

BOND PURCHASE CONTRACT

\$ _____
STOCKTON PUBLIC FINANCING AUTHORITY
REVENUE BONDS
(ASSESSMENT AND SPECIAL TAX DISTRICT REFUNDINGS)
SERIES 2016A

_____, 2016

Stockton Public Financing Authority
425 N. El Dorado Street
Stockton, CA 95202

Ladies and Gentlemen:

The undersigned (together, the “Underwriter”), offers to enter into this Bond Purchase Contract (this “Purchase Contract”) with the Stockton Public Financing Authority (the “Authority. Upon your acceptance of this offer, this Purchase Contract will be binding upon the Authority and the Underwriter. Terms not otherwise defined herein have the same meanings as set forth in the Indenture of Trust described below. This offer is made subject to the acceptance by the Authority of this Purchase Contract on or before 11:59 p.m. on the date first set forth above.

1. Purchase and Sale of Bonds. Upon the terms and conditions and in reliance upon the respective representations, warranties and covenants herein, the Underwriter hereby agrees to purchase from the Authority, and the Authority hereby agrees to sell to the Underwriter, all (but not less than all) of \$_____ aggregate principal amount of the revenue bonds captioned above (the “Bonds”) at a purchase price (the “Purchase Price”) of \$_____ (being an amount equal to the par amount of the Bonds (\$_____) plus net original issue premium of \$_____, and less an Underwriter’s discount of \$_____.

The Authority acknowledges and agrees that: (i) the primary role of the Underwriter is to purchase securities for resale to investors in an arms-length commercial transaction between the Authority and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Authority, (ii) the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the Authority or any other person or entity and has not assumed any advisory or fiduciary responsibility to the Authority with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter have provided other services or is currently providing other services to the Authority on other matters), (iii) the only obligations the Underwriter has to the Authority with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement, except as otherwise provided by applicable rules and regulations of the SEC or the rules of the Municipal Securities Rulemaking Board (the “MSRB”), and (iv) the

Authority has consulted their own legal, accounting, tax, financial and other advisors, as applicable, to the extent each has deemed appropriate in connection with the transaction contemplated herein. The Authority acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB. The Authority acknowledges and represents that it has engaged Del Rio Advisors, LLC as its municipal advisor (as defined in Securities and Exchange Commission Rule 15Ba1) and will rely solely on the financial advice of Del Rio Advisors, LLC with respect to the Bonds.

2. Description of the Bonds; Authorizing Instruments.

(a) Issuance of the Bonds. The Authority is a joint exercise of powers agency organized under the joint exercise of powers act, constituting Article 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State (the “Joint Powers Act”). The Bonds will be issued by the Authority under the provisions of Article 4 of the Joint Powers Act (the “Bond Law”), a resolution adopted by the Board of Directors of the Authority (the “Board”) on _____, 2016 (the “Resolution of Issuance”), and an Indenture of Trust dated as of July 1, 2016 (the “Indenture”), between the Authority and Wells Fargo Bank, National Association, as trustee (the “Trustee”).

(b) Security for the Bonds. The Bonds are payable from “Revenues” received under the Indenture, which are generally defined as all amounts derived from special tax bonds and reassessment bonds, as described below:

(i) \$_____ aggregate principal amount of City of Stockton Spanos Park West Community Facilities District No. 2001-1, Special Tax Refunding Bonds, Series 2016 (the “CFD No. 2001-1 Special Tax Refunding Bonds”).

(ii) \$_____ Camera Estates Community Facilities No. 2003-1, Special Tax Refunding Bonds, Series 2016 (the “CFD No. 2003-1 Special Tax Refunding Bonds”).

(iii) \$_____ Community Facilities District No. 2006-3 (Northbrook), Special Tax Refunding Bonds, Series 2016 (the “CFD No. 2006-3 Special Tax Refunding Bonds”).

(iv) \$_____ Community Facilities District No. 2006-1 (Riverbend), Special Tax Refunding Bonds, Series 2016 (the “CFD No. 2006-1 Special Tax Refunding Bonds,” and together with the CFD No. 2001-1 Special Tax Refunding Bonds, the CFD No. 2003-1 Special Tax Refunding Bonds, and the CFD No. 2006-3 Special Tax Refunding Bonds, the “Special Tax Refunding Bonds”).

(v) \$_____ aggregate principal amount of City of Stockton Limited Obligation Refunding Improvement Bonds, Reassessment District No. 2016-1 (March Lane/Holman) (the “Reassessment District No. 2016-1 March Lane/Holman Refunding Bonds”).

