

\$ _____
SANTA MONICA COMMUNITY COLLEGE DISTRICT
(Los Angeles County, California)
General Obligation Bonds, 2008 Election, 2014 Series B

PURCHASE CONTRACT

_____, 2014

Santa Monica Community College District
1900 Pico Boulevard
Santa Monica, CA 90405-1628

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC as representative (the “Representative”) of itself and _____ (the “Underwriters”), offers to enter into this Purchase Contract (the “Purchase Contract”) with the Santa Monica Community College District (the “District”), which, upon the District’s acceptance hereof, will be binding upon the District and the Underwriters. This offer is made subject to the written acceptance of this Purchase Contract by the District and delivery of such acceptance to us at or prior to 11:59 P.M., California Time, on the date hereof. Capitalized terms used and not otherwise defined herein shall have the meanings given to such terms in the Resolution (defined below).

Inasmuch as this purchase and sale represents a negotiated transaction, the District acknowledges and agrees that: (i) the purchase and sale of the Bonds (defined herein) pursuant to this Purchase Contract is an arm’s-length, commercial transaction between the District and the Underwriters in which the Underwriters are acting solely as principals and are not acting as municipal advisors, financial advisors, or fiduciaries to the District, (ii) the Underwriters have not assumed (individually or collectively) any advisory or fiduciary responsibility to the District with respect to the transaction contemplated hereby and the discussions, undertakings, and procedures leading thereto (irrespective of whether any of the Underwriters have provided other services or are currently providing other services to the District on other matters), (iii) the Underwriters are acting solely in their respective capacities as underwriters for their own accounts, (iv) the only obligations the Underwriters have to the District with respect to the transaction contemplated hereby are expressly set forth in this Purchase Contract; and (v) the District has consulted its own legal, accounting, tax, financial, municipal and other advisors, as applicable, to the extent it has deemed appropriate. Copies of the disclosures made by the Underwriter’s in compliance with Rule G-17 of the Municipal Securities Rulemaking Board (the “MSRB”) are attached hereto as Exhibit B.

1. **Purchase and Sale of the Bonds.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriters hereby agree to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of \$_____ in aggregate initial principal amount of the District’s General Obligation Bonds, 2008 Election, 2014 Series B (the “Bonds”). The

Current Interest Bonds (as defined in the Resolution described below) shall be dated the date of delivery thereof (the "Date of Delivery") and shall bear interest from such date, payable semiannually on each February 1 and August 1, commencing February 1, 2015. The Capital Appreciation Bonds (as defined in the Resolution described below) shall accrete interest from the Date of Delivery thereof, compounded semiannually on February 1 and August 1, commencing on February 1, 2015, and shall be paid at maturity as shown in Appendix A hereto. The Convertible CABs (as defined in the Resolution described below) shall be dated the Date of Delivery and shall accrete interest from such date, compounded semiannually on February 1 and August 1, commencing on February 1, 2015 through and including the respective Conversion Dates thereof. On their respective Conversion Dates, the Convertible CABs will convert to bonds bearing current, periodic interest, and such interest will accrue based upon the Accreted Value as of the Conversion Date thereof (the "Conversion Value"). The final maturity dates, interest and accretion rates, Conversion Dates, Conversion Values, yields and redemption provisions of the Bonds are shown in Appendix A hereto, which exhibit is incorporated by reference herein.

The Underwriters shall purchase the Bonds at a price of \$_____ (consisting of the principal amount of the Bonds of \$_____, plus net original issue premium of \$_____ and less Underwriters' discount of \$_____). Certain costs of issuance of the Bonds shall be paid by the District in accordance with Section 12 hereof.

2. **The Bonds.** The Bonds shall be dated as of their date of delivery and bear or accrete interest at the rates and shall mature on the dates and in the years, and shall be subject to redemption, as shown on Appendix A hereto, and shall otherwise be as described in the Official Statement (as defined herein), and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on October 7, 2014 (the "Resolution"), this Purchase Contract, the Official Statement (as defined herein) and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act").

