that the Bonds have been rated "AA-" or better by S&P Global Ratings, a Standard & Poor's Financial Services LLC business;

(6) An opinion of Jennings, Strouss & Salmon, P.L.C., as Disclosure Counsel for the District, addressed to the Underwriters, to the effect that, based upon its participation in the preparation of the Official Statement as disclosure counsel and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Official Statement, such counsel has no reason to believe that, as of the date of the Closing, the Official Statement (excluding therefrom the reports, financial and statistical data and forecasts therein, the information with respect to the Office and DTC and the book-entry system, the information included in Appendices thereto, as to which no opinion need be expressed) contains any untrue statement of a material fact or omits 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;

(7) A certified copy of the Resolution authorizing the execution and delivery of the Bonds, the Indenture, the Regulatory Agreement, the Contract of Insurance, the Deed of Trust, the Disclosure Certificate, the Environmental Indemnity, the Bond Purchase Agreement, the Escrow Agreement and the Official Statement and ratifying the distribution of the Preliminary Official Statement and authorizing distribution of the Official Statement;

(8) A policy of title insurance in form and substance reasonably acceptable to Bond Counsel;

(9) An opinion, dated the Closing Date, of counsel to the Office substantially in the form attached hereto as Exhibit C;

(10) An opinion of counsel to the Trustee in form and substance satisfactory to the Underwriters and Bond Counsel;

(11) A certificate of the Trustee, dated the Closing Date and signed by an authorized representative of the Trustee, to the effect that:

(i) The Trustee is a duly organized and existing national banking association in good standing under the laws of the United States of America and has all necessary power and authority to enter into and perform its duties under the Indenture;

(ii) The Trustee is duly authorized to enter into the Indenture and has duly executed and delivered the Indenture;

(iii) The Bonds have been duly authenticated and delivered by the Trustee;

(iv) The execution and delivery of the Indenture and the authentication and delivery of the Bonds and compliance with the provisions thereof, will not conflict with, or constitute a breach of or default under, the Trustee's duties under any law, administrative regulation, court decree, resolution, articles of association, bylaws or other agreement to which the Trustee is subject or by which it is or may be bound; provided, however, the Trustee need not make any representations and warranties with respect to compliance with any federal and state securities laws; and

(v) 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, served upon or, to the best of the Trustee's knowledge, threatened against the Trustee, affecting the existence of the Trustee, or the entitlement of its officers to their respective offices or seeking to prohibit, restrain or enjoin the execution and delivery of the Bonds or the collection of revenues pledged or to be pledged to pay the principal, redemption premium, if any, and interest represented by the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture, or the Bonds; or contesting the power or authority of the Trustee to enter into, adopt or perform its obligations under any of the foregoing, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Indenture or the Bonds;

(12) An opinion of counsel to the Escrow Bank in form and substance satisfactory to the Underwriters and Bond Counsel;

(13) A certificate of the Escrow Bank, dated the Closing Date and signed by an authorized representative of the Escrow Bank, to the effect that:

(i) The Escrow Bank is a duly organized and existing national banking association in good standing under the laws of the United States of America and has all necessary power and authority to enter into and perform its duties under the Escrow Agreement;

(ii) The Escrow Bank is duly authorized to enter into the Escrow Agreement and has duly executed and delivered the Escrow Agreement;

(iii) The execution and delivery of the Escrow Agreement and compliance with the provisions thereof, will not conflict with, or constitute a breach of or default under, the Escrow Bank's duties under any law, administrative regulation, court decree, resolution, articles of association, bylaws or other agreement to which the Escrow Bank is subject or by which it is or may be bound; provided, however, the Escrow Bank need not make any representations and warranties with respect to compliance with any federal and state securities laws; and

(iv) 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, served upon or, to the best of the Escrow Bank's knowledge, threatened against the Escrow Bank, affecting the existence of the Escrow Bank, or the entitlement of its officers to their respective offices or in any way contesting or affecting the validity or enforceability of the Escrow Agreement; or contesting the power or authority of the Escrow Bank to enter into, adopt or perform its obligations under any of the foregoing, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Escrow Agreement;

(14) A defeasance opinion of Bond Counsel, relating to the 2013 Bonds; and

(15) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriters, Bond Counsel or counsel to the Underwriters may reasonably request to evidence compliance by the District with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the District contained herein, and the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

If the District shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Bond Purchase Agreement or if the Underwriters' obligations shall be terminated for any reason permitted herein, this Bond Purchase Agreement shall terminate and neither the Underwriters nor the District shall have any further obligation hereunder.

