
ESCROW AGREEMENT

by and between the

CAMBRIAN SCHOOL DISTRICT

and

**ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
as Escrow Agent**

Dated as of April 1, 2024

relating to the

**\$39,000,000
Cambrian School District
(Santa Clara County, California)
General Obligation Bonds
Election of 2014, Series 2014**

ESCROW AGREEMENT

This ESCROW AGREEMENT (the “Escrow Agreement”), dated as of April 1, 2024, by and between the CAMBRIAN SCHOOL DISTRICT, a public agency duly organized and existing under and by virtue of the laws of the State of California (the “District”) and ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States and being qualified to accept and administer the account hereby created (the “Bank”), as escrow agent (the “Escrow Agent”);

WITNESSETH:

WHEREAS, the District previously issued \$39,000,000 principal amount of Cambrian School District (Santa Clara County, California) General Obligation Bonds, Election of 2014, Series 2014 (the “Prior Bonds”), dated September 4, 2014 in accordance with the terms and conditions set forth in a paying agent agreement dated as of September 1, 2014 (the “2014 Paying Agent Agreement”) by and between the District and Zions First National Bank;

WHEREAS, the District has determined that prudent management of the fiscal affairs of the District requires that it refund on a current basis the District’s Prior Bonds that mature on July 1, 2025 through July 1, 20__, inclusive (the “Refunded Prior Bonds”), as provided herein;

WHEREAS, in order to implement the foregoing, the District duly issued \$[PAR AMOUNT] principal amount of its 2024 General Obligation Refunding Bonds (the “Refunding Bonds”) pursuant to that certain paying agent agreement dated as of April 1, 2024 (the “Paying Agent Agreement”), by and between the District and the Bank, as paying agent (the “Paying Agent”);

WHEREAS, a portion of the proceeds from the Refunding Bonds shall be deposited in the Escrow Fund (as defined in Section 1 below);

WHEREAS, the District has taken action to cause to be made available for purchase by the Escrow Agent, from amounts on deposit in the Escrow Fund (as defined in Section 1 below), certain direct noncallable United States Treasury obligations (the “Escrow Securities”), listed on Schedule I attached hereto and made a part hereof, in an amount that will be sufficient, as verified by a report of a nationally recognized accounting firm, to provide for the payment of principal and interest on the Prior Bonds as the same becomes due and payable, and all principal called for redemption, plus accrued interest to July 17, 2024, without premium (the “Redemption Price”), of the Refunded Prior Bonds;

WHEREAS, the provisions of the 2014 Paying Agent Agreement and the Paying Agent Agreement are incorporated herein by reference as if set forth herein in full;

NOW, THEREFORE, the District and the Escrow Agent hereby agree as follows:

Section 1. Establishment and Maintenance of the Escrow Fund. The Escrow Agent agrees to establish and maintain the Escrow Fund (the “Escrow Fund”) until all the Refunded Prior Bonds have been paid and redeemed and interest thereon paid as provided herein. The Escrow Agent shall, except as provided in Section 2 hereof, hold the Escrow Securities and the money (whether constituting the initial deposit in the Escrow Fund or constituting receipts on the Escrow Securities) in the Escrow Fund at all times as a separate escrow account wholly segregated from all other securities, investments or money held by it, until otherwise directed in the future by the District in writing. All securities and money in the Escrow Fund are hereby irrevocably pledged by the District, subject to the provisions of Section 3 hereof, to secure the payment of principal and interest on the Prior Bonds as the same becomes due and payable and the Redemption Price of the Refunded Prior Bonds on July 17, 2024 (the “Redemption Date”). The Escrow Agent shall, on the date of execution and delivery of this Escrow Agreement, accept from the Paying Agent \$_____ and deposit it into the Escrow Fund. The Escrow Agent may, in its discretion, establish a temporary fund or account in its books and records to facilitate payments from the Escrow Fund, as set forth in Section 3 herein.

Section 2. Investment of Money in the Escrow Fund. The District hereby directs the Escrow Agent to purchase the Escrow Securities at a price of \$_____ with amounts in the Escrow Fund and retain the balance of \$_____ in cash in the Escrow Fund.