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Contract and the Resolution. The Bonds shall be in book-entry form, shall bear CUSIP numbers, and shall be in fully registered book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). The Current Interest Bonds shall initially be issued in authorized denominations of Five Thousand Dollars (\$5,000) Principal Amount or any integral multiple thereof, Capital Appreciation Bonds shall initially be in authorized denominations of Five Thousand Dollars (\$5,000) Maturity Value or any integral multiple thereof and the Convertible CABs shall initially be in authorized denominations of Five Thousand Dollars (\$5,000) Conversion Value or any integral multiple thereof.

3. **Use of Documents.** The District hereby authorizes the Underwriters to use, in connection with the offer and sale of the Bonds, the Continuing Disclosure Undertaking (as defined herein), this Purchase Contract, the Preliminary Official Statement (defined herein), the Official Statement (defined herein), the Resolution and all information contained herein and therein and all of the documents, certificates or statements furnished by the District to the Underwriters in connection with the transactions contemplated by this Purchase Contract.

4. **Public Offering of the Bonds.** The Underwriters agree to make a bona fide public offering of all the Bonds at the initial public offering prices or yields to be set forth on the inside front cover page of the Official Statement and Appendix A hereto. Subsequent to such initial public

offering, the Underwriters reserve the right to change such initial public offering prices or yields as they deem necessary in connection with the marketing of the Bonds.

5. **Review of Official Statement.** The Underwriters hereby represent that they have received and reviewed the Preliminary Official Statement with respect to the Bonds, dated _____, 2014 (the “Preliminary Official Statement”). The District represents that it has duly authorized and prepared the Preliminary Official Statement for use by the Underwriters in connection with the sale of the Bonds, and that it has deemed the Preliminary Official Statement to be final, as of its date, except for either revision or addition of the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s), redemption provisions, and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (the “Rule”).

The Underwriters agree that prior to the time the Official Statement relating to the Bonds is available, the Underwriters will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail or electronic distribution (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

The Representative agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system within one business day after receipt thereof from the District, but in no event later than the Closing (as defined below).

6. **Closing.** At 9:00 A.M., California Time, on _____, 2014 or at such other time or on such other date as shall have been mutually agreed upon by the District and the Representative (the “Closing”), the District will deliver to the Underwriters, through the facilities of the DTC in New York, New York, or at such other place as the parties hereto may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Nixon Peabody LLP (“Bond Counsel”), in Los Angeles, California, the other documents hereinafter mentioned; and the Underwriters will accept such delivery and pay the purchase price set forth in Section 1 hereof in immediately available funds by wire transfer to the account or accounts designated by the District.

7. **Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriters that:

(a) Due Organization. The District is a community college district duly organized and validly existing under the laws of the State of California (the “State”), with the power to issue the Bonds pursuant to the Act.

(b) Due Authorization. (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power and authority to enter into this Purchase Contract, and the Continuing Disclosure Undertaking, to adopt the Resolution, to perform its obligations under each such document or instrument, to approve the Official Statement, and to carry out and effectuate the transactions contemplated by this Purchase Contract and the Resolution; (iii) the execution and delivery or adoption of, and the performance by the

District of the obligations contained in the Bonds, the Resolution, the Continuing Disclosure Undertaking and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Contract and the Continuing Disclosure Undertaking constitute valid and legally binding obligations of the District, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and to principles of equity relating to or affecting the enforcement of creditors' rights; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract.

(c) Consents. No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any person, organization, court or governmental agency or public body whatsoever is required, or is required and has not been obtained, in connection with the issuance, delivery or sale of the Bonds, the execution and delivery of this Purchase Contract and the Continuing Disclosure Undertaking, the adoption of the Resolution, or the consummation of the other transactions effected or contemplated herein or hereby, which have not been taken or obtained, excepting therefrom such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Representative may reasonably request, or which have not been taken or obtained; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(d) Internal Revenue Code. The District has complied with the requirements of the Internal Revenue Code of 1986, as amended, with respect to the Bonds.

(e) No Conflicts. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Purchase Contract, the Continuing Disclosure Undertaking, the Resolution and the Bonds, and the compliance with the provisions hereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(f) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices or of the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection or levy of *ad valorem* taxes contemplated by the Resolution available to pay the Principal of and interest on and Accreted Value of the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract, the Continuing Disclosure Undertaking or the Resolution or contesting the powers of the District or its authority with respect to the Bonds, the Resolution, the Continuing Disclosure Undertaking, or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the operations or financial condition of the District or the consummation of the transactions contemplated by this Purchase Contract or the Resolution, (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (c) adversely

affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the exemption of such interest from State personal income taxation.