(vi) \$_____ aggregate principal amount of City of Stockton Limited Obligation Refunding Improvement Bonds, Reassessment District No. 2016-1 (Waterford Estates East Phase II) (the “Reassessment District No. 2016-1 Waterford Refunding Bonds,” and together with the Reassessment District No. 2016-1 March Lane/Holman Refunding Bonds, the “Reassessment Bonds.”)

Each Community Facilities District was formed pursuant to, and the Special Tax Refunding Bonds are payable from special taxes levied under, the Mello-Roos Community Facilities Act of 1982 (constituting Sections 53311 *et seq.* of the California Government Code). Each respective Special Tax Refunding Bond will be issued pursuant to a Fiscal Agent Agreement dated as of July 1, 2016 (the “CFD Bonds Fiscal Agent Agreements”), by and between the City of Stockton (the “City”), for and on behalf of the CFD, and Wells Fargo Bank, National Association, as fiscal agent (the “Fiscal Agent”).

The Reassessment Bonds will be issued pursuant to the Refunding Act of 1984 for 1915 Improvement Act Bonds, constituting Division 11-5 of the Streets & Highways Code of the State of California and as to each District, a Fiscal Agent Agreement dated as of July 1, 2016 (the “Reassessment Bonds Fiscal Agent Agreements,” and together with the “CFD Bonds Fiscal Agent Agreements, the “Fiscal Agent Agreements”), by and between the City and the Fiscal Agent.

The Community Facilities Districts and the Reassessment Districts are collectively referred to herein as the “Districts.”

The Bonds are being issued to refund and defease on a current basis the Stockton Public Financing Authority’s Refunding Revenue Bonds (2005 Reassessment Districts Refinancing) Series A and the Stockton Public Financing Authority’s Refunding Revenue Bonds (2005 Reassessment Districts Refinancing) Series B Subordinate Lien Bonds (together, the “Prior Bonds”).

3. Terms of the Bonds. The Bonds will mature on the dates and in the principal amounts, and will bear interest at the rates, as set forth in Exhibit A hereto. The Underwriter agrees to make a bona fide public offering of all of the Bonds at the offering prices set forth on the cover of the Final Official Statement described below.

4. Preliminary Official Statement; Official Statement; Continuing Disclosure.

(a) The Authority agrees to deliver to the Underwriter as many copies of the Official Statement dated the date of this Purchase Contract, relating to the Bonds (as supplemented and amended from time to time, the “Final Official Statement”) as the Underwriter may reasonably request as necessary to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (“Rule 15c2-12”). The Authority agrees to deliver such Final Official Statements within seven (7) business days after the execution of this Purchase Contract, and in sufficient time to accompany any confirmation that requires payment from a customer. The Underwriter agrees to deposit the Final Official

Statement with a qualified national registered municipal securities information repository on or as soon as practicable after the Closing Date (as defined in Section 7 below). The Underwriter agrees to deliver a copy of the Final Official Statement to each of its customers purchasing Bonds no later than the settlement date of the transaction.

(b) The Authority has authorized and approved the Preliminary Official Statement dated _____, 2016 (the “Preliminary Official Statement”) and the Final Official Statement dated the date of this Purchase Contract, and consents to their distribution and use by the Underwriter and the execution and approval of the Final Official Statement by a duly authorized officer of the Authority.

(c) In connection with issuance of the Bonds, and in order to assist the Underwriter with complying with the provisions of Rule 15c2-12, the Authority will execute a continuing agreement with _____, as dissemination agent (the “Continuing Disclosure Agreement”), under which the Authority will undertake to provide certain financial and operating data as required by Rule 15c2-12. The form of the Continuing Disclosure Agreement will be attached as an appendix to the Preliminary Official Statement and the Final Official Statement.

5. Representations and Warranties of the Authority. The Authority makes the following representations and warranties to the Underwriter.

(a) Due Organization and Authority. The Authority is duly organized and validly existing as a joint exercise of powers authority under the laws of the State of California (the “State”) and the Joint Exercise of Powers Agreement (the “Joint Powers Agreement”), between the City and _____, and has the full legal right, power and authority, among other things, (i) upon satisfaction of the conditions in this Purchase Contract and the Resolution of Issuance, to issue the Bonds for the purposes set forth in the Preliminary Official Statement and the Indenture, and (ii) to secure the Bonds in the manner contemplated in the Resolution of Issuance and the Indenture.