If any or all of the Escrow Securities consist of United States Treasury obligations, and if the Escrow Agent learns that the Department of the Treasury or the Bureau of Fiscal Service will not, for any reason, accept a subscription of SLGS that is to be submitted pursuant to this Escrow Agreement, the Escrow Agent shall promptly request alternative written investment instructions from the District with respect to funds which were to be invested in SLGS. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the District. In the absence of investment instructions from the District, the Escrow Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent may conclusively rely upon the District’s selection of an alternative investment as a determination of the alternative investment’s legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

Section 3. Payment from the Escrow Fund. The District hereby irrevocably instructs the Escrow Agent, and the Escrow Agent hereby agrees to use the interest on and principal of all Escrow Securities held in the Escrow Fund, together with any other money, to pay the principal and interest on the Prior Bonds as the same becomes due and payable and the Redemption Price of the Refunded Prior Bonds on the Redemption Date, as set forth in Schedule II attached hereto.

Section 4. Deficiencies in the Escrow Fund. If at any time it shall appear to the Escrow Agent that the money in the Escrow Fund will not be sufficient to make the payments required by Section 3 hereof, the Escrow Agent shall notify the District in writing, as soon as reasonably practicable of such fact, stating the amount of such deficiency, and the reason therefore (if known to it). The District shall use its best efforts to obtain and deposit with the Escrow Agent, for deposit in the Escrow Fund, such additional money as may be required to provide for the

making of all such payments, provided that, such additional money may be deposited solely from lawfully available funds of the District or from a special appropriation made by the District for such purpose, which appropriation shall at all times be subject to the sole discretion of the District. The District shall incur no liability, however, if such additional moneys are unavailable or are not sufficient for such purpose. The Escrow Agent shall in no event or manner be responsible for the failure of the District to make any such deposit.

Section 5. Notices of Redemption and Defeasance. The District hereby irrevocably instructs the Escrow Agent, in accordance with the terms and conditions of the 2014 Paying Agent Agreement, to provide notice of redemption and notice of defeasance for the Refunded Prior Bonds, such notices to be provided in the time and manner specified in the 2014 Paying Agent Agreement and substantially in the forms of Exhibit A and Exhibit B, respectively.

Section 6. Compensation and Indemnification of the Escrow Agent. (a) The District shall pay the Escrow Agent a one-time fee for its services hereunder and shall reimburse the Escrow Agent for its out-of-pocket costs such as publication costs, redemption expenses, and other costs and expenses relating hereto and, in addition, all fees, costs and expenses incurred by the Escrow Agent in connection with these services, all as more particularly agreed upon, by the District and the Escrow Agent; provided that these fees and expenses shall in no event be deducted from the Escrow Fund. Under no circumstances shall the Escrow Agent assert liens on the Escrow Fund for any of its fees or expenses.

(b) The District agrees to indemnify the Escrow Agent, its agents and its officers or employees for, and hold the Escrow Agent, its agents and its officers or employees harmless from, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind (including, without limitation, reasonable fees and disbursements of counsel or accountants for the Escrow Agent) which may be imposed on, incurred by, or asserted against the Escrow Agent or such other party by the District or any other person or entity at any time by reason of its performance of the Escrow Agent's services, in any transaction arising out of this Escrow Agreement or any of the transactions contemplated herein or otherwise incurred by the Escrow Agent in connection with the enforcement of its rights under this Section 6, unless caused by the gross negligence or willful misconduct of the Escrow Agent, as determined by a court of competent jurisdiction.

(c) The obligations of the District hereunder to the Escrow Agent shall survive the termination or discharge of this Escrow Agreement or the resignation of the Escrow Agent.

Section 7. Functions of the Escrow Agent.

(a) Moneys held by the Escrow Agent hereunder are to be held and applied for payment of the principal and interest on the Prior Bonds and the Redemption Price of the Refunded Prior Bonds on the Redemption Date in accordance with the governing documents setting forth the terms and conditions of the Refunded Prior Bonds.

(b) The Escrow Agent undertakes to perform only such duties as are expressly set forth therein and no duties shall be implied. The Escrow Agent has no fiduciary or discretionary duties of any kind. The Escrow Agent's permissive rights shall not be construed as duties. The Escrow

Agent shall have no liability under and no duty to inquire as to the provisions of any agreement other than the Escrow Agreement, including without limitation any other agreement to which the District is a party even though reference thereto may be made herein and whether or not a copy of such agreement has been provided to the Escrow Agent.

(c) The Escrow Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, and shall be protected and indemnified as stated in the Escrow Agreement, in acting, or refraining from acting, upon any written notice, instruction, demand, request, certificate, document, report or opinion furnished to the Escrow Agent and reasonably believed by the Escrow Agent to have been signed or presented by the proper party, and it need not investigate any fact or matter stated in such notice, instruction, demand, request, certificate, document, report or opinion. In no event shall the Escrow Agent be liable for (a) acting in accordance with or conclusively relying upon any written notice, instruction, demand, request, certificate, document, report or opinion believed by the Escrow Agent in good faith to have been signed or presented by the property party, or (b) incidental, indirect, special, consequential or punitive damages or penalties of any kind, even if the Escrow Agent has been advised of the likelihood of such damages or penalties.

