

\$ _____
CITY OF RIVERSIDE
TAXABLE PENSION OBLIGATION BONDS
2020 SERIES A

BOND PURCHASE AGREEMENT

_____, 2020

City of Riverside
 3900 Main St
 Riverside, California 92501

Ladies and Gentlemen:

BofA Securities, Inc. and Raymond James & Company, Inc. (together, the “**Underwriters**”) hereby severally offer to enter into this Bond Purchase Agreement (the “**Purchase Agreement**”) with the City of Riverside, a duly organized, validly existing and operating local agency (as defined in Section 53570 of the California Government Code) under the laws of the State of California (the “**City**”), whereby the Underwriters will purchase [and provide its professional services and its facilities as placement agent to place] and the City will sell the Bonds (as defined and described below) subject to the conditions set forth herein. The Underwriters are making this offer subject to the acceptance by the City at or before 5:00 P.M., California time, on the date hereof. If the City accepts this Purchase Agreement, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall bind both the City and the Underwriters. The Underwriters may withdraw this Purchase Agreement upon written notice delivered by the Underwriters to an Authorized Representative (as defined in the Resolution) of the City at any time before the City accepts this Purchase Agreement. Terms used but not defined in this Purchase Agreement are defined in the Trust Agreement (as defined below).

1. The City of Riverside Taxable Pension Obligation Bonds, 2020 Series A (the “**Bonds**”) shall be issued pursuant to that certain Twelfth Supplemental Trust Agreement, dated as of _____ 1, 2020 (the “**Twelfth Supplemental Trust Agreement**”) between U.S. Bank National Association, as trustee (the “**Trustee**”) and the City, supplementing and amending a Trust Agreement, dated as of June 1, 2004, between the Trustee and the City (the “**Original Trust Agreement**”) as previously supplemented and amended (as supplemented and amended, the “**Trust Agreement**”). The issuance of the Bonds shall be authorized pursuant to a resolution adopted by the City Council (the “**Resolution**”). The Bonds are being issued to fund certain pension obligations of the City as more fully described in the hereinafter mentioned Official Statement. The City Council of the City will be obligated to make appropriations to pay the Bonds from any source of legally available funds of the City. The City Council will be obligated in each fiscal year to appropriate all amounts from such funds as may be required to pay the aggregate amount of the principal of and interest on the Bonds coming due and payable in such fiscal year.

The Bonds shall be issued and secured pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “**Refunding Law**”) and the Trust Agreement. The Bonds shall be payable and shall be subject to redemption as provided in the Trust Agreement and shall be as described in an Official Statement relating to the Bonds, dated the date hereof, as described herein.

The City is a member of the California Public Employees' Retirement System ("**PERS**"), and as such, is obligated by the Public Employees' Retirement Law, constituting Part 3 of Division 5 of Title 2 of the California Government Code (the "**Retirement Law**"), and the contract between the Board of Administration of PERS and the City Council of the City, dated July 1, 1945, as amended to date (the "**PERS Contract**"), to make contributions to PERS to (a) fund pension benefits for City employees who are members of PERS, (b) amortize the unfunded accrued actuarial liability with respect to such pension benefits, and (c) appropriate funds for the purposes described in (a) and (b). The Bonds are being issued to (i) fund the [a portion of] City's unfunded accrued actuarial liability to PERS for the benefit of the City's employees in an amount equal to \$_____ (the "**Unfunded Liability**"), and (ii) pay certain costs related to the issuance of the Bonds.

The Bonds shall be payable and shall be subject to redemption as provided in the Trust Agreement and shall be as described in the Preliminary Official Statement of the City dated _____, 2020 and the Official Statement of the City dated of even date herewith (each as defined below). The Bonds shall be initially issued in denominations of \$5,000 or in any integral multiple thereof as may be requested by the Underwriters. All Bonds shall be issued in registered form in accordance with instructions to be determined by the Underwriters prior to closing. The Bonds shall be dated the date of issuance and delivered on _____, or such other date as mutually agreed upon by the City and the Underwriters (the "**Closing Date**").