(g) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Representative, the District will not have issued, and no other person will have issued in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement or otherwise consented to in writing by the Representative.

(h) Certificates. Any certificates signed by any officer of the District and delivered to the Underwriters shall be deemed a representation and warranty by the District to the Underwriters, but not by the person signing the same, as to the statements made therein.

(i) Continuing Disclosure. In accordance with the requirements of the Rule and pursuant to the Resolution, at or prior to the Closing, the District shall have duly authorized, executed and delivered a Continuing Disclosure Undertaking (the “Continuing Disclosure Undertaking”) on behalf of each obligated person for which financial and/or operating data is presented in the Official Statement. The Continuing Disclosure Undertaking shall be substantially in the form attached to the Official Statement in Appendix D. Except as disclosed in the Official Statement, the District has not, within the past five years, failed to comply in a material respect with any of its previous undertakings pursuant to the Rule to provide annual reports or notice of certain listed events.

(j) Official Statement Accurate and Complete. The Preliminary Official Statement, at the date thereof, did not, and the Official Statement will not, as of its date contain any untrue statement of a material fact or 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 makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriters through a representative of the Underwriters specifically for inclusion therein.

If the Official Statement is supplemented or amended pursuant to paragraph (f) of Section 9 of this Purchase Contract, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the date of Closing the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which made, not misleading.

(k) Levy of Tax. The District hereby agrees to take any and all actions as may be required by the County of Los Angeles (the “County”) or otherwise necessary in order to arrange for the levy and collection of taxes, payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the County Auditor-Controller and the County Treasurer-Tax Collector a copy of the Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Bonds, in accordance with Education Code Section 15140(c) and policies and procedures of the County.

(l) No Material Adverse Change. The financial statements of, and other financial information regarding the District contained in the Official Statement fairly present the financial position and operating results of the District as of the dates and for the periods therein set forth. Prior to the Closing, there will be no adverse change of a material nature in such financial position, results of operation or condition, financial or otherwise, of the District. The District is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the District, would have a materially adverse effect on the financial condition of the District.

8. **Representations and Agreements of the Underwriters.** The Underwriters represent to and agree with the District that, as of the date hereof and as of the date of the Closing:

(a) The Underwriters are duly authorized to execute this Purchase Contract and the Underwriters are duly authorized to take any action under the Purchase Contract required to be taken by it.

(b) The Underwriters are in compliance with MSRB Rule G-37 with respect to the District, and is not prohibited thereby from acting as underwriters with respect to securities of the District.

(c) The Underwriters have, and have had, no financial advisory relationship, as that term is defined in the State Government Code Section 53590(c) or MSRB Rule G-23, with the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriters has or has had any such financial advisory relationship.

9. **Covenants of the District.** The District covenants and agrees with the Underwriters that:

(a) Securities Laws. The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriters if and as the Representative may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations or such states and jurisdictions; provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof;

(b) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds for the purposes specified in the Resolution;

(c) Official Statement. The District hereby agrees to deliver or cause to be delivered to the Underwriters, not later than the seventh (7th) business day following the date this Purchase Contract is signed, copies of an Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriters and the District in such quantities as may be requested by the Underwriters not later than seven (7) business days following the date this Purchase Contract is signed, in order to permit the Underwriters to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB. The District hereby authorizes the Underwriters to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

(d) Subsequent Events. The District hereby agrees to notify the Underwriters of any event or occurrence that may affect the accuracy or completeness of any information set forth in the Official Statement relating to the District until the date which is ninety (90) days following the Closing;

(e) References. References herein to the Preliminary Official Statement and the Official Statement include the cover page, the inside cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto; and

(f) Amendments to Official Statement. During the period ending on the 25th day after the End of the Underwriting Period (as defined herein) (or such other period as may be agreed to by the District and the Representative), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Representative and (ii) shall notify the Representative promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Representative, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriters, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Representative, as the Underwriters may reasonably request. If the Official Statement is supplemented or amended, the supplement will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, or misleading. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, at its own expense, such additional legal opinions, certificates, instruments and other documents as the Representative may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

(1) For purposes of this Purchase Contract, the "End of the Underwriting Period" is used as defined in Rule 15c2-12 and shall occur on the later of (A) the date of Closing or (B) when the Underwriters no longer retain an unsold balance of the Bonds; unless otherwise advised in writing by the Representative on or prior to the Closing, or otherwise agreed to by the District and the Representative, the District may assume that the End of the Underwriting Period is the Closing.