(b) Full Right, Power and Authority. The Authority is a joint exercise of powers agency organized under the Joint Powers Act. The Authority has the full legal right, power and authority to adopt the Resolution of Issuance, and the Authority has the full legal right, power and authority:

(i) to enter into this Purchase Contract, the Continuing Disclosure Agreement, the Escrow Agreement (the “Escrow Agreement”), dated as of July 1, 2016, by and between the Authority and Wells Fargo Bank, National Association, as escrow agent (the “Escrow Agent”), the CFD Bonds Purchase Agreement, dated as of _____, 2016 (the “CFD Bond Purchase Agreement”), between the Authority and the City, the Reassessment Bonds Purchase Agreement, dated as of _____, 2016 (the “Reassessment Bond Purchase Agreement”), between the Authority and the City and the Indenture (collectively, the “Authority Documents”);

(ii) to purchase the Special Tax Refunding Bonds and the Reassessment Bonds pursuant to the CFD Bond Purchase Agreement and Reassessment Bond Purchase Agreement, respectively;

(iii) to issue, sell and deliver the Bonds to the Underwriter as provided herein, and

(iv) to carry out and consummate all other transactions on its part contemplated by each of the Authority Documents and the Final Official Statement.

The Authority has complied with all provisions of applicable law (including the Bond Law) and the Joint Powers Agreement, in all matters relating to the adoption of the Resolution of Issuance and the issuance of the Bonds, including the filing of all notices as required by the Joint Powers Act.

(c) Authorization of Documents; Consents and Approvals. The Board has duly authorized:

(i) the execution and delivery of the Bonds and the execution, delivery and due performance by the Authority of its obligations under the Authority Documents,

(ii) the distribution and use of the Preliminary Official Statement and execution, delivery and distribution of the Final Official Statement, and

(iii) the taking of any and all such action as may be required on the part of the Authority to carry out, give effect to and consummate the transactions on its part contemplated by such instruments.

All consents or approvals necessary to be obtained by the Authority in connection with the foregoing have been received, and the consents or approvals so received are still in full force and effect.

(d) Due Adoption of Resolution and Enforceability of Documents. The Resolution of Issuance has been duly adopted by the Board and is in full force and effect; and the Authority Documents, when executed and delivered by the Authority and the other respective parties thereto, will constitute legal, valid and binding obligations of the Authority enforceable against the Authority in accordance with their respective terms, except as enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally.

(e) Enforceability of Bonds. When delivered to the Underwriter, the Bonds will have been duly authorized by the Board and duly executed, issued and delivered by the Authority and will constitute legal, valid and binding obligations of the Authority enforceable against the Authority in accordance with their respective terms, except as

enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally, and will be entitled to the benefit and security of the Indenture.

(f) Preliminary and Final Official Statement. The information contained in the Preliminary Official Statement relating to the Authority and its obligations under the Authority Documents is, and as of the Closing Date such information in the Final Official Statement will be, true and correct in all material respects, and the Preliminary Official Statement does not as of its date, and the Final Official Statement does not as of its date and will not as of the Closing Date, contain any untrue or misleading 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.

(g) Supplements or Amendments to Official Statement. The Authority shall promptly notify the Underwriter in writing if, at any time prior to the earlier of (i) receipt of notice from the Underwriter that Final Official Statement is no longer required to be delivered under Rule 15c2-12 or (ii) the Closing Date (as described in Section 7 below), any event known to the officers of the Authority participating in the issuance of the Bonds occurs as a result of which the Final Official Statement as then amended or supplemented might include an untrue statement of a material fact, or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Any information supplied by the Authority for inclusion in any amendments or supplements to the Final Official Statement will not contain any untrue or misleading 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.

(h) No Conflicts. Neither the adoption of the Resolution of Issuance, the execution and delivery of the Authority Documents, nor the consummation of the transactions on the part of the Authority contemplated herein or therein or the compliance by the Authority with the provisions hereof or thereof will conflict with, or constitute on the part of the Authority a violation of, or a breach of or default under, (i) any indenture, mortgage, commitment, note or other agreement or instrument to which the Authority is a party or by which it is bound, (ii) any provision of the Joint Powers Agreement, the Joint Powers Act or the State Constitution, or (iii) any existing law, rule, regulation, ordinance, judgment, order or decree to which the Authority (or the members of the Authority, the members of the Board, or any of its officers in their respective capacities as such) is subject, that would have a material adverse affect on the ability of the Authority to perform its obligations under the Authority Documents.

(i) No Defaults. The Authority has never been in default at any time, as to principal of or interest on any obligation which it has issued, which default may have an adverse effect on the ability of the Authority to consummate the transactions on its part under the Authority Documents, except as specifically disclosed in the Final Official Statement; and other than the Bonds, the Authority has not entered into any contract or

arrangement of any kind which might give rise to any lien or encumbrance on the Revenues.