5. Indemnification. To the extent permitted by law, the District agrees to indemnify and hold harmless the Underwriters and each person, if any, who controls (as such term is defined in Section 15 of the Securities Act) the Underwriters against any and all losses, claims, damages, liabilities and expenses (i) arising out of any statement or information in the Preliminary Official Statement or in the Official Statement that is or is alleged to be untrue or incorrect in any material respect or the omission or alleged omission therefrom of any statement or information that should be stated therein or that is necessary to make the statements therein not misleading in any material respect, and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the District; provided, however, that in no event shall this indemnification agreement inure to the benefit of the Underwriters (or any person controlling the Underwriters) on account of any losses, claims, damages, liabilities or actions founded on any untrue statement or omission contained in the Preliminary Official Statement or Official Statement arising from the sale of the Bonds upon the public offering to any person by the Underwriters if such losses, claims, damages, liabilities or actions arise out of, or are based upon, an untrue statement or omission or alleged untrue statement or omission which is the basis of the loss, claim, damage, liability or action for which indemnification is sought and a copy of the Official Statement had not been sent or given to

such person at or prior to confirmation of such sale to him or her, unless such failure to deliver the Official Statement was a result of noncompliance by the District with Section 1(g), Section 2(h) or Section 2(l) hereof. In case any claim shall be made, or action brought against the Underwriters or any controlling person based upon the Official Statement for which indemnity may be sought against the District, as provided above, the Underwriters shall promptly notify the District in writing setting forth the particulars of such claim or action and the District shall assume the defense thereof, including the retaining of counsel acceptable to the District and the payment of all expenses. The Underwriters or any such controlling person shall have the right to retain separate counsel in any such action but shall bear the fees and expenses of such counsel unless (i) the District shall have specifically authorized the retaining of such counsel or (ii) the parties to such suit include the Underwriters or any controlling person or persons, and the District and the Underwriters or controlling person or persons have been advised by such counsel that one or more legal defenses may be available to it or them which may not be available to the District, in which case the District shall not be entitled to assume the defense of such suit notwithstanding its obligation to bear the fees and expenses of such counsel.

6. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in Section 5 hereof is applicable but for any reason is held to be unavailable from the District, to the extent permitted by law, the District and the Underwriters shall contribute to the aggregate losses, claims, damages and liabilities (including any investigation, legal and other expenses incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claims asserted, but after deducting any contribution received by the District from persons who control the District within the meaning of the federal securities acts, officers of the District who signed the Official Statement, who may also be liable for contribution) to which the District and the Underwriters may be subject in such proportions that the Underwriters are responsible for that portion represented by the percentage that the underwriting discount set forth in the Official Statement bears to the offering price appearing thereon and the District is responsible for the balance; provided, however, that (i) in no case shall the Underwriters be responsible for any amount in excess of the underwriting discount applicable to the Bonds purchased by the Underwriters pursuant to the Bond Purchase Agreement and (ii) no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 6, each person, if any, who controls the Underwriters within the meaning of the federal securities acts, shall have the same rights to contribution as the Underwriters, each person, if any, who controls the District within the meaning of the federal securities acts and each officer of the District who shall have signed the Official Statement shall have the same rights to contribution as the District, subject in each case to clauses (i) and (ii) of this Section 6. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this Section 6, notify such party or parties from whom contribution may be sought, but the omission to so notify such party from whom contribution may be sought shall not relieve the party or parties from whom contribution may be sought from any other obligation or they may have hereunder or otherwise than under this Section 6. No party shall be liable for contribution with respect to any action or claim settled without its consent.