2. The purchase price for the Bonds shall be \$_____ (representing the par amount of the Bonds, [plus original issue premium/less original issue discount] of \$_____, and less an underwriter's discount of \$_____ and shall be paid in full upon delivery to the [Underwriters][Original Purchaser] of the Bonds. Payment for the Bonds shall be by immediately available funds. [The Underwriters intend to make an initial bona fide public offering of the Bonds at a price or prices described in Exhibit A hereto; provided, however, the Underwriters reserve the right to change such initial public offering prices as the Underwriters deem necessary or desirable, in their sole discretion, in connection with the marketing of the Bonds (but in all cases subject to the requirements of Section 5 hereof), and may offer and sell the Bonds to certain dealers, unit investment trusts and money market funds, certain of which may be sponsored or managed by one or more of the Underwriters at prices lower than the public offering prices or yields greater than the yields set forth therein (but in all cases subject to the requirements of Section 5 hereof).]

3. The City will undertake pursuant to the Trust Agreement and a Continuing Disclosure Certificate, dated _____, 2020 (the "**Disclosure Certificate**"), and executed by the City, to provide certain annual information and notices of the occurrence of certain events, if material. A description of the undertaking is set forth in the Preliminary Official Statement (as defined below) and will also be set forth in the Official Statement (as defined below).

4. The City hereby ratifies the use by the Underwriters of the Preliminary Official Statement, dated _____, 2020 relating to the Bonds (together with the cover page, inside cover page, and all appendices attached thereto and any amendments or supplements and statements incorporated by reference therein or attached thereto, the "**Preliminary Official Statement**"), and authorizes the Underwriters to use and distribute the Preliminary Official Statement, the Official Statement (as defined below), the Trust Agreement, and all information contained therein, and all other documents, certificates and statements furnished by the City to the Underwriters in connection with the offer and sale of the Bonds by the Underwriters. The City has heretofore "deemed final" the Preliminary Official Statement within the meaning of Rule 15c2 12.

Within seven (7) business days from the date hereof, and in any event not later than two (2) business days before the Closing Date, the City shall deliver to the Underwriters a final Official Statement relating

to the Bonds dated the date hereof (such Official Statement, including the cover page, inside cover page, and all appendices attached thereto, together with all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements and statements incorporated by reference therein or attached thereto, as have been approved by the City, Bond Counsel, Disclosure Counsel and the Underwriters, is referred to herein as the “**Official Statement**”) and such additional conformed copies thereof as the Underwriters may reasonably request in sufficient quantities to comply with Rule 15c2-12, rules of the MSRB and to meet potential customer requests for copies of the Official Statement. The Underwriters agree to file a copy of the Official Statement, including any amendments or supplements thereto prepared by the City, with the MSRB on its Electronic Municipal Markets Access (“**EMMA**”) system. The Official Statement shall be executed by and on behalf of the City by an authorized officer of the City. The Official Statement shall be in substantially the same form as the Preliminary Official Statement and, other than information previously permitted to have been omitted by Rule 15c2-12, the City shall only make such other additions, deletions and revisions in the Official Statement which are approved by the Underwriters. The City hereby agrees to deliver to the Underwriters an electronic copy of the Official Statement in a form that permits the Underwriters to satisfy their obligations under the rules and regulations of the MSRB and the U.S. Securities and Exchange Commission (“**SEC**”) including in a word-searchable pdf format including any amendments thereto. The City hereby ratifies, confirms and consents to and approves the use and distribution by the Underwriters before the date hereof of the Preliminary Official Statement and hereby authorizes and consents to the use by the Underwriters of the Official Statement and the Trust Agreement in connection with the public offering and sale of the Bonds.

The City will undertake pursuant to the Disclosure Certificate to provide certain annual financial and operating information and notices of the occurrence of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement. This undertaking will be entered into in order to assist the Underwriters in complying with the Rule.

5. The Underwriters agree to offer all the Bonds to the public initially at the prices (or yields) set forth on the cover page of the Official Statement. Subsequent to the initial public offering of the Bonds, the Underwriters reserve the right to change the public offering prices (or yields) as they deem necessary in connection with the marketing of the Bonds. [Except as otherwise set forth in Exhibit A attached hereto, the City will treat the first price at which ten percent of each maturity of the Bonds (the “ten percent test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the ten percent test). At or promptly after the execution of this Purchase Agreement, each Underwriter shall report to the City the price or prices at which it has sold to the public each maturity of the Bonds. If at that time the ten percent test has not been satisfied as to any maturity of the Bonds, each Underwriter agrees to promptly report to the City the prices at which it sells the unsold Bonds of that maturity to the public.