(j) No Litigation. Except as is specifically disclosed in the Final Official Statement, to the best knowledge of the Authority, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending with respect to which the Authority has been served with process or threatened, which (i) in any way questions the powers of the Authority or the Board, (ii) in any way questions the validity of any proceeding taken by the Board in connection with the issuance of the Bonds, (iii) wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions contemplated by this Purchase Contract, (iv) which, in any way, could adversely affect the validity or enforceability of the Authority Documents, (v) to the knowledge of the Authority, which in any way questions the exclusion from gross income of the recipients thereof of the interest on the Bonds for federal income tax purposes, or (vi) in any other way questions the status of the Bonds under State tax laws or regulations.

(k) Certificates of the Authority. Any certificate signed by an official of the Authority authorized to execute such certificate and delivered to the Underwriter in connection with the transactions contemplated by the Authority Documents shall be deemed a representation and warranty by the Authority to the Underwriter as to the truth of the statements therein contained.

(l) Security for Bonds. The Bonds will be paid from Revenues (as defined in the Indenture) received by or on behalf of the Authority. The Indenture creates a valid pledge of, and first lien upon, Revenues deposited thereunder and the moneys in certain funds and accounts established under the Indenture, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(m) Prior Continuing Disclosure Undertakings. Based on a review of its prior undertaking, and except as disclosed in the Preliminary Official Statement and Official Statement, the Authority has not failed to comply with its previous undertaking under Rule 15c2-12 during the previous five years.

(n) No Other Bonds. Between the date of this Purchase Contract and the Closing Date, the Authority will not offer or issue any bonds, notes or other obligations of the Authority for borrowed money not previously disclosed to the Underwriter.

6. Blue Sky. The Authority covenants with the Underwriter that the Authority will cooperate with the Underwriter (at the cost of the Underwriter), in qualifying the Bonds for offer and sale under the securities or Blue Sky laws of such jurisdictions of the United States as the Underwriter may reasonably request; provided, however, that the Authority shall not be required to consent to suit or to service of process, or to qualify to do business, in any jurisdiction. The Authority consents to the use by the Underwriter of the Authority Documents in the course of its

compliance with the securities or Blue Sky laws of the various jurisdictions of the documents relating to the Bonds.

7. Closing. At 8:00 a.m., California Time, on _____, 2016 or at such other time or date as may be mutually agreed upon by the Authority and the Underwriter (the “Closing Date”), the Authority will deliver or cause to be delivered (i) through the facilities of The Depository Trust Company, the Bonds in definitive form (all Bonds being in book-entry form registered in the name of Cede & Co. and having the CUSIP numbers assigned to them printed thereon), duly executed by the officers of the Authority as provided in the Indenture, and (ii) to the Underwriter, at the offices of Jones Hall, A Professional Law Corporation, San Francisco, California (“Bond Counsel”), or at such other place as shall be mutually agreed upon by the Authority and the Underwriter, the other documents herein mentioned; and the Underwriter shall accept such delivery and pay the purchase price of the Bonds in immediately available cleared funds (such delivery and payment being herein referred to as the “Closing”). The Bonds will be delivered as fully registered Bonds initially in denominations of \$5,000 each and any integral multiple thereof. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, and will be made available for checking by the Underwriter at such place as the Underwriter and the Trustee agree not less than 24 hours prior to the Closing.

8. Termination Events. The Underwriter has the right to cancel its obligations to purchase the Bonds if between the date hereof and the Closing Date any of the following events occurs:

(a) the House of Representatives or the Senate of the Congress of the United States, or a committee of either, has pending before it, or passes or recommends favorably, legislation introduced previous to the date hereof, which legislation, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the Authority or by any similar body under the Resolution of Issuance, the Indenture or the Act, or upon interest received on obligations of the general character of the Bonds, or of causing interest on obligations of the general character of the Bonds to be includable in gross income for purposes of federal income taxation, and such legislation, in the Underwriter’s opinion, materially adversely affects the market price of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(b) a tentative decision with respect to legislation is reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation is favorably reported or re-reported by such a committee or introduced, by amendment or otherwise, in or passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or enacted or a decision by a federal court of the United States or the United States Tax Court is rendered, or a ruling, release, order, regulation or official statement (tentative, proposed or final) by or on behalf of the United States Treasury Department, the Internal Revenue Service or other governmental agency is made or proposed to be made having the purpose or effect, or any other action or event occurs that

has the purpose or effect, directly or indirectly, that (i) adversely affects the federal income tax consequences of owning the Bonds, including causing interest on the Bonds to be included in gross income for purposes of federal income taxation, or (ii) imposes federal income taxation upon revenues or other income of the general character to be derived by the Authority under the Indenture or upon interest received on obligations of the general character of the Bonds, or the Bonds, or (iii) which, in the opinion of the Underwriter, materially adversely affects the market price of or market for the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