10. **Conditions to Closing.** The Underwriters have entered into this Purchase Contract in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of Closing. The Underwriters' obligations under this Purchase Contract are, and shall be subject at the option of the Representative, to the following further conditions at the Closing:

(a) Representations True. The representations and warranties of the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriters at the Closing pursuant

hereto shall be true, complete and correct in all material respects on the date of the Closing; and the District shall be in compliance with each of the agreements made by it in this Purchase Contract;

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Purchase Contract, the Continuing Disclosure Undertaking, and the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Representative; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of their obligations required under or specified in the Resolution, this Purchase Contract or the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, pending or threatened which has any of the effects described in Section 7(f) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Marketability. The Underwriters shall have the right to cancel their obligation to purchase the Bonds if, between the date of this Purchase Contract and the Closing, customer orders have been canceled (evidenced by canceled trade tickets provided to the District) due to the market price or marketability of the Bonds being materially adversely affected, in the reasonable judgment of the Representative, by the occurrence of any of the following:

(1) legislation enacted or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(A) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds; or

(B) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;

(2) legislation enacted by the legislature of the State of California (the "State) or a decision rendered by a Court of the State, or a ruling, order, or regulation (final or temporary) made by State authority, which would have the effect of

changing, directly or indirectly, the State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof;

(3) the formal declaration of war by Congress or a new major engagement in or escalation of military hostilities by order of the President of the United States, or the occurrence of any other declared national emergency that interrupts or causes discord to the operation of the financial markets 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, 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, the Underwriters;

(6) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(7) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status to any rating of the District's outstanding indebtedness by a national rating agency;

(8) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriters, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement 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 made therein, in light of the circumstances under which they were made, not misleading; or

(9) any fact or event shall exist or have existed that, in the Representative's reasonable judgment, requires or has required an amendment of or supplement to the Official Statement.

(e) Delivery of Documents. At or prior to the date of the Closing, the Underwriters shall receive sufficient copies of the following documents in each case dated as of the Closing and satisfactory in form and substance to the Underwriters:

(1) Opinions.

(i) The approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the date of the Closing, addressed to the District, in substantially the form set forth in the Preliminary Official Statement as Appendix B.

(ii) A supplemental opinion of Bond Counsel in form and substance satisfactory to the Representative, dated the date of Closing and addressed to the District and the Underwriters, substantially to the effect that:

(A) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions “THE BONDS,” “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS,” “LEGAL MATTERS- Continuing Disclosure,” and “TAX MATTERS,” to the extent they purport to summarize certain provisions of the Bonds, the Resolution, the Continuing Disclosure Undertaking, and Bond Counsel’s opinion regarding the treatment of interest on the Bonds under State or federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, or The Depository Trust Company or related to its book-entry only system, or Appendices A, C, E, For G of the Official Statement;

(B) the Continuing Disclosure Undertaking and this Purchase Contract have each been duly authorized, executed and delivered by the District and, assuming due authorization, execution and delivery by all the parties thereto, constitute legal, valid and binding agreements of the District, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors’ rights and except as their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the State; and

(C) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(iii) Disclosure Counsel Opinion. An opinion of Nixon Peabody LLP, as disclosure counsel, dated the Closing Date and addressed to the District;

(2) Reliance Letter. A reliance letter from Bond Counsel to the effect that the Underwriters may rely upon the approving opinion described in (10)(e)(1)(i) above;