Each Underwriter confirms that it will offer the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also will set forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the ten percent test has not been satisfied and for which the City and the Underwriters agree that the restrictions set forth in the next sentence shall apply, which will allow the City to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriters will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier to occur of (i) the close of the fifth business day after the sale date; or (ii) the date on which the Underwriters have sold at least ten percent of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

Each Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this subsection. A “related party” shall be defined as set forth in 26 CFR 1.150-1 (b).]

6. The City represents and warrants to the Underwriters that:

(a) The City is a municipal corporation and general law city duly organized and existing pursuant to the Constitution and laws of the State of California and has all necessary power and authority to enter into and perform its duties under the Bonds, the Trust Agreement, the PERS Contract evidencing the City’s unfunded accrued actuarial liability as of the date of the Bonds, the Trust Agreement, the Disclosure Certificate and this Purchase Agreement (collectively, the “**City Documents**”), and, when executed and delivered by the respective parties thereto, the City Documents will constitute legally valid and binding obligations of the City, enforceable in accordance with their respective terms.

(b) By all necessary official action, the City has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in, the City Documents, and has approved the use by the Underwriters of the Preliminary Official Statement and the Official Statement (as such terms are defined herein) and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded.

(c) The execution and delivery of the City Documents, and compliance with the various provisions thereof, will not conflict with, or constitute a breach of or default under, the City’s duties under said documents or any material law, administrative regulation, court decree, resolution, charter, bylaws or other agreement to which the City is subject or by which it is bound.

(d) Except as may be required under the securities or blue sky laws of any state, there is no consent, approval, authorization or other order of, filing with, or certification required by, any regulatory authority having jurisdiction over the City for the consummation by the City of the transactions contemplated by the Resolution and the City Documents

(e) To the best of the City’s knowledge and belief, other than as disclosed in the Official Statement, there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending, or threatened, against the City, nor to the best knowledge and belief of the City is there any basis therefor, to restrain or enjoin the payment of the Bonds as described in the Official Statement as security for the Bonds, or in any way contesting or affecting the validity of any of the City Documents, or contesting the powers of the City to enter into or perform its obligations under any of the foregoing.

(f) The City agrees to cooperate with the Underwriters in endeavoring to qualify the Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriters may request; provided, however, that in no event shall the City 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.

(g) The information with respect to the City and the Bonds contained in the Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing Date will be, true and correct in all material respects, and such information does not and will not contain any untrue statement of a material fact or omit to state a material fact required

to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(h) The City will advise the Underwriters promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriters, which consent will not be unreasonably withheld. The City will advise the Underwriters promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(i) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement (excluding information concerning DTC and the book-entry system as to which no representation is made) did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which might or would cause the information contained in the Official Statement (other than information concerning DTC or the book-entry system), as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in light of the circumstances under which it was presented, not misleading, the City will notify the Underwriters, and, if in the opinion of the City, the Underwriters or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will forthwith prepare and furnish to the Underwriters (at the expense of the City) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to 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 prospective purchasers, not misleading. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the City will furnish such information with respect to itself as the Underwriters may from time to time reasonably request. As used herein and for the purposes of the foregoing, the term **“End of the Underwriting Period”** for the Bonds shall mean the earlier of (i) the Closing Date unless the City shall have been notified in writing to the contrary by the Underwriters on or prior to the Closing Date, or (ii) the date on which the End of the Underwriting Period for the Bonds has occurred under Rule 15c2-12; provided, however, that the City may treat as the End of the Underwriting Period for the Bonds the date specified as such in a notice from the Underwriters stating the date which is the End of the Underwriting Period.

(j) The City will deliver all opinions, certificates, letters and other instruments and documents reasonably required by the Underwriters and this Purchase Agreement.

(k) Any certificate of the City delivered to the Underwriters shall be deemed a representation and warranty by the City to the Underwriters as to the statements made therein.

(l) Since June 30, 2019, no material and adverse change has occurred in the financial condition, assets, properties or results of operation of the City that is not described in the Preliminary Official Statement and the Official Statement.

(m) Since June 30, 2019, the City has not offered or issued any bonds, notes or other obligations for borrowed money or incurred any material liabilities, direct or contingent, other than in the ordinary course of business, which are not described in or contemplated by the Preliminary Official Statement and the Official Statement.