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

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

(e) any event occurs or any information becomes known to the Underwriter that causes the Underwriter to reasonably believe that the Final Official Statement as then amended or supplemented includes an untrue statement of a material fact, or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; or

(f) there occurs any outbreak of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(g) there is in force a general suspension of trading on the New York Stock Exchange, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(h) a general banking moratorium is declared by federal, New York or State authorities; or

(i) any proceeding is pending or threatened by the Securities and Exchange Commission against the City, the Districts, or the Authority; or

(j) additional material restrictions not in force as of the date hereof, including minimum or maximum prices for trading having been fixed and in force, or maximum ranges for prices for securities having been required and in force shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affects the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

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

(l) an amendment to the federal or State constitution is enacted or action is taken by any federal or State court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Authority, its property, income or securities (or interest thereon), the validity or enforceability of the Special Taxes or the ability of the Authority to issue the Bonds or any of the Districts to issue its respective series of Special Tax Refunding Bonds and the Reassessment Bonds, or the levy of any of the Special Taxes or the Reassessments, as contemplated by the Resolution of Issuance, each Fiscal Agent Agreement, this Purchase Contract and the Final Official Statement; or

(m) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(n) there shall have occurred or any notice shall have been given of any intended downgrade, suspension, withdrawal or negative change in credit watch status by any national credit agency of the Bonds; or

(o) the commencement of any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body described in Section 5(j).

9. Conditions to Closing. The obligations of the Underwriter to purchase the Bonds shall be subject (i) to the performance by the Authority of its obligations to be performed hereunder at and prior to the Closing, (ii) to the accuracy as of the date hereof and as of the time of the Closing of the representations and warranties of the Authority herein, and (iii) to the

following conditions, including the delivery by the Authority of such documents as are enumerated herein in form and substance satisfactory to the Underwriter:

(a) At the time of Closing, (i) the Final Official Statement, the Resolution of Issuance, the Indenture, the Continuing Disclosure Agreement, each Fiscal Agent Agreement, the Escrow Agreement and this Purchase Contract 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 Underwriter, and (ii) each of the Districts shall have been duly formed and there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, are necessary in connection with the transactions contemplated hereby, including, but not limited to, the Resolution of Issuance.

(b) The Underwriter shall receive the Bonds, and the Authority shall have received the Special Tax Refunding Bonds and the Reassessment Bonds, at or prior to the Closing. The terms of the Bonds, Special Tax Refunding Bonds and the Reassessment Bonds delivered shall in all instances be as described in Final Official Statement.

(c) At or prior to the Closing, the Underwriter shall receive the following documents in such number of counterparts as are mutually agreeable to the Underwriter and the Authority:

(i) A final approving opinion of Bond Counsel dated the Closing Date in the form attached as an appendix to the Final Official Statement.

(ii) A letter or letters of Bond Counsel addressed to the Underwriter, which includes a statement to the effect that Bond Counsel's final approving opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to the Underwriter, and further provides:

(A) The statements contained in the Official Statement on the cover page and under the captions "INTRODUCTION," "THE FINANCING PLAN," "THE BONDS," "SECURITY FOR THE BONDS," and "CONCLUDING INFORMATION – Tax Matters," and in Appendix B, Appendix C and Appendix D thereto, are accurate in all material respects, insofar as such statements purport to summarize certain provisions of the Bonds, the Special Tax Refunding Bonds, the Reassessment Bonds, the Indenture, the Resolution of Issuance, the Continuing Disclosure Agreement, the Escrow Agreement and the Fiscal Agent Agreements;

(B) the Authority is a joint exercise of powers authority duly organized and validly existing under the laws of the State, including the Joint Powers Act;

(C) the Authority has duly and validly executed and delivered the Bonds and the Authority Documents, and the Bonds and the Authority

Documents constitute the legal, valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting enforcement of creditors' rights in general and to the application of equitable principles if equitable remedies are sought;

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

(iii) A defeasance opinion, dated the Closing Date and addressed to the Authority, the Underwriter and the trustee for the Prior Bonds, of Bond Counsel, in the form required by the bond indenture relating to the outstanding Prior Bonds.