(d) The Escrow Agent shall not have any liability hereunder except to the extent of its own gross negligence or willful misconduct, or the gross negligence or willful misconduct of its officers, or employees. The Escrow Agent shall have no duty or responsibility under the Escrow Agreement in the case of any default in the performance of covenants or agreements contained in the Bond Purchase Agreement between [UNDERWRITER] and the District dated [SALE DATE] (the "Bond Purchase Agreement"), or the Paying Agent Agreement, or in the case of the receipt of any written demand with respect to such default. The Escrow Agent is not required to resolve conflicting demands to money or property in its possession under the Escrow Agreement. The Escrow Agent's sole responsibility shall be for the safekeeping of the Escrow Fund in accordance with the Escrow Agent's customary practices and disbursement thereof in accordance with the terms of this Escrow Agreement.

(e) The Escrow Agent may consult with counsel of its own choice (which may be counsel to the District) and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action in accordance with such opinion of counsel.

(f) The Escrow Agent shall not be responsible for any of the recitals or representations contained herein or in the Bond Purchase Agreement or the Paying Agent Agreement.

(g) The Escrow Agent may become the owner of, or acquire any interest in, any of the Refunding Bonds with the same rights that it would have if it were not the Escrow Agent, and may engage or be interested in any financial or other transaction with the District.

(h) The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the moneys to make the payments of principal, interest, and redemption premium with respect to the Refunded Prior Bonds in accordance with Section 3.

(i) The Escrow Agent shall not be liable for any action or omission of the District under the Escrow Agreement or any other agreement.

(j) The Escrow Agent may at any time resign by giving written notice to the District of such resignation, whereupon the District shall promptly appoint a successor Escrow Agent by the resignation date, and, notwithstanding any other provision of this Escrow Agreement, the Escrow Agent's sole obligation will be to hold the Escrow Fund pending appointment of a successor Escrow Agent. Similarly, the Escrow Agent may be removed at any time by the District giving written notice to the Escrow Agent specifying the date when such removal shall take effect. Resignation or removal of the Escrow Agent will be effective thirty (30) days after notice of the resignation or removal is given as stated above or upon appointment of a successor Escrow Agent, whichever first occurs. If the District does not appoint a successor Escrow Agent by the resignation effective date, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent (or may deposit with the court the escrow securities and money or other property held by it pursuant to the Escrow Agreement), which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Agent. After receiving a notice of resignation of an Escrow Agent, the District may appoint a temporary Escrow Agent to replace the resigning Escrow Agent until the District appoints a successor Escrow Agent. Any such temporary Escrow Agent so appointed by the District shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

(k) The Escrow Agent shall not be responsible for delays or failures in performance resulting from acts beyond its control, including without limitation acts of God, strikes, lockouts, riots, acts of war or terror, epidemics, governmental regulations, fire, communication line failures, computer viruses, attacks or intrusions, power failures, earthquakes or other disasters. The Escrow Agent shall not be obligated to take any legal action or commence any proceeding in connection with the Escrow Fund, any account in which the Escrow Fund is deposited, or the Escrow Agreement or to appear in, prosecute, or defend any such legal action or proceeding or to take any other action that in the Escrow Agent's sole judgment may expose it to potential expense or liability. The Escrow Agent is authorized, in its sole discretion, to comply with orders issued or process entered by any court with respect to the Escrow Fund, without determination by the Escrow Agent of such court's jurisdiction in the matter.

(l) If, at any time, (a) there shall exist any dispute with respect to the holding or disposition of all or any portion of the Escrow Fund or any other obligations of the Escrow Agent hereunder, or (b) the Escrow Agent is unable to determine, to the Escrow Agent's sole satisfaction, the proper disposition of all or any portion of the Escrow Fund or the Escrow Agent's proper actions with respect to its obligations hereunder, then the Escrow Agent may, in its sole discretion, following consultation with the District, take either or both of the following actions:

(i) suspend the performance of any of its obligations (including without limitation any disbursement obligations) under the Escrow Agreement until such dispute or uncertainty shall be resolved to the sole satisfaction of the Escrow Agent or until a successor Escrow Agent shall have been appointed; and/or

(ii) petition (by means of an interpleader action or any other appropriate method) any court of competent jurisdiction, in any venue convenient to the Escrow Agent,

for instructions with respect to such dispute or uncertainty, and to the extent required or permitted by law, pay into such court, for holding and disposition in accordance with the instructions of such court, the Escrow Fund.