(n) Between the date of this Purchase Agreement and the date of Closing, the City will not, without the prior written consent of the Underwriters, and except as disclosed in the Official Statement, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent payable from the funds pledged under the Trust Agreement.

(o) The City is not presently and as a result of the execution of the City Documents and the sale of the Bonds will not be in violation of any debt limitation, appropriation limitation or any other provision of the California Constitution or statutes or any additional debt or similar provision of any bond, note, contract or other evidence of indebtedness to which the City is a party or to which the City is bound.

(p) The City will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner other than as provided in the City Documents.

(q) Based on a review of its previous undertakings, the City has not, in the last five years, failed to comply in any material respect in its obligations under any continuing disclosure undertaking entered into pursuant to Rule 15c2 12 except as disclosed in the Official Statement. The City will undertake, pursuant to the Disclosure Certificate to provide annual reports and notices of certain events in accordance with the requirements of Rule 15c2 12. A form of the Disclosure Certificate is set forth as Appendix F to the Official Statement.

7. The Underwriters have entered into this Purchase Agreement in reliance upon the representations, warranties and agreements of the City contained herein, and the opinions of Bond Counsel, Counsel to the Trustee, and City Attorney required hereby. The Underwriters' obligations under this Purchase Agreement are and shall be subject to the conditions set forth in Sections 8 and 9 and elsewhere herein.

8. The City will deliver or cause to be delivered to the Underwriters on or before the Closing Date in forms acceptable to the Underwriters:

(a) The legal opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel in the form attached to the Official Statement, dated the Closing Date and addressed to the City, and a reliance letter addressed to the Underwriters.

(b) A supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriters, substantially to the effect that (i) the Purchase Agreement and the Disclosure Certificate have been duly executed and delivered by the City and are valid and binding upon the City, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally and to the application of equitable principles; (ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended, and (iii) the statements contained in the Official Statement under the captions "THE BONDS" (excluding the information under the subcaption "Book Entry System"), "SECURITY FOR THE BONDS," "TAX MATTERS," and "VALIDATION" and in APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT" and APPENDIX D – "FORM OF APPROVING OPINION OF BOND

COUNSEL” (insofar as such statements purport to summarize certain provisions of the Resolution, the validation action, the Bonds, the Trust Agreement, the PERS Contract and the tax status of the Bonds) are accurate in all material respects.

(c) A no-litigation certificate of the City, dated the Closing Date, to the effect that, other than as disclosed in the Official Statement, there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending, or threatened, against the City, nor to the best knowledge and belief of the City is there any basis therefor, to restrain or enjoin the application by the City of its funds as described in the Official Statement as security for the Bonds, or in any way contesting or affecting the validity of any of the City Documents, or contesting the powers of the City to enter into or perform its obligations under any of the foregoing.

(d) A Negative assurance letter, dated the Closing Date and addressed to the City and the Underwriters of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as Disclosure Counsel with respect to the Preliminary Official Statement and the Official Statement.

(e) An opinion of the City Attorney, dated the Closing Date and addressed to the Underwriters, to the effect that: (i) the City is a municipal corporation and general law city duly organized and validly existing under the Constitution and laws of the State of California; (ii) the Resolution approving the City Documents and the Official Statement was fully adopted at one or more meetings of the City Council, which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout; (iii) to the best of such counsel’s knowledge and belief, other than as disclosed in the Preliminary Official Statement and the final 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 or affecting the City, to restrain or enjoin the application of the City’s funds as described in the Preliminary Official Statement and the final Official Statement or in any way contesting or affecting the validity of any of the City Documents wherein an unfavorable decision, ruling or finding would adversely affect the validity and enforceability of the City’s obligations hereunder or under any of the other City Documents; and (iv) the representations and warranties of the City as set forth in the City Documents are, as to all matters of law and after reasonable investigation, true and accurate on and as of the Closing Date as though made on such date, and such representation and warranties are, as to all other matters, true and accurate to the best knowledge and belief of such counsel on and as of the Closing Date as though made on such date, except that the City Attorney shall not be required to render any opinion regarding the financial condition of the City.

(f) An opinion of counsel to the Underwriters in a form acceptable to the Underwriters.