(3) Certificates. A certificate signed by appropriate officials of the District to the effect that (i) such officials are authorized to execute this Purchase Contract, (ii) the representations, agreements and warranties of the District herein

are true and correct in all material respects as of the date of Closing, (iii) the District has taken all actions required to be taken by it in order to authorize the issuance and delivery of the Bonds and has complied with all the terms of the Resolution, the Continuing Disclosure Undertaking and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing, and, as to the District, such documents are in full force and effect, (iv) such District officials have reviewed the Official Statement and on such basis certify that the Official Statement does not contain any 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 in which they were made, not misleading, (v) the Bonds being delivered on the date of the Closing to the Underwriters under this Purchase Contract substantially conform to the descriptions thereof contained in the Resolution, (vi) no event concerning the District has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement in the light of the circumstances in which they were made not misleading, and (vii) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or, to the best knowledge of such officials, threatened against the District, contesting in any way the completeness or accuracy of the Official Statement, the issuance of the Bonds by the District on behalf of the District or the due adoption of the Resolution;

(4) Arbitrage. A nonarbitrage and tax certificate of the District in form satisfactory to Bond Counsel;

(5) Ratings. Evidence satisfactory to the Underwriters that the Bonds shall have been rated “___” by Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”) and “___” by Moody’s Investors Service (“Moody’s”) (or such other equivalent rating as such rating agency may give) and that such ratings have not been revoked or downgraded;

(6) Resolution. A certificate, together with fully executed copy of the Resolution, of the Secretary to the District Board of Trustees to the effect that:

(i) such copy is a true and correct copy of the Resolution; and

(ii) that the Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing.

(7) Official Statement. A certificate of the appropriate official of the District evidencing his or her determinations with respect to the Preliminary Official Statement in accordance with the Rule;

(8) Continuing Disclosure Undertaking. An executed copy of the Continuing Disclosure Undertaking, substantially in the form presented in the Preliminary Official Statement as Appendix D thereto;

(9) Underwriters' Counsel Opinion. An opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, counsel to the Underwriters ("Underwriters' Counsel"), dated as of the Closing, and in a form and substance satisfactory to the Representative;

(10) Certificate of the Paying Agent. A certificate of the Paying Agent, signed by a duly authorized officer thereof, and in form and substance satisfactory to the Underwriters, substantially to the effect that, to the best of such officer's knowledge, no litigation is pending or threatened (either in state or federal courts) (i) seeking to restrain or enjoin the delivery by the Paying Agent of any of the Bonds, or (ii) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or any agreement with the Paying Agent; and

(11) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriters may reasonably request to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained and of the Official Statement, and (iii) 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.

(f) Termination. Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered to the Underwriters for review prior to the close of business, California Time, on a day no later than two business days prior to the Closing, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect except with respect to the obligations of the District and the Underwriters under Section 12(c) and 14 hereof.

If the District shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Contract or if the Underwriters' obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be cancelled by the Representative at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the District in writing, or by telephone or telegraph, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Representative in writing in its sole discretion.

11. **Conditions to Obligations of the District.** The performance by the District of its obligations under this Purchase Contract is conditioned upon (i) the performance by the Underwriters of their obligations hereunder; and (ii) receipt by the District and the Underwriters of opinions and certificates being delivered at the Closing by persons and entities other than the District.

12. **Expenses.** (a) To the extent that the transactions contemplated by this Purchase Contract are consummated, the District shall pay (or cause to be paid), and the Underwriters shall be under no obligation to pay, the costs of issuance with respect to the Bonds, including but not limited to the following: (i) the fees and disbursements of the District's Bond Counsel and Disclosure Counsel; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fees, if any, for Bond ratings, including all expenses related to obtaining the ratings, such as meals, transportation

and lodging, if any; (iv) the cost of the printing and distribution of the Preliminary Official Statement and Official Statement; (v) the initial fees of the Paying Agent and fiscal agent; (vii) the fees of the District's financial advisor, (viii) expenses for travel, lodging, and subsistence related to rating agency visits and other meetings connected to the authorization, sale, issuance and distribution of the Bonds; and (ix) all other fees and expenses incident to the issuance and sale of the Bonds. The District hereby directs the Representative to deposit a portion of the proceeds of the Bonds not-to-exceed \$_____ with U.S. Bank National Association, as fiscal agent to the District, for the payment of costs of issuance with respect to the Bonds.

(b) Notwithstanding any of the foregoing, the Underwriters shall pay all out-of-pocket expenses of the Underwriters, including the California Debt and Investment Advisory Commission fee, the fees of counsel to the Underwriters, and other expenses (except those expressly provided above) without limitation, except travel and related expenses in connection with the Bond ratings.