The Escrow Agent shall have no liability to the District, any holder, or any other person with respect to any such suspension of performance or disbursement into court, specifically including any liability or claimed liability that may arise, or be alleged to have arisen, out of or as a result of any delay in the disbursement from the Escrow Fund or any delay in or with respect to any other action required or requested of the Escrow Agent.

(m) The Escrow Agent will provide the District with monthly statements of the account maintained hereunder.

Section 8. Merger or Consolidation of the Escrow Agent. Any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Escrow Agent and vested with all of the title to the Escrow Fund and all of the rights, duties, obligations, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 9. Amendment of the Escrow Agreement. The Escrow Agreement may not be revoked or amended by the parties hereto unless there shall first have been filed with the District and the Escrow Agent (i) an unqualified opinion of bond counsel that such amendment will not adversely affect the excludability from gross income for federal income tax purposes of interest evidenced by the Refunding Bonds or the Refunded Prior Bonds, and (ii) unless the District determines that such amendment is not materially adverse to the interests of the registered owners of the Refunded Prior Bonds, the written consent of the registered owners of all Refunded Prior Bonds then outstanding.

Section 10. Governing Law. The Escrow Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 11. Notices. All notices and communications hereunder shall be in writing and shall be deemed to be duly given if received or sent by first class mail as follows:

If to the District: Cambrian School District
4115 Jackson Drive
San Jose, CA 95124
Attn: Chief Financial Officer

If to the Escrow Agent: Zions Bancorporation, National Association
550 South Hope Street, Suite 2875
Los Angeles, CA 90071
Attn.: Corporate Trust Department

Section 12. Severability. If any section, paragraph, sentence, clause or provision of the Escrow Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, sentence, clause or provision shall not affect any of the remaining provisions of the Escrow Agreement.

Section 13. Execution. The Escrow Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same agreement.

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IN WITNESS WHEREOF, the District and the Escrow Agent have caused this Escrow Agreement to be executed by their duly authorized officers as of the day and year first above written.

CAMBRIAN SCHOOL DISTRICT

By: _____
John Pappalardo,
Chief Financial Officer

ZIONS BANCOPORATION, NATIONAL ASSOCIATION, as Escrow Agent

By: _____
Kheang Tan,
Assistant Vice President
Zions Bank Division

SCHEDULE I

ESCROW SECURITIES

**United States Treasury Certificate of Indebtedness
State and Local Government Series**

Principal Amount	Interest Rate	Issue Date	Maturity Date
\$	%		

**United States Treasury Notes
State and Local Government Series**

Principal Amount	Interest Rate	Issue Date	Maturity Date
\$	%		

SCHEDULE II

Payment Schedule for Refunded Prior Bonds

Payment Date	Interest	Principal Redeemed	Total
	\$	\$	\$

EXHIBIT A

FORM OF NOTICE OF REDEMPTION

NOTICE OF REDEMPTION

OF THE

**CAMBRIAN SCHOOL DISTRICT
(SANTA CLARA COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS
ELECTION OF 2014, SERIES 2014**

NOTICE IS HEREBY GIVEN pursuant to the Paying Agent Agreement dated as of September 1, 2014 (the “Paying Agent Agreement”), by and between the Cambrian School District (the “District”) and Zions First National Bank, as paying agent (the “Paying Agent”), which authorized the issuance of the above-captioned bonds (the “Prior Bonds”), dated September 4, 2014 that:

The District has called for redemption, on July 17, 2024 (the “Redemption Date”), the outstanding Prior Bonds maturing July 1, 2025 through July 1, 20___, inclusive (the “Refunded Bonds”), at a redemption price equal to the principal amount thereof, plus accrued interest to the Redemption Date, without premium, and pursuant to the provisions of the Paying Agent Agreement.

The Refunded Bonds are further identified as follows:

<u>Maturity Date</u> <u>(July 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP*</u>
2025	\$795,000	5.000%	132123 LX6
2026	940,000	5.000	132123 LY4
2027	1,105,000	3.750	132123 LZ1
2028	1,270,000	5.000	132123 MA5
2029	1,460,000	5.000	132123 MB3
2030	1,665,000	5.000	132123 MC1
2031	1,890,000	5.000	132123 MD9
2032	2,130,000	5.000	132123 ME7
2033	2,390,000	5.000	132123 MF4
2034	2,675,000	5.000	132123 MG2
2035	2,980,000	3.500	132123 MH0
2036	3,265,000	3.500	132123 MJ6
2037	3,570,000	3.625	132123 MK3
2038	3,895,000	3.625	132123 ML1
2039	4,235,000	3.625	132123 MM9

**The District and the Paying Agent shall not be responsible for the selection or use of the CUSIP number(s) in this notice, nor is any representation made as to their correctness indicated in the notice or as printed on any Bond. The CUSIP number(s) are included solely for the convenience of the holders.*

On the Redemption Date there shall become due and payable upon each Refunded Bond the redemption price thereof. From and after the Redemption Date, interest with respect to the Refunded Bonds shall cease to accrue.