(g) A certificate of the Authorized Officer or other designated official of the City, dated the Closing Date, to the effect that: (A) the representations and warranties made by the City in this Purchase Agreement and the other City Documents are true and correct as of the Closing Date with the same effect as if made on the Closing Date; and (B) nothing has come to such officer’s attention which would lead such officer to believe that, the information with respect to the City and the Bonds contained in the Official Statement contains any untrue statement of a material fact or omits 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 were made, not misleading, said certificate otherwise being in form and substance acceptable to Bond Counsel and to the Underwriters.

(h) An opinion of counsel to the Trustee, dated the Closing Date and addressed to the Underwriters, to the effect that: (i) the Trustee is a national banking association duly organized and validly existing under the laws of the United States of America, having full power and being qualified to enter into and to perform its duties as Trustee under the Trust Agreement; and (ii) the Trust Agreement has been duly authorized, executed and delivered by the Trustee and assuming due authorization, execution and delivery by the other party thereto, constitutes the legal, valid and binding obligation of the Trustee enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws or equitable principles relating to or limiting creditors' rights generally.

(i) A certificate of the Trustee dated the Closing Date, signed by a duly authorized officer of the Trustee, in form and substance satisfactory to the Underwriters, to the effect that: (i) the Trustee is a national banking association duly organized and 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 Trust Agreement; (ii) the Trustee is duly authorized to enter into the Trust Agreement and to authenticate and deliver the Bonds to the purchaser or purchasers thereof pursuant to the terms of the Trust Agreement; (iii) the Bonds have been duly authenticated and delivered by the Trustee to the purchaser or purchasers thereof pursuant to the Trust Agreement; (iv) the Trustee is not in breach of or default under any law or administrative rule or regulation of the State of California or the United States of America, or of any department, division, agency or instrumentality thereof, or any applicable court or administrative decree or order, or any other instrument to which the Trustee is a party or is otherwise subject or bound and which would materially impair the ability of the Trustee to perform its obligations under the Trust Agreement; (v) the execution and delivery of the Trust Agreement and authentication and delivery of the Bonds will not conflict with or constitute a breach of or default under the Trustee's duties under such documents, or any law, administrative regulation, court decree, resolution, charter, bylaws or other agreement to which the Trustee is subject or by which it is bound; (vi) the representations and agreements of the Trustee in the Trust Agreement are true and correct in all material respects as of the Closing Date; and (vii) 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 on, or, to the best knowledge of such officer, threatened against, the Trustee, affecting the existence of the Trustee or the titles of its officers to their respective offices, or in any way contesting or affecting the validity or enforceability of the Trust Agreement against the Trustee, or contesting the power of the Trustee or its authority to enter into, adopt or perform its obligations under the Trust Agreement, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Trust Agreement against the Trustee or the authentication and delivery of the Bonds.

(j) Evidence satisfactory to the Underwriters that the Bonds have been assigned a long-term ratings of “___” and “___” by Standard & Poor's and Fitch, Inc.

(k) Fully executed copies of the City Documents, and a certified copy of the Resolution.

(l) Complete and accurate information regarding the City, including information concerning any current or pending litigation in any way affecting the City, for inclusion in the Official Statement.

(m) A certificate of the City, dated the date of the Preliminary Official Statement, pursuant to Rule 15c2-12, relating to certain portions of the Preliminary Official Statement, in form

and substance satisfactory to the Underwriters, signed by a duly authorized representative of the City.

(n) A letter of PERS' actuary with the estimated unfunded accrued actuarial liability of the City with respect to the contributions to PERS to fund pension benefits for certain City employees.

(o) A certificate of the City's actuary to the effect that [the aggregate unfunded accrued actuarial liability of the City to PERS as of the Closing Date is greater than or equal to the principal amount of net proceeds of the Bonds to be applied to refund [a portion of] the unfunded accrued actuarial liability of the City and the principal amount of net proceeds of the Bonds to be applied to refund the unfunded accrued actuarial liability of the City to PERS is not greater than the portion of the unfunded accrued actuarial liability of the City to PERS being paid on the Closing Date.]

(p) A letter or certificate of PERS acknowledging payment of the Unfunded Liability.

(q) At least one copy of the Official Statement manually executed on behalf of the City by a duly authorized officer of the City, and such reasonable number of certified or conformed copies of the foregoing as the Underwriters may request.

(r) A certified copy of the Default Judgment entered by the Superior Court of the County of Riverside in connection with the validity of the Bonds and related matters.