(c) Notwithstanding Section 10(f) hereof, the District hereby agrees, in the event the purchase and sale of the Bonds does not occur as contemplated hereunder, to reimburse the Underwriters for any costs described in Subsection 12(a)(viii) above that are attributable to District personnel.

(d) The District acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

13. **Notices.** Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to Santa Monica Community College District, 1900 Pico Boulevard, Santa Monica, CA 90405-1628, Attention: Controller; or if to the Representative, RBC Capital Markets, LLC, 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, Attention: Roderick Carter, Managing Director.

14. **Parties in Interest; Survival of Representations and Warranties.** This Purchase Contract when accepted by the District in writing as heretofore specified shall constitute the entire agreement among the District and the Underwriters. This Purchase Contract is made solely for the benefit of the District and the Underwriters (including the successors or assigns of the Underwriters). No person shall acquire or have any rights hereunder or by virtue hereof. All representations, warranties and agreements of the District in this Purchase Contract shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriters, (b) delivery of and payment by the Underwriters for the Bonds hereunder, and (c) any termination of this Purchase Contract.

15. **Execution in Counterparts.** This Purchase Contract may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

[REMAINDER OF PAGE LEFT BLANK]

16. **Applicable Law.** This Purchase Contract shall be interpreted, governed and enforced in accordance with the laws of the State applicable to contracts made and performed in such State.

Very truly yours,

RBC CAPITAL MARKETS, LLC, as
representative of itself and
_____, as Underwriters

By: _____
Managing Director

The foregoing is hereby agreed to and accepted at _____ p.m. California time as of the date first above written:

**SANTA MONICA COMMUNITY
COLLEGE DISTRICT**

By: _____

APPENDIX A

\$ _____
SANTA MONICA COMMUNITY COLLEGE DISTRICT
(Los Angeles County, California)
General Obligation Bonds, 2008 Election, 2014 Series B

\$ _____ **Current Interest Serial Bonds**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
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\$ _____ % **Current Interest Term Bonds** Maturing August 1, 20__, Priced to Yield _____ %;

\$ _____ % **Current Interest Term Bonds** Maturing August 1, 20__, Priced to Yield _____ %

\$ _____ **Capital Appreciation Serial Bonds**

<u>Maturity Date (August 1)</u>	<u>Denominational Amount</u>	<u>Accretion Rate</u>	<u>Reoffering Yield</u>	<u>Maturity Amount</u>
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\$ _____ **Capital Appreciation Term Bonds**

<u>Maturity Date (August 1)</u>	<u>Denominational Amount</u>	<u>Accretion Rate</u>	<u>Reoffering Yield</u>	<u>Maturity Amount</u>
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\$ _____ **Convertible Capital Appreciation Serial Bonds**

<u>Maturity (August 1)</u>	<u>Denominational Amount</u>	<u>Accretion Rate</u>	<u>Conversion Value</u>	<u>Conversion Date (August 1)</u>	<u>Coupon Upon Conversion</u>	<u>Yield</u>
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\$ _____ **Convertible Capital Appreciation Term Bonds**

<u>Maturity (August 1)</u>	<u>Denominational Amount</u>	<u>Accretion Rate</u>	<u>Conversion Value</u>	<u>Conversion Date (August 1)</u>	<u>Coupon Upon Conversion</u>	<u>Yield</u>
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Redemption

Optional Redemption. The Current Interest Bonds maturing on or before August 1, 20__ are not subject to optional redemption prior to their respective stated maturity dates. The Current Interest Bonds maturing on or after August 1, 20__, may be redeemed before maturity, at the option of the District, from any source of available funds, in whole or in part on any date on or after August 1, 20__, at par, together with interest accrued thereon to the date of redemption, without premium.

The Capital Appreciation Bonds maturing on or prior to August 1, 20__ are not subject to optional redemption prior to their respective stated maturity dates. The Capital Appreciation Bonds maturing on or after August 1, 20__, may be redeemed prior to maturity, at the option of the District, from any source of available funds, in whole or in part on any date on or after February 1, 20__, at 100% of their Accreted Value to the date of redemption, without premium.