7. Expenses. All reasonable expenses and costs of the District incident to the performance of its obligations in connection with the authorization, issuance and sale of the Bonds to the Underwriters, including printing costs, fees and expenses of the Trustee, fees and expenses of consultants and reasonable fees and expenses of Bond Counsel, counsel to the District and Disclosure Counsel, shall be paid by the District. All fees and expenses to be paid by the District pursuant to this Bond Purchase Agreement may be paid from Bond proceeds to

the extent permitted by the Indenture. All out-of-pocket expenses of the Underwriters, including travel and other expenses, CUSIP Service Bureau charges and California Debt Advisory Commission fees, shall be paid by the Underwriters.

8. Notices. Any notice or other communication to be given to the District under this Bond Purchase Agreement may be given by delivering the same in writing at the District's address set forth above; any notice or other communication to be given to the Underwriters under this Bond Purchase Agreement may be given by delivering the same in writing to Hilltop Securities Inc., 2533 South Coast Highway 101, Suite 210, Cardiff, CA 92007, Attention: Mr. Mike Cavanaugh. The approval of the Underwriters when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriters and delivered to the District.

9. Parties in Interest; Survival of Representations and Warranties. This Bond Purchase Agreement is made solely for the benefit of the District and the Underwriters (including the successors or assigns of the Underwriters), and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations, warranties and agreements made by the District in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriters, (ii) delivery of and payment for the Bonds hereunder, and (iii) any termination of this Bond Purchase Agreement.

10. Governing Law. This Bond Purchase Agreement shall be governed by the laws of the State of California.

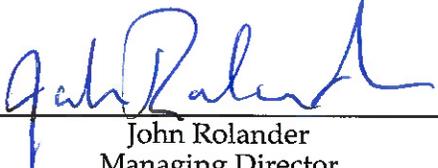
11. Miscellaneous. The headings of the sections of this Bond Purchase Agreement are inserted for convenience only and shall not be deemed to be part hereof.

12. Counterparts. This Bond Purchase Agreement may be signed in two or more counterparts (including counterparts represented by facsimile copies and/or containing facsimile signatures); all such counterparts, when signed by all parties, shall constitute but one single agreement.

Very truly yours,

HILLTOP SECURITIES INC. and
PIPER SANDLER & CO., as Underwriters

By HILLTOP SECURITIES INC., as
Representative

By  _____
John Rolander
Managing Director

Accepted and Agreed to:

LOMPOC VALLEY MEDICAL CENTER

By _____
Steven D. Popkin
Chief Executive Officer

Time of Execution: _____

12. Counterparts. This Bond Purchase Agreement may be signed in two or more counterparts (including counterparts represented by facsimile copies and/or containing facsimile signatures); all such counterparts, when signed by all parties, shall constitute but one single agreement.

Very truly yours,

HILLTOP SECURITIES INC. and
PIPER SANDLER & CO., as Underwriters

By HILLTOP SECURITIES INC., as
Representative

By _____
John Rolander
Managing Director

Accepted and Agreed to:

LOMPOC VALLEY MEDICAL CENTER

By _____

Steven D. Popkin
Chief Executive Officer

Time of Execution: 14:17 1/22/2020

EXHIBIT A
MATURITY SCHEDULE

Maturity (July 1)	Principal Amount	Interest Rate	Yield	Price
2020	\$ 100,000	1.750%	1.750%	100.000
2021	585,000	1.794	1.794	100.000
2022	595,000	1.844	1.844	100.000
2023	605,000	1.954	1.954	100.000
2024	620,000	2.073	2.073	100.000
2025	630,000	2.153	2.153	100.000
2026	645,000	2.315	2.315	100.000
2027	660,000	2.355	2.355	100.000
2028	675,000	2.466	2.466	100.000
2029	690,000	2.546	2.546	100.000
2030	710,000	2.586	2.586	100.000
2031	730,000	2.716	2.716	100.000
2032	750,000	2.796	2.796	100.000
2033	770,000	2.916	2.916	100.000
2034	790,000	2.966	2.966	100.000
2035	815,000	2.996	2.996	100.000
2042	6,515,000	3.425	3.425	100.000

REDEMPTION PROVISIONS

Extraordinary Redemption. The Bonds are subject to redemption prior to their respective stated maturities at the option of the District as a whole or in part on any date, from proceeds of insurance or condemnation required to be deposited in the Special Redemption Account pursuant to Section XIX of the Regulatory Agreement, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium. If Bonds are redeemed in part, moneys in the Special Redemption Account shall be allocated in such order of maturity as is selected by the District (or if the District fails to designate such maturities, in inverse order of maturity) and by lot within a maturity.