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

9. The Underwriters hereby enter into this Purchase Agreement in reliance upon the representations and warranties of the City contained herein and in reliance upon the representations and warranties contained in the documents and instruments to be delivered on the Closing Date and upon the performance by the City of its obligations hereunder, both on the date hereof and as of the Closing Date. Accordingly, the Underwriters' obligations under this Purchase Agreement to [purchase, to accept delivery of and to pay] for the Bonds shall be conditioned upon the performance by the City of its obligations to be performed hereunder and under such documents and instruments on or prior to the Closing Date, and shall also be subject, at the option of the Underwriters, to the following additional conditions:

(a) The representations and warranties of the City contained herein shall be true, complete and correct on the Closing Date, as if made on and as of the Closing Date.

(b) On the Closing Date, the City Documents shall have been executed and delivered, 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 Underwriters; and there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby.

(c) Between the date hereof and the Closing Date, the market price or marketability of the Bonds at the initial offering prices shall not have been materially adversely affected in the

judgment of the Underwriters (evidenced by a written notice to the City terminating the obligations of the Underwriters to accept delivery of and pay of the Bonds) by reason of any of the following:

(1) Legislation enacted (or resolution passed) by the Congress of the United States of America, or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice 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 arrangements, are not exempt from registration under other requirements of the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, or of the Bonds, including any or all Underwriting arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities laws as amended and then in effect.

(2) The withdrawal or downgrading of any rating of any general fund obligations of the City or an obligation secured by a general fund obligation of the City.

(3) Any amendment to the United States or California Constitution or action by any United States or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the City, its property, income securities (or interest thereon), the validity or enforceability of the Trust Agreement or the Disclosure Certificate, the State personal income tax exemption of interest on the Bonds or the ability of the City to issue Bonds as contemplated by the Trust Agreement and the Official Statement.

(4) Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriters makes untrue or misleading in any material respect any statement or information contained in the Official Statement concerning the City.

(5) Any outbreak or escalation of hostilities or other national or international calamity or crisis, the effect of such outbreak, escalation, calamity or crisis on the financial markets of the United States being such as in the reasonable judgment of the Underwriters, would make it impracticable for the Underwriters to market or enforce contracts for the sale of the Bonds, or (i) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having appropriate jurisdiction, or (ii) a general banking moratorium shall have been declared by either federal, California or New York authorities having jurisdiction, or (iii) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or the charge to the net capital requirements of, underwriters established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal agency of the Congress of the United States, or by Executive Order, or any agency of the State of California having appropriate jurisdiction.

(6) The occurrence of a major financial crisis, a material disruption in commercial banking or securities settlement or clearance services, or a material disruption or deterioration in the fixed income or municipal securities market.

(7) Additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

(8) Any adverse event affecting the City occurs which, in the reasonable judgment of the Underwriters, requires or has required a supplement or amendment to the Official Statement.

10. The Underwriters shall be under no obligation to pay, and the City shall pay or cause to be paid out of the proceeds of the Bonds, expenses and costs of the City incident to the performance of its obligations in connection with the authorization, issuance and sale of the Bonds to the Underwriters, including the costs of printing or reproduction of the Bonds, the City Documents and the Official Statement in reasonable quantities, fees and expenses of any consultants, accountants, actuaries, financial advisors or other experts the City has retained in connection with the Bonds, fees of rating agencies, advertising expenses, fees and expenses of the Trustee and its counsel and fees and expenses of counsel to the City, Bond Counsel and Disclosure Counsel, shall be paid by the City from the proceeds of the Bonds or other revenues of the City. The City shall be solely responsible for and shall pay for any expenses incurred by the Underwriters on behalf of the City's employees and representatives which are incidental to implementing this Purchase Agreement, including, but not limited to, meals, transportation, lodging, and entertainment of those employees and representatives. Except as indicated above, all out-of-pocket expenses of the Underwriters, including traveling and expenses of selling the Bonds, California Debt and Investment Advisory Commission fees, any fees charged by the MSRB, Blue Sky fees and the fees and expenses of counsel to the Underwriters, shall be paid by the Underwriters (which may be included as an expense component of the underwriters' discount). Notwithstanding that the California Debt and Investment Advisory Commission fees are solely the legal obligation of the Underwriters, the City agrees to reimburse the Underwriters for such fees as an expense component of the underwriters' discount. The City 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.