The Convertible Capital Appreciation Bonds may be redeemed before maturity at the option of the District, from any source of available funds, on any date on or after February 1, 20__, as a whole or in part, at a redemption price equal to the accreted value if prior to conversion or Conversion Value if on or after the Conversion Date thereof, together with accrued interest to the date of redemption, without premium.

“Accreted Value” shall mean, with respect to any Capital Appreciation Bonds or Convertible Capital Appreciation Bonds, as of any date of calculation, the sum of the Denominational Amount thereof and the interest accreted thereon to such date of calculation, compounded from the date of initial issuance at the stated accretion rate thereof on each August 1 and February 1, assuming in any such semiannual period that such Accreted Value increases in equal daily amounts on the basis of a 360-day year of twelve 30-day months.

Mandatory Redemption. The Current Interest Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption prior to their stated maturity in part (by lot) from mandatory sinking fund payments on any August 1 on or after August 1, 20__, at a redemption price equal to 100% of their principal amount, together with accrued interest thereon to the date fixed for redemption, without premium, on the dates and in the aggregate principal amounts listed below:

**Mandatory Sinking
Fund Payment Date
(August 1)**

**Mandatory Sinking
Fund Payment**

⁽¹⁾ Final maturity.

The Convertible Capital Appreciation Bonds maturing on August 1, 20__ (the “Convertible Capital Appreciation Term Bonds” and together with the Current Interest Term Bonds, the “Term Bonds”), are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20__, at a redemption price equal to the Conversion Value thereof, together with accrued interest to the date fixed for redemption, without premium. The Conversion Value represented by such Convertible Capital Appreciation Bonds to be so redeemed and the dates therefor shall be as follows:

**Mandatory Sinking
Fund Payment Date
(August 1)**

**Mandatory Sinking
Fund Payment**

⁽¹⁾ Final maturity.

APPENDIX B

Letters required by Rule G-17 of the Municipal Securities Rulemaking Board



July 7, 2014

Attn: Mr. Robert Isomoto
Vice President, Business & Administrative Services
Santa Monica Community College District
1900 Pico Boulevard
Santa Monica, CA 90405

Re: 2008 Election, General Obligation Bonds, Series 2014

Dear Mr. Isomoto:

RBC Capital Markets, LLC (RBC CM) is writing the Vice President, Business & Administrative Services of Santa Monica Community College District (Issuer) to:

- (i) Confirm the engagement of RBC Capital Markets, LLC as underwriter relating to the above-captioned Bonds pursuant to the Securities and Exchange Commission's Municipal Advisor Rule, and
- (ii) Provide certain disclosures as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2012-25 (May 7, 2012)¹.

As part of our services as Senior Managing Underwriter, RBC CM may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds. As Senior Managing Underwriter, we are providing disclosure pursuant to MSRB Rule G-17 on behalf of the underwriters that are members of the underwriting syndicate for the Bonds. You also may receive additional separate disclosure letters pursuant to Rule G-17 from one or more Co-Managing Underwriters for the Bonds.

I. Disclosures Concerning the Underwriter Role:

- (i) MSRB Rule G-17 requires an underwriter to deal fairly at all times with municipal issuers, obligors, and investors.
- (ii) The underwriter's primary role is to purchase the Bonds with a view to distribution in an arm's length commercial transaction with the Issuer and/or the Obligor. The underwriter has financial and other interests that differ from those of the Issuer and/or the Obligor.

¹ Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective August 2, 2012).

- (iii) The underwriter does not have a fiduciary duty to the Issuer and/or the Obligor under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer and/or the Obligor without regard to its own financial or other interests.
- (iv) The underwriter has a duty to purchase the Bonds from the Issuer and/or the Obligor, at a fair and reasonable price, but must balance that duty with its duty to sell the Bonds to investors at prices that are fair and reasonable.
- (v) The underwriter will review the official statement for the Bonds in accordance with, and as part of, its respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction².

II. Disclosures Concerning the Underwriter Compensation:

The underwriter will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the Issuer and/or the Obligor a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

III. Conflicts of Interest Disclosures:

RBC CM has identified the following additional potential or actual material conflict:

- o RBC CM made a voluntary contribution to the committee that was formed to support the election that authorized the issuance of the Bonds.