Optional Redemption. The Bonds maturing on or after July 1, 2030, are also subject to redemption prior to their respective stated maturities upon not less than forty-five (45) days prior written notice by the District to the Trustee, from moneys deposited in the Optional Redemption Account or from any other source of available funds, as a whole or in part (in such maturities as are designated by the District, or if the District fails to so designate, in inverse order of maturity, and by lot within a maturity) on any date on or after July 1, 2029, at a redemption price equal to the principal amount of Bonds called for redemption, together with accrued interest to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The Bonds maturing on July 1, 2042, are also subject to redemption prior to their stated maturity in part, by lot, on July 1, 2036, and each July 1 thereafter to and including and July 1, 2042, from Mandatory Sinking Account Payments listed below, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium.

Mandatory Sinking Account Payment Dates (July 1)	Mandatory Sinking Account Payments
2036	\$ 840,000
2037	870,000
2038	895,000
2039	930,000
2040	960,000
2041	995,000
2042†	1,025,000

† Maturity

Special Optional Redemption. The Bonds are subject to special redemption in whole, at the option of the District, on any date on and after October 3, 2020, if the District has leased previous hospital building located at 303 South C Street, Lompoc, California, to a governmental entity or to a 501(c)(3) corporation, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest, without premium, to the date fixed for redemption.

Special Mandatory Redemption. The Bonds are subject to mandatory redemption in whole, on any date, if the District has sold the previous hospital building located at 303 South C Street, Lompoc, California, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest, without premium, to the date fixed for redemption.

EXHIBIT B

FORM OF OPINION OF COUNSEL TO THE DISTRICT

[Closing Date]

Hilltop Securities Inc.
2533 South Coast Highway 101, Suite 210
Cardiff, CA 92007

Piper Sandler & Co.
11635 Rosewood Street
Leawood, KS 66211

Re: \$16,885,000 Lompoc Valley Medical Center Taxable Insured Refunding Revenue Bonds,
Series 2020

Ladies and Gentlemen:

We have served as District Counsel for Lompoc Valley Medical Center (the "District") in connection with the issuance of Lompoc Valley Medical Center Taxable Insured Refunding Revenue Bonds, Series 2020 (the "Bonds"), by the District in the aggregate principal amount of \$16,885,000. The Bonds are issued pursuant to the provisions of section 53570 *et seq.* of the California Government Code and are issued under and secured by an Indenture of Trust, dated as of February 1, 2020 (the "Indenture"), by and between the District and U.S. Bank National Association, as trustee (the "Trustee"). The Bonds are being sold pursuant to a Bond Purchase Agreement, dated January 22, 2020 (the "Bond Purchase Agreement"), between the District and Hilltop Securities Inc. and Piper Sandler & Co., as underwriters.

The proceeds from the sale of the Bonds will be used, together with certain other moneys, to (a) refund (i) the outstanding Lompoc Valley Medical Center Insured Revenue Bonds, Series 2013 (the "2013 Bonds"), (b) fund a debt service reserve fund for the Bonds), and (c) pay the costs of issuance of the Bonds.

The Bonds are insured by the State of California Office of Statewide Health Planning and Development (the "Office") pursuant to a Contract of Insurance, dated as of February 1, 2020, between the District and the Office (the "Contract of Insurance") issued pursuant to the Regulatory Agreement, dated as of February 1, 2020, between the District and the Office (the "Regulatory Agreement").

In connection with this opinion, we have assumed the authenticity of all records, documents, and instruments submitted to us as originals, the genuineness of all signatures, the legal capacity of natural persons and the conformity to the originals of all records, documents, and instruments submitted to us as copies. We also have assumed that there are no facts or circumstances relating to you that might prevent you from enforcing any of the rights to which our opinion relates. We have based our opinion upon our review of the following records, documents and instruments:

- (a) A copy of the Indenture.