(iv) A letter of Quint & Thimmig, LLP, as disclosure counsel to the Authority, addressed to the Authority and the Underwriter, to the effect that without passing upon or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Final Official Statement and making no representation that they have independently verified the accuracy, completeness or fairness of any such statements, based upon the information made available to them in the course of their participation in the preparation of the Final Official Statement, nothing has come to such counsel's attention which would lead them to believe that the Final Official Statement, as of its date or as of the Closing Date, including the cover page (in each case except for financial statements, the information set forth in the Appendices to the Official Statement, any CUSIP numbers, financial, statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, or any information about book-entry, tax-exemption, or The Depository Trust Company included or referred to therein, which disclosure counsel expressly excludes from the scope of such letter and as to which disclosure counsel expresses no opinion or view) contained an untrue statement of a material fact or omitted 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.

(v) An opinion, dated the Closing Date and addressed to the Underwriter, of counsel to the Authority, in form and substance acceptable to the Underwriter, to the following effect:

(A) The Authority has full legal right, power and authority to adopt the Resolution of Issuance, to issue the Bonds and to execute the Authority Documents.

(B) Except as is specifically disclosed in the Final Official Statement, and to the best of such counsel's knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending with respect to which the Authority has been served with process or threatened, which (i) in any way questions the powers of the Authority or the Board, or (ii) in any way questions the validity of any proceeding taken by the Board in connection with the issuance of the Bonds, or (iii) wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions contemplated by this Purchase Contract, or (iv) which, in any way, could adversely affect the validity or enforceability of the Authority Documents, or (v) to the knowledge of the Authority, which in any way questions the exclusion from gross income of the recipients thereof of the interest on the Bonds for federal income tax purposes, or (vi) in any other way questions the status of the Bonds under State tax laws or regulations.

(C) Neither the adoption of the Resolution of Issuance, the execution and delivery of the Authority Documents, nor the consummation of the transactions on the part of the Authority contemplated herein or therein or the compliance by the Authority with the provisions hereof or thereof will conflict with, or constitute on the part of the Authority a violation of, or a breach of or default under, (i) any material indenture, mortgage, commitment, note or other agreement or instrument to which the Authority is a party or by which it is bound, (ii) any provision of the Bond Law, the Joint Powers Agreement or the State Constitution, or (iii) any existing law, rule, regulation, ordinance, judgment, order or decree to which the Authority (or the members of the Authority, the members of the Board, or any of its officers in their respective capacities as such) is subject, that would have a material adverse affect on the ability of the Authority to perform its obligations under the Authority Documents; provided, however, that no opinion need be expressed as to financial capability or lack thereof.

(vi) The Final Official Statement executed on behalf of the Authority by a duly authorized officer.

(vii) A certified copy of the Resolution of Issuance authorizing the execution and delivery of the Authority Documents and the Official Statement.

(viii) Specimen Bonds.

(ix) Evidence that Internal Revenue Service Form 8038 has been executed by the Authority and will be filed with the Internal Revenue Service.

(x) Executed copies of the Indenture, the Escrow Agreement, the Continuing Disclosure Agreement, and this Purchase Contract.

(xi) A non-arbitrage certificate executed by the Authority in form and substance satisfactory to Bond Counsel.

(xii) In connection with distribution of the Preliminary Official Statement, an executed certificate of the Authority in the form attached hereto as Exhibit B.

(xiii) A closing certificate, in form and substance as set forth in Exhibit C hereto, of the Authority, dated as of the Closing Date.

(xiv) A certificate in form and substance as set forth in Exhibit D hereto, dated as of the Closing Date, of NBS, Temecula, California, special tax consultant.

(xv) A certificate of the Trustee/Escrow Agent, dated the date of Closing, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(a) The Trustee/Escrow Agent is duly organized and existing as a national banking association in good standing under the laws of the United States of America, having the full power and authority to enter into and perform its duties under the Indenture and the Escrow Agreement.

(b) The Trustee/Escrow Agent is duly authorized to enter into the Indenture and the Escrow Agreement.

(c) To its best knowledge after due inquiry, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental district, public board or body pending against the Trustee/Escrow Agent or threatened against the Trustee/Escrow Agent which in the reasonable judgment of the Trustee/Escrow Agent would affect the existence of the Trustee/Escrow Agent or in any way contesting or affecting the validity or enforceability of the Indenture or contesting the powers of the Trustee/Escrow Agent or its authority to enter into and perform its obligation under the Indenture and the Escrow Agreement.

(xvi) An opinion of Nossaman LLP, counsel to the Underwriter, dated as of the Closing Date, in form and substance satisfactory to the Underwriter.

(xvii) An opinion of counsel to the Trustee and Escrow Agent, dated as of the Closing Date, in form and substance satisfactory to the Underwriter and Bond Counsel.