IV. Disclosures Concerning Complex Municipal Securities Financing:

Since RBC CM has not recommended a “complex municipal securities financing” to the Issuer/Obligor, additional disclosures regarding the financing structure for the Bonds are not required under MSRB Rule G-17.

If you or any other Issuer and/or Obligor officials have any questions or concerns about the engagement of RBC CM as underwriter or these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with the Issuer’s and/or Obligor’s own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate. This engagement is preliminary, non-binding and may be terminated at any time without penalty or liability for costs incurred by the underwriter.

It is our understanding that you are an authorized official of the Issuer and/or Obligor, responsible for municipal finance with the authority to approve this engagement and acknowledge these disclosures and

² Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the official statement by the underwriters is solely for purposes of satisfying the underwriters’ obligations under the federal securities laws and such review should not be construed by an issuer as a guarantee of the accuracy or completeness of the information in the official statement.

that you are not a party to any conflict of interest relating to the subject transaction. If our understanding is incorrect, please notify the undersigned immediately.

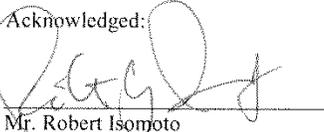
Please sign and return the enclosed copy of this letter to me via PDF or to the address set forth herein. Depending on the structure of the transaction that the Issuer and/or the Obligor decides to pursue, or if additional potential or actual material conflicts are identified, we may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction and/or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

We look forward to working with you in connection with the issuance of the Bonds.

Sincerely,



Roderick A. Carter, Managing Director
RBC CAPITAL MARKETS, LLC

Acknowledged:


Mr. Robert Isomoto
Vice President, Business & Administrative Services
Santa Monica Community College District

Date: 7-8-14



RBC Capital Markets®

RBC Capital Markets, LLC
777 South Figueroa Street
Suite 850
Los Angeles, CA 90017

INDEPENDENT REGISTERED MUNICIPAL ADVISOR (IRMA) EXEMPTION

JULY 7, 2014

Mr. Robert Isomoto
Vice President, Business & Administrative Services
Santa Monica Community College District
1900 Pico Boulevard
Santa Monica, CA 90405

Dear Mr. Isomoto:

The Securities and Exchange Commission (SEC) has adopted rules, known as the Municipal Advisor Rules (MA Rules). The MA Rules impose a registration regime upon municipal advisors (i.e., firms that give advice, absent an exemption or exclusion, to municipal entities or obligated persons) and impose a fiduciary duty on municipal advisors for advice given to municipal entities. The MA Rules further provide for certain exemptions which, when met and documented, will permit an underwriter or placement agent to provide advice and recommendations to a municipal entity or obligated person.

One such exemption to the MA Rules for receiving advice and recommendations from an underwriter is if the municipal entity or obligated person is represented by and will rely on the advice of an independent registered municipal advisor for the same issue. In order to rely on this exemption, the underwriter or placement agent must receive certain representations from the municipal entity or obligated person. In our proposed role as underwriter, RBC Capital Markets, LLC (RBC CM) has prepared the attached Form of Independent Registered Municipal Advisor Representation Letter, which is consistent with industry standard documents. The attached language can be relied upon by RBC CM, in its role as underwriter, to provide advice to Santa Monica Community College District without being deemed a municipal advisor.

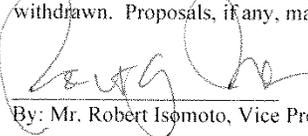
Sincerely,

Roderick A. Carter, Managing Director
RBC CAPITAL MARKETS, LLC

FORM OF INDEPENDENT REGISTERED MUNICIPAL ADVISOR REPRESENTATION LETTER

JULY 7, 2014

Santa Monica Community College District (We or Us) has retained First Southwest as its municipal advisor. We are represented by and will rely on our municipal advisor to provide advice concerning the issuance of municipal securities, investment of bond proceeds and escrow investments. The personnel of our municipal advisor, who will advise us on such matters, have not been associated with RBC Capital Markets, LLC or an investment banking firm within the two years preceding this certificate. This certificate may be relied upon until withdrawn. Proposals, if any, may be addressed to us and to our municipal advisor.


By: Mr. Robert Isomoto, Vice President, Business & Administrative Services