- (b) A copy of the Bond Purchase Agreement.
- (c) A copy of the Contract of Insurance.
- (d) A copy of the Regulatory Agreement.
- (e) A copy of the Disclosure Certificate (hereinafter defined).
- (f) A copy of that certain Escrow Agreement relating to the refunding of the 2013 Bonds, to be dated the date hereof (the "Escrow Agreement"), by and between the District and U.S. Bank National Association, as escrow bank (the "Escrow Bank").
- (g) A copy of the Preliminary Official Statement, dated January 10, 2020 (the "Preliminary Official Statement") and the Official Statement, dated January 22, 2020 (the "Official Statement") relating to the Bonds.
- (h) Resolution No. 308 (the "Resolution") adopted by the District authorizing the execution and delivery of the Bonds and the Transaction Documents (hereinafter defined).

The documents and instruments listed in items (a) through (h) above are collectively referred to herein as the "Transaction Documents."

Where our opinion relates to our "knowledge," such knowledge is based upon our examination of the records, documents, instruments, and certificates enumerated or described above and the actual knowledge of attorneys in this firm who are currently involved in substantive legal representation of the District. With your consent, we have not examined any records of any court, administrative tribunal or other similar entity in connection with our opinion. Except as described herein, we have undertaken no investigation or verification of such matters.

Based upon the foregoing and our examination of such questions of law as we have deemed necessary or appropriate for the purpose of this opinion, and subject to the limitations and qualifications expressed below, it is our opinion that:

(1) The District is a local health care district duly existing under the laws of the State of California, has full legal right, power and authority to enter into the Indenture, the Bond Purchase Agreement, the Contract of Insurance, the Regulatory Agreement, the Continuing Disclosure Certificate, dated February 19, 2020 (the "Disclosure Certificate"), the Official Statement and the Escrow Agreement and to carry out and consummate all transactions contemplated by the Indenture, the Bond Purchase Agreement, the Contract of Insurance, the Regulatory Agreement, the Disclosure Certificate, the Official Statement and the Escrow Agreement.

(2) The Official Statement has been duly authorized, executed and delivered by the District.

(3) The Resolution, approving and authorizing the execution of the Indenture, the Bond Purchase Agreement, the Bonds, the Contract of Insurance, the Regulatory Agreement, the Disclosure Certificate, the Official Statement and the Escrow Agreement was duly adopted

at a meeting of the governing body of the District which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and voted.

(4) To our knowledge, except for litigation disclosed in the Official Statement, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or threatened against the District to restrain or enjoin the issuance or delivery of the Bonds or the collection of revenues pledged under the Indenture, contesting any authority for the issuance of the Bonds or the validity of the Bonds, the Indenture, the Contract of Insurance, the Regulatory Agreement, the Disclosure Certificate, the Escrow Agreement or the Bond Purchase Agreement, contesting the existence or powers of the District with respect to the issuance of the Bonds or the security therefor wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Official Statement, the Indenture, the Contract of Insurance, the Regulatory Agreement, the Disclosure Certificate, the Bond Purchase Agreement, the Escrow Agreement or the validity of the Bonds.

(5) The Bonds, the Indenture, the Official Statement, the Contract of Insurance, the Regulatory Agreement, the Disclosure Certificate, the Bond Purchase Agreement and Escrow Agreement have been duly authorized, executed and delivered by the District and, assuming due authorization, execution and delivery by the other parties thereto where applicable, are valid and binding limited obligations of the District enforceable in accordance with their terms.