11. Any notice or other communication to be given to the Underwriters may be given by delivering the same to BofA Securities, Inc., 555 California Street, Suite 1160, San Francisco, CA 94104, Attention: Bradford M. Walker, Director, Public Finance Investment Banking, e-mail: bradford.walker@bofa.com, and to Raymond James & Company, Inc., One Embarcadero Center, Suite 650, San Francisco, CA 94111, Attention: Jose Vera, Managing Director, e-mail: Jose.Vera@RaymondJames.com. Any notice or other communication to be given to the City may be given by delivering the same to addresses initially provided herein, Attention: City Manager with respect to the City. The approval of the Underwriters when required hereunder or the determination of satisfaction as to any document referred to herein shall be in writing signed by the Underwriters and delivered to you.

12. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which such counterparts shall together constitute but one and the same instrument.

13. This Purchase Agreement is made solely for the benefit of the City and the Underwriters (including the successors or assigns of the Underwriters) and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All covenants and representations of the City in this Purchase Agreement shall remain operative and in full force and effect regardless of any

investigation made by or on behalf of the Underwriters and shall survive the delivery of and payment for the Bonds.

14. This Purchase Agreement shall be governed by the laws of the State of California applicable to contracts made and performed in such State.

15. The City acknowledges and agrees that: (i) the Underwriters are not acting as a municipal advisor within the meaning of Section 15B of the Securities Exchange Act, as amended, (ii) the primary role of the Underwriters, each as an underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction between the City and the Underwriters and the Underwriters have financial and other interests that differ from those of the City; (iii) the Underwriters are acting solely as principals and are not acting as municipal advisors, financial advisors or fiduciaries to the City and have not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether either Underwriter has provided other services or are currently providing other services to the City on other matters); (iv) the only obligations the Underwriters have to the City with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; and (v) the City has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

The City hereby further acknowledges and agrees that each of the Underwriters and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Each of the Underwriters and its affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the City, for which it received or will receive customary fees and expenses. In the ordinary course of its various business activities, each of the Underwriters and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for its own account and for the accounts of its customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the City.

16. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the City and the Underwriters and shall be valid and enforceable as of the time of such acceptance.

17. The City hereby irrevocably waives to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Purchase Agreement or the transactions contemplated hereby.

18. This Purchase Agreement shall be governed by the laws of the State of California. This Purchase Agreement shall not be assigned by either party hereto.

19. This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understandings between the parties hereto in relation to the sale of Bonds by the City and represents the entire agreement of the parties as to the subject matter herein.

Respectfully submitted,

BofA SECURITIES, INC.

By: _____
Authorized Representative

RAYMOND JAMES & COMPANY, INC.

By: _____
Authorized Representative

APPROVED AND ACCEPTED BY THE
CITY OF RIVERSIDE

By: _____
City Manager

EXHIBIT A

\$ _____
City of Riverside
Taxable Pension Obligation Bonds
2020 Series A

<u>Maturity (June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>10% Test Satisfied [Y]N]</u>
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\$ _____ % Bonds Due June 1, 20__; Price – ____ %

Optional and Mandatory Redemption

[Optional Redemption.] The Bonds maturing on or after June 1, 20__ may be redeemed at the option of the City from any source of funds on any date on or after June 1, 20__ in whole or in part from such maturities as are selected by the City and by lot within a maturity at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

Make Whole Optional Redemption. The Bonds are subject to redemption prior to June 1, _____ at the option of the City, in whole or in part, at any time, at a redemption price equal to the greater of:

- (i) 100% of the principal amount of the Bonds to be redeemed; and
- (ii) the sum of the present values of the remaining scheduled payments of principal and interest to June 1, ____ on the Bonds to be redeemed discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate, plus [20] basis points, plus accrued and unpaid interest on the Bonds being redeemed to the date fixed for redemption.

“Treasury Rate” means, with respect to any redemption date for a particular Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 that has become publicly available at least two Business Days but not more than 45 calendar days prior to the redemption date (excluding inflation indexed securities), or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the Bond to be redeemed; provided, however, that if the period from the redemption

date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

Mandatory Sinking Fund Redemption. The Bonds maturing June 1, 20__ are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium. The 20__ Term Bonds shall be so redeemed on the following dates and in the following amounts:]

Redemption Date (June 1)	Principal Amount
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*

* Final maturity.