Payment of the Refunded Bonds will be made upon presentation and surrender of the Refunded Bonds in the following manner:

Delivery Instructions for Registered or Certified Mail or in person, by hand:

Zions Bancorporation, National Association
Corporate Trust Services
One South Main – Suite 1200
Salt Lake City, UT 84133

Our customer service contact is Bondholder Relations (888)-416-5176 or zionsctops@zionsbank.com.

Registered or certified mail is suggested when submitting the Refunded Bonds for payment.

When inquiring about this redemption, please have the Refunded Bond certificate number available. Please inform the customer service representative of the CUSIP number(s) of the affected Refunded Bonds.

Failure to receive this Notice or any immaterial defect contained herein shall not affect the sufficiency of the redemption proceedings as provided in the Resolution.

DATED: [date of notice generation]

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as paying agent

IMPORTANT NOTICE

Federal law requires the Paying Agent to withhold taxes at the applicable rate from the payment if an IRS Form W-9 or applicable IRS Form W-8 is not provided. Please visit www.irs.gov for additional information on the tax forms and instructions.

EXHIBIT B

FORM OF NOTICE OF DEFEASANCE

NOTICE OF DEFEASANCE

OF THE

**CAMBRIAN SCHOOL DISTRICT
(SANTA CLARA COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS
ELECTION OF 2014, SERIES 2014**

NOTICE IS HEREBY GIVEN pursuant to the Paying Agent Agreement dated as of September 1, 2014 (the “Paying Agent Agreement”), by and between the Cambrian School District (the “District”) and Zions First National Bank, as paying agent (the “Paying Agent”), which authorized the issuance of the above-captioned bonds dated September 14, 2014 (the “Prior Bonds”) that the District has deposited in escrow with Zions Bancorporation, National Association, as escrow agent (the “Escrow Agent”), money in the necessary amount (as evidenced in a verification report provided to the Escrow Agent) to pay the outstanding Prior Bonds maturing July 1, 2025 through July 1, 20___, inclusive (the “Refunded Bonds”) on July 17, 2024.

The owners of the Refunded Bonds shall cease to be entitled to the pledge of assets made under the Paying Agent Agreement. All agreements and covenants of the District contained in the Paying Agent Agreement with respect to the Refunded Bonds shall be released and shall cease, terminate, become void and shall be discharged and satisfied, except for the obligation to pay the interest on and the redemption price of the Refunded Bonds, but only from moneys on deposit with the Escrow Agent.

The Refunded Bonds are further identified as follows:

<u>Maturity Date (July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP*</u>
2025	\$795,000	5.000%	132123 LX6
2026	940,000	5.000	132123 LY4
2027	1,105,000	3.750	132123 LZ1
2028	1,270,000	5.000	132123 MA5
2029	1,460,000	5.000	132123 MB3
2030	1,665,000	5.000	132123 MC1
2031	1,890,000	5.000	132123 MD9
2032	2,130,000	5.000	132123 ME7
2033	2,390,000	5.000	132123 MF4
2034	2,675,000	5.000	132123 MG2
2035	2,980,000	3.500	132123 MH0
2036	3,265,000	3.500	132123 MJ6
2037	3,570,000	3.625	132123 MK3

Maturity Date (July 1)	Principal Amount	Interest Rate	CUSIP*
2038	3,895,000	3.625	132123 ML1
2039	4,235,000	3.625	132123 MM9

**The District and the Paying Agent shall not be responsible for the selection or use of the CUSIP number(s) in this notice, nor is any representation made as to their correctness indicated in the notice or as printed on any Bond. The CUSIP number(s) are included solely for the convenience of the holders.*

THIS IS NOT A NOTICE OF REDEMPTION. THIS NOTICE OF DEFEASANCE IS FOR INFORMATION PURPOSES ONLY, AND DOES NOT REQUIRE OR SOLICIT THE PRESENT SURRENDER OF THE DESCRIBED REFUNDED BONDS.

DATED: [Date of Notice Generation]

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as paying agent