(xviii) Evidence as of the Closing Date satisfactory to the Underwriter that the Bonds have received a rating as set forth in the Official Statement and that such rating has not been revoked or downgraded.

(xix) A certificate dated the Closing Date from Wildan Financial Services (the “Reassessment Engineer”) addressed to Authority and the Underwriter to the effect that (i) the Reassessment Reports comply with the requirements of Streets & Highways Code Section 9523 and, in the opinion of the Reassessment Engineer, the Reassessments, as set forth in the Reassessment Reports, comply with Streets & Highways Code Section 9525(a) and (ii) the statements and information contained in the Official Statement under the heading [“THE TAXING JURISDICTIONS”] to the Official Statement, insofar as such statements and information were provided by the Reassessment Engineer or purport to summarize certain provisions of the Reassessment Reports prepared with respect to the Reassessment Districts, do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading and no events or occurrences have been ascertained by the Reassessment Engineer or have come to its attention that would substantially change such information set forth in the Official Statement.

(xx) A letter addressed to the Authority, the City, the Underwriter, and Bond Counsel, dated the Closing Date, from Grant Thornton LLP, verifying the accuracy of the mathematical computations concerning the adequacy of moneys to be deposited with the Escrow Agent with respect to the Prior Bonds, to pay when due on September 1, 2016 and thereafter, the principal of, redemption premium, if any, and interest on the Prior Bonds.

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

If the Authority is unable to satisfy the conditions to the obligations of the Underwriter contained in this Purchase Contract, or if the obligations of the Underwriter to purchase and accept delivery of the Bonds are terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the Authority shall be under further obligation hereunder; except that the respective obligations to pay expenses, as provided in Section 12 hereof shall continue in full force and effect.

10. Conditions to Authority’s Obligations. The obligations of the Authority hereunder are subject to the performance by the Underwriter of its obligations hereunder.

11. Survival of Representations, Warranties and Agreements. All representations, warranties and agreements of the Authority hereunder shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter, and shall survive the Closing.

12. Expenses. The Authority shall pay or cause to be paid all reasonable expenses incident to the issuance of the Bonds and to the performance of its obligations under this Purchase Contract, including, but not limited to, delivery of the Bonds, costs of printing the Bonds, the Preliminary Official Statement and the Final Official Statement, any amendment or supplement to the Preliminary Official Statement or Final Official Statement and this Purchase Contract, fees and disbursements of Bond Counsel, Disclosure Counsel, any financial advisor and other consultants, including the fees and expenses of the Special Tax Consultant, Reassessment Engineer, and the Trustee and Escrow Agent.

The Underwriter shall pay all advertising expenses in connection with the public offering of the Bonds, and all other expenses incurred by it in connection with its public offering and distribution of the Bonds, including without limitation the fees and expenses of its counsel.

13. Notices. Any notice or other communication to be given to the Authority under this Purchase Contract may be given by delivering the same in writing at its address set forth above addressed to the Deputy City Manager, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to Hilltop Securities Inc., 1201 Elm Street, Suite 3500, Dallas, Texas 75270, Attention: _____ and RBC Capital Markets, LLC Two Embarcadero Center, Suite 1200, San Francisco CA 94111, Attention: Municipal Finance Department.

14. Benefit. This Purchase Contract is made solely for the benefit of the Authority and the Underwriter (including the successors or assigns of the Underwriter) and no other person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

15. Governing Law. This Purchase Contract shall be governed by and construed in accordance with the laws of the State of California.

16. Effective Date. This Purchase Contract shall become effective upon acceptance hereof by the Authority.

17. 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 one and the same instrument.

18. Severability. If any provision of this Purchase Contract is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

RBC CAPITAL MARKETS, LLC

By: _____
Managing Director

HILLTOP SECURITIES INC.

By: _____
Managing Director

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

STOCKTON PUBLIC FINANCING AUTHORITY

By: _____
Authorized Officer

Date of Execution: _____

Time of Execution: _____

EXHIBIT A

MATURITY SCHEDULE

<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
2016				
2017				
2018				
2019				
2020				
2021				
2022				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				

^(C) Priced to the optional redemption date of September 1, 20__ at ____.

EXHIBIT B

\$ _____ *

**STOCKTON PUBLIC FINANCING AUTHORITY
REVENUE BONDS
(ASSESSMENT AND SPECIAL TAX DISTRICT REFUNDINGS)
SERIES 2016A**

**CERTIFICATE AS TO FINALITY
OF THE PRELIMINARY OFFICIAL STATEMENT**

I, _____, hereby certify that I am the duly appointed, qualified and acting _____ of the Stockton Public Financing Authority (the “Authority”), and as such I am authorized to execute this Certificate on behalf of the Authority.