(6) Based upon the information made available to us in the course of our participation in the preparation of the Official Statement as counsel for the District, and without having undertaken to determine independently or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement, to our knowledge the Official Statement (excluding therefrom the financial, statistical and economic data or determinations or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions and expressions of opinion, and the information about the Office, DTC and the book-entry system included in the Official Statement, as to which we express no opinion) contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This opinion is limited to the federal laws of the United States of America and the laws of the State of California. We disclaim any opinion as to the laws of any other jurisdiction and we further disclaim any opinion as to any statute, rule, regulation, ordinance, order or other promulgation of any regional or local governmental body. This opinion is based upon the law in effect on the date hereof, and we assume no obligations to revise or supplement this opinion should such law be changed by legislative action, judicial decision, or otherwise. In connection with this opinion letter, we also have assumed the following: (a) consideration has been duly given under the Transaction Documents; (b) the District is the legal, beneficial and record owner of the collateral described in any Transaction Documents and the descriptions of collateral in the Transaction Documents sufficiently describe the collateral intended to be covered by such documents; (c) any lien documents are in suitable form, notarized if required, and duly filed or recorded with the appropriate government offices; (d) the Transaction Documents accurately describe the mutual understanding of the parties thereto, and that there are no oral or written statements that modify, amend, or vary, or purport to modify, amend, or vary, any of the terms of the Transaction Documents; (e) the information, factual matters, representations and warranties contained in the Transaction Documents, records, certificates and other documents we have reviewed are true, correct and complete; and (f) the other parties to Transaction Documents have the proper authority to engage in the transactions contemplated thereunder and at all times have complied and will comply with the Transaction Documents and related

documents and with all applicable requirements governing their actions and will act in a commercially reasonable manner.

In connection with this opinion, we advise you that:

A. Enforceability is subject (i) to bankruptcy, insolvency, reorganization, arrangement, moratorium, and other laws of general applicability relating to or affecting creditors' rights, (ii) to general principles of equity, whether such enforcement is considered in a proceeding in equity or at law, (iii) to limitations imposed by applicable law or public policy on the enforceability of the indemnification provisions, and (iv) to the qualification that certain waivers, procedures, remedies, and other provisions of the Transaction Documents may be unenforceable under or limited by applicable law.

B. The enforceability of the Transaction Documents is further subject to the effect of general principles of equity. These principles include, without limitation, concepts of commercial reasonableness, materiality and good faith and fair dealing. These principles require the parties to act reasonably, in good faith and in a manner that is not arbitrary or capricious in the administration and enforcement of the Transaction Documents and will preclude them from invoking penalties for defaults that bear no reasonable relation to the damage suffered or that would otherwise work a forfeiture.

C. The effectiveness of indemnities, rights of contribution, exculpatory provisions and waivers of the benefits of statutory provisions may be limited on public policy grounds.

D. Section 1717 of the California Civil Code provides that, in any action on a contract where the contract specifically provides that attorneys' fees and costs incurred to enforce that contract shall be awarded either to one of the parties or to the prevailing party, then the party who is determined to be the party prevailing in the action, whether that party is the party specified in the contract or not, shall be entitled to reasonable attorneys' fees in addition to other costs.

E. Any provisions of the Transaction Documents requiring that waivers must be in writing may not be binding or enforceable if a non-executory oral agreement has been created modifying any such provision or an implied agreement by trade practice or course of conduct has given rise to a waiver.

F. Section 9109(d)17 of the California Uniform Commercial Code (the "Code") provides that the secured transactions provisions of the Code do not apply to transfers by a government or governmental unit, and, therefore, the rights and remedies of the Trustee under the Transaction Documents which purport to incorporate rights and remedies under the Code may not be enforceable and as such, we express no opinion on such matters.

G. Any provisions of the Transaction Documents regarding another party's right to apply proceeds of fire or other casualty insurance policies or awards of damages in condemnation proceedings against the District's secured obligations will not be enforceable unless application of such proceeds or damages is reasonably necessary to protect such security interests.

H. We assume that in the enforcement of any lien documents, all parties will act in accordance with applicable statutory and other legal requirements, including applicable case law and that enforcement of rights or remedies thereunder may be limited when imposing fees and charges in the event of default, upon acceleration of the District's obligations for transfers

of interests, leases, or grants of junior encumbrances, attempting to secure a deficiency claim before exhausting the secured property or other remedies, among other things.

I. We have further relied on certain representations, warranties and covenants of the District in the Transaction Documents. Any variations may affect the opinions we are giving.

J. In connection with our opinion, we have not reviewed and express no opinion on (i) financial statements or covenants, financial or audit reports or the consents related thereto or similar provisions requiring financial calculations or determinations, (ii) provisions relating to the occurrence of a “material adverse effect” or similar words, or (iii) parol evidence bearing on interpretation or construction.

