

NOTE PURCHASE AGREEMENT

\$ _____

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

April __, 2011

Board of Supervisors,
County of Sacramento
Board of Education,
Sacramento City Unified School District

A single maturity of Notes shall be issued, dated the date of Closing (as defined in Section 0.1 hereof) and the Notes shall mature on 2011 without possibility of extension.

The Notes shall bear interest at the rate of two percent (2%) per annum. The Notes shall otherwise be

class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received

The District will deliver to the Purchaser within seven business days from the date hereof, up to 100 copies (as the Purchaser shall request) of the Official Statement of the District with

Disclosure Certificate, to provide notices of the occurrence of certain events, if material. A

information contained therein describing the County's investment policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the County Treasurer), do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

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Bond Counsel.

7. Termination. (a) By District or County. In the event of the District's failure to cause the Notes to be delivered at the Closing, or inability of the District to satisfy the conditions to the obligations of the Purchaser contained herein (unless waived by the Purchaser), or if the obligations of the Purchaser shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate.

(b) By Purchaser.

(c) By the Bond Counsel.

(2) Unexcused. In the event the Purchaser shall fail (other than for a reason

the Purchaser shall have no right in or to the Notes.

8. Closing. At or before 9:00 a.m., California time, on _____, 2011, or at such other date and time as shall have been mutually agreed upon by the District and the Purchaser, the District will deliver or cause to be delivered to the Purchaser the Notes in book-entry form, together with the other documents described in Section 7 hereof to be delivered by the District; and the Purchaser will accept such delivery and pay the purchase price of the Notes as set forth in Paragraph 1 hereof in immediately

To the County: Director of Finance
 County of Sacramento
 700 H Street, Room 3650
 Sacramento, CA 95814

To the Purchaser: Stone & Youngberg LLC
 One Ferry Building, Suite 275
 San Francisco, CA 94111

Attn: Bruce Kerns

11. Governing Law. The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of California.

12. Parties in Interest. This Purchase Contract when accepted by the District in writing as heretofore specified shall constitute the entire agreement among the District and the Purchaser, and is solely for the benefit of the District and the Purchaser (including the successors or assigns thereof). No other person shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements in this Purchase Contract of each of the parties hereto shall remain operative and in full force and effect, regardless of (a) delivery of and payment for the Notes hereunder, or (b) any termination of this Purchase Contract.

13. Headings. The headings of the paragraphs of this Purchase Contract are inserted for convenience of reference only and shall not be deemed to be a part hereof.

14. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof by the District and by the County by the respective authorized officer of each, and shall be valid and enforceable at the time of such acceptance.

15. Counterparts. This Purchase Contract may be executed in several counterparts, which together shall constitute one and the same instrument.

Respectfully submitted,

	STONE & YOUNGBERG LLC By: _____ Authorized Officer
Accepted: April __, 2011 Time: _____ p.m.	SACRAMENTO CITY UNIFIED SCHOOL DISTRICT By: _____