I hereby further certify that there has been delivered to the Underwriters of the \$ _____ * Stockton Public Financing Authority Revenue Bonds (Assessment and Special Tax District Refundings), Series 2016A (the “Bonds”), a preliminary official statement, dated _____, 2016, which the Authority deems to be final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), except for the information permitted by Rule 15c2-12 to be omitted therefrom with respect to the Bonds.

IN WITNESS WHEREOF, I hereunto set my hand this _____ day of _____, 2016.

**STOCKTON PUBLIC FINANCING
AUTHORITY**

By: _____

EXHIBIT C

\$ _____
STOCKTON PUBLIC FINANCING AUTHORITY
REVENUE BONDS
(ASSESSMENT AND SPECIAL TAX DISTRICT REFUNDINGS)
SERIES 2016A

AUTHORITY CLOSING CERTIFICATE

The undersigned hereby certifies and represents that he or she is the duly appointed and acting representative of the Stockton Public Financing Authority (the "Authority"), and is duly authorized to execute and deliver this Certificate in connection with the offering and sale of the bonds captioned above, and further hereby certifies and reconfirms on behalf of the Authority as follows:

(1) the representations, warranties and covenants of the Authority contained in that certain Bond Purchase Contract by and between the Authority and the underwriters named therein, dated _____, 2016 (the "Purchase Contract") are true and correct and in all material respects as of the date hereof as if made on the date hereof;

(2) the representations and warranties of the Authority contained in the Authority Documents are true and correct in all material respects as of the date hereof as if made on the date hereof, and the Authority has complied with all agreements, covenants and conditions to be complied with by the Authority under the Authority Documents as of the date hereof;

(3) the Authority has complied with all agreements and covenants, and satisfied all conditions, on its part to be complied with or satisfied under the Authority Documents at or prior to the date hereof;

(4) to the best knowledge of the Authority, no event affecting the Authority has occurred since the date of the Final Official Statement which either makes untrue or incorrect in any material respect as of the date hereof the statements or information relating to the Authority contained in the Final Official Statement or is not reflected in the Final Official Statement but should be reflected therein in order to make such statements and information therein not misleading in any material respect.

Capitalized terms not defined herein have the same meaning as is set forth in the Purchase Contract.

Dated: _____, 2016

**STOCKTON PUBLIC FINANCING
AUTHORITY**

By: _____
Title: _____

EXHIBIT D

\$ _____
STOCKTON PUBLIC FINANCING AUTHORITY
REVENUE BONDS
(ASSESSMENT AND SPECIAL TAX DISTRICT REFUNDINGS)
SERIES 2016A

CERTIFICATE OF SPECIAL TAX CONSULTANT

Wildan Financial Services (the “Special Tax Consultant”), Temecula, California was retained as Special Tax Consultant and has reviewed each of the Rate and Method of Apportionments (each a “Rate and Method”) all as set forth in an appendix to the Official Statement (the “Official Statement”) dated _____, 2016, relating to the bonds captioned above (the “Bonds”), and the summaries and descriptions of each Rate and Method contained in the Official Statement.

Based upon such review, the Special Tax Consultant hereby certifies as follows:

(a) The Special Tax levied under each Rate and Method, if levied in the maximum amounts permitted pursuant to the special tax formula set forth in each Rate and Method on the date hereof, would be levied in a combined amount equal to at least 110% of the gross annual debt service on the Bonds, provided that the annual debt service figures in the debt service schedules contained in the Official Statement, which were relied upon by Special Tax Consultant, are substantially true and correct.

Although the Special Tax, if levied in the maximum amounts pursuant to the special tax formula set forth in each Rate and Method, would be levied in a combined amount equal to at least 110% of the gross annual debt service payable with respect to the Bonds each year, no representation is made herein as to actual amounts that will be levied and collected in future years.

(b) Except as disclosed in the Final Official Statement, there are, to the best of the Special Tax Consultant’s knowledge, after reasonable and diligent investigation of records made available by the County, no entities with outstanding assessment or special tax liens against any of the properties within any of the Districts.

(c) All summaries of and information with respect to each Rate and Method in the Official Statement and all other information provided by the Special Tax Consultant for inclusion in 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 contained therein, in light of the circumstances under which they were made, not misleading and no events or occurrences have been ascertained by the Special Tax Consultant or have come to its attention that would substantially change such information set forth in the Official Statement.

Capitalized terms not defined herein have the same meaning as is set forth in the Official Statement.

Dated: _____, 2016

WILDAN FINANCIAL SERVICES

By: _____

Title: _____