We express no opinion as to: (a) the priority of any lien or security interest created, or purported to be created, by any of the Transaction Documents or the enforceability of any lien in the real property of the District; (b) any securities, tax, anti-trust, land use, export, safety, environmental, hazardous materials, choice of law, insurance company or banking laws, rules or regulations; (c) applicable interest rate limitations of California law for loans or forbearances; or (d) the effect on the District’s obligations, and any other party’s rights, under the Transaction Documents of laws relating to fraudulent transfers and fraudulent obligations set forth in Sections 544 and 548 of the federal Bankruptcy Code and Sections 3439 et seq. of the California Civil Code.

In rendering our opinion, we are expressing no opinion on the validity of the Bonds.

We furnish this opinion as counsel to the District and only the addressee and Quint & Thimmig LLP may rely upon it. This letter shall not be used, quoted, distributed, circulated or relied upon by any other person or entity for any purpose, without our prior written consent.

Respectfully submitted,

EXHIBIT C

FORM OF OPINION OF COUNSEL TO THE OFFICE

[Closing Date]

Office of Statewide Health Planning and Development
2020 West El Camino Avenue, Suite 1231
Sacramento, California 95833

Re: \$16,885,000 Lompoc Valley Medical Center Taxable Insured Refunding Revenue Bonds,
Series 2020

Ladies and Gentlemen:

This opinion is delivered to you pursuant to the Bond Purchase Agreement, dated January 22, 2020, by Hilltop Securities Inc. and Piper Sandler & Co., as underwriters, as accepted and agreed to by the Lompoc Valley Medical Center (the "District"), in connection with the issuance of \$16,885,000 Lompoc Valley Medical Center Taxable Insured Refunding Revenue Bonds, Series 2020 (the "Bonds"). The Bonds are being issued pursuant to the Indenture, dated as of February 1, 2020 (the "Indenture"), by and between the Authority and U.S. Bank National Association, as trustee.

The payment of principal and interest on the Bonds will be insured by the Office in accordance with the provisions of the California Health Facility Construction Loan Insurance Law, that certain contract of insurance, dated as of February 1, 2020 (the "Contract of Insurance"), by and between the District and the Office, and that certain regulatory agreement, dated as of February 1, 2020 (the "Regulatory Agreement"), by and between the District and the Office. In addition, the District has executed and delivered a Deed of Trust with Fixture Filing and Security Agreement, dated as of February 1, 2020 (the "Deed of Trust") pursuant to which the District has granted to the trustee under its Deed of Trust, a first lien on and security interest in the Facilities (as such term is defined in the Deed of Trust), as security for the payments required to be made by the District pursuant to the Indenture, and the performance by the District of its obligations under the Indenture, the Contract of Insurance and the Regulatory Agreement. The Regulatory Agreement, the Contract of Insurance and the Deed of Trust are sometimes collectively referred to herein as the "Insurance Agreements."

As to questions of fact material to this opinion, I have relied upon representations contained in the Insurance Agreements and in certain documents, records and statements furnished by, or on behalf of the District, without undertaking to verify such facts by independent investigation. In addition, I have assumed compliance with the covenants and agreements contained in the Insurance Agreements.

Based upon the above described facts and examination, the undersigned is of the opinion that:

- a. The Office is duly organized and validly existing under the Constitution and laws of the State of California and has the requisite power and authority to execute and deliver the Regulatory Agreement and the Contract of Insurance

b. The Regulatory Agreement and Contract of Insurance have been duly authorized, executed and delivered by the Office and, assuming due authorization, execution and delivery by the other parties thereto, constitute valid and binding agreements of the Office, enforceable in accordance with their respective terms, subject to laws relating to bankruptcy, insolvency, reorganization, or creditors' rights generally and to the application of the equitable principles.

c. The statements contained in the Official Statement, dated January 22, 2020, relating to the Bonds (the "Official Statement") in the sections thereof entitled: "INTRODUCTORY STATEMENT" and "SECURITY FOR THE BONDS—California Health Facility Construction Loan Insurance Program," relating to the Office and the California Health Facility Construction Loan Insurance Program, are true, correct and complete in all material respects.

Sincerely,