

HIGH-SPEED PASSENGER TRAIN FINANCE COMMITTEE

RESOLUTION VI (2010)

(Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century; Proposition 1A)

Resolution Amending the Provisions of Resolution IV Authorizing the Issuance of State of California High-Speed Passenger Train Refunding Bonds in the Aggregate Principal Amount Outstanding Not to Exceed \$480,800,000, to Reflect Certain Changes to the General Obligation Bond Law and Other Technical Amendments

WHEREAS, the Legislature of the State of California adopted the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Chapter 267, Statutes of 2008; Proposition 1A) (the "Act"), including the State General Obligation Bond Law (Section 16720 *et seq.* of the California Government Code) (the "General Obligation Bond Law") as incorporated therein; and

WHEREAS, the People of the State of California, at an election held on November 4, 2008, approved the Act; and

WHEREAS, on April 15, 2009, the High-Speed Passenger Train Finance Committee (the "Committee") adopted its Resolution IV authorizing the issuance and sale of bonds for the purpose of refunding bonds issued pursuant to prior resolutions of the Committee at or prior to their stated maturity dates pursuant to the provisions of Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4, Title 2 of the California Government Code when and if such refunding will provide debt service savings to the State ("Resolution IV"); and

WHEREAS, the Committee has determined that it is necessary and desirable to amend Resolution IV to reflect certain changes to the General Obligation Bond Law that became effective on January 1, 2010, and other technical amendments;

NOW, THEREFORE, BE IT RESOLVED by the Committee, as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. Unless the context otherwise requires, the terms used below and any terms defined in the recitals above, for all purposes of this Resolution and of any Supplemental Resolution have the meanings specified in Resolution IV.

ARTICLE II

AMENDMENTS TO RESOLUTION IV

Section 2.01 Amendment to Section 2.02.

Subsection (e) of Section 2.02 of Resolution IV is hereby amended to read as follows (additions shown in italics and deletions shown in strikethrough):

Annual Rate of Interest and Interest Payment Dates: The annual rate of interest on the Bonds shall not exceed the greater of (i) eleven percent (11%) *per annum* or (ii) the maximum rate allowed by law at the time of sale of the Bonds. The rate or rates of interest shall be determined at the time of the sale of the Bonds on the basis of the lowest true interest cost to the State or as negotiated by the Treasurer. The rate or rates of interest need not be uniform for all of the Bonds, but shall be in multiples of one-eighth or ~~one-twentieth~~ *one-hundredth* of one percent. Interest shall be payable ~~semi-annually~~ on dates to be selected by the Treasurer and the first interest payment date may be any date within one year after the date of the Bonds.

Section 2.02 Amendment to Section 5.02.

Subsection (a) of Section 5.02 of Resolution IV is hereby amended by adding the following sentence to the end of the subsection:

Upon such deposit, and subject to compliance with Section 5.02(b) and the provisions of the related resolution adopted by the Committee regarding defeasance of bonds issued thereunder, the maturing amount of the related Refunded Bonds will no longer be deemed outstanding.

The initial paragraph of subsection (b) of Section 5.02 of Resolution IV is hereby amended to read as follows (additions shown in italics and deletions shown in strikethrough):

Moneys held in the Escrow Accounts shall be invested by the Treasurer in any Defeasance Obligation. Any earnings from such investment shall be credited to the respective Escrow Account from which such investment was made. In addition, any other funds held or received by the State which, in the opinion of nationally-recognized bond counsel, must be restricted or accounted for separately shall be invested in Defeasance Obligations. *Except in the case of the defeasance of one or more series of Refunded Bonds by the deposit of Defeasance*

Obligations (without accounting for investment earnings, if any, thereon) or uninvested moneys or both in the full amount of the principal and interest due until the date fixed for redemption or the date of maturity, the ~~The~~ Treasurer shall obtain an opinion or certificate from a firm of independent certified public accountants to the effect that the moneys and Defeasance Obligations deposited in the Escrow Accounts will be sufficient, without reinvestment, to provide for the payment of all of the principal, premium and interest on the related Refunded Bonds until their maturity or redemption dates. Any moneys held in an Escrow Account after all costs of issuance for the related Bonds have been paid, and in excess of the amounts determined by the opinion of said independent certified public accountant as are necessary to defease the related Refunded Bonds, shall be returned to the General Fund to be used for any purpose allowed by California Government Code Section 16782.

Section 2.03 Amendment to Appendix B.

The initial sentence following the heading “**GOOD FAITH DEPOSIT**” in Appendix B of Resolution IV is hereby amended to read as follows (additions shown in italics and deletions shown in strikethrough):

Each bidder is required to provide to the State Treasurer a good faith deposit of *at least* one-half of one percent of the principal amount of the Bonds (~~\$_____~~) *with such deposit to be based upon the principal amount of the Bonds offered for sale as publicly announced at least one day prior to receipt of bids.*

Section 2.04 Additional Actions. The Treasurer is hereby authorized and directed to do any and all things and to execute and deliver any and all documents which the Treasurer may deem necessary or advisable to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution.

Section 2.05 Effective Date of Resolution. This Resolution shall take effect immediately upon adoption.

Section 2.06 Effect on Resolution IV. As supplemented and amended hereby, Resolution IV is in all respects ratified and confirmed and Resolution IV as so supplemented and amended hereby shall be read, taken and construed as one and the same instrument.

**HIGH-SPEED PASSENGER TRAIN FINANCE COMMITTEE
RESOLUTION VI (2010)**

(Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century; Proposition 1A)

SECRETARY'S CERTIFICATE

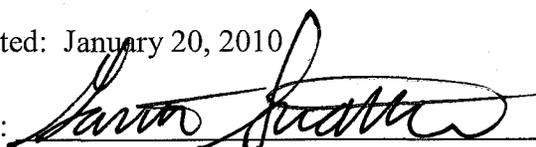
I, Geoff Palmertree, Secretary of the High-Speed Passenger Train Finance Committee (the "Committee"), hereby certify as follows:

The foregoing is a full, true and correct copy of the Committee's Resolution VI (the "Resolution"), duly adopted at a meeting of the Committee duly and legally held on January 20, 2010, of which meeting all of the members of the Committee had due notice and at which a majority thereof was present.

At said meeting the Resolution was adopted, and the vote was as follows:

MEMBER	VOTE
Treasurer of the State of California By: <u>Francisco Lujano</u>	AYE
Controller of the State of California By: <u>Richard Chivaro</u>	AYE
Director of Finance of the State of California By: <u>Jennifer Rockwell</u>	AYE
Secretary of the Business, Transportation and Housing Agency of the State of California By: <u>Carol Farris</u>	AYE
Chairperson of the High-Speed Rail Authority By: <u>Carrie Pourvahidi</u>	AYE

Dated: January 20, 2010

By: 
Secretary of the High-Speed Passenger Train Finance Committee or Authorized Designee