

**RESOLUTION NO. CFD EM1 RES \_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF EASTMARK COMMUNITY FACILITIES DISTRICT NO. 1 (CITY OF MESA, ARIZONA), AUTHORIZING THE ISSUANCE OF ITS GENERAL OBLIGATION BONDS, SERIES 2014; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND REGISTRAR, TRANSFER AGENT AND PAYING AGENT CONTRACT, A PURCHASE CONTRACT RELATING TO THE BONDS, A CONTINUING DISCLOSURE UNDERTAKING, AND CERTAIN OTHER DOCUMENTS SECURING THE PAYMENT OF OR RELATING TO THE BONDS; RATIFYING AND APPROVING A PRELIMINARY LIMITED OFFERING MEMORANDUM RELATING TO THE BONDS; APPROVING A FINAL LIMITED OFFERING MEMORANDUM RELATING TO THE BONDS; LEVYING AN AD VALOREM TAX ON TAXABLE PROPERTY IN THE DISTRICT; AWARDING THE BONDS TO THE PURCHASER THEREOF; APPOINTING A REGISTRAR, TRANSFER AGENT AND PAYING AGENT FOR THE BONDS; AND THE TAKING OF OTHER ACTIONS SECURING THE PAYMENT OF AND RELATING TO THE BONDS.**

**BE IT RESOLVED** by the Board of Directors (the "*District Board*") of Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) (the "*District*") as follows:

**1.     Findings.**

(a) Pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the "*Enabling Act*") and a resolution adopted by the District Board, an election was ordered and called to submit to the qualified electors of the District or to those persons who are otherwise qualified to vote on May 17, 2012 (the "*Election*") the question of authorizing the District Board to issue the general obligation bonds of the District to provide moneys for certain public infrastructure purposes consistent with the General Plan of the District.

(b) The District Board canvassed the Election and resolved that such bonds were authorized to be issued.

(c) Pursuant to the Enabling Act, the District Board has caused the preparation of a feasibility study dated April 3, 2014 of the feasibility and benefits of one or more projects relating to certain public infrastructure (as defined in the Enabling Act) provided for in the General Plan of the District and to be financed with proceeds of the sale of a portion of the District's bonds (collectively, the "*Project*"), such study having been prepared by or on behalf of the District and including a description of certain public infrastructure to be acquired and other information useful to understand the Project, a map showing, in general, the location of the Project, the costs of constructing the Project, an estimate of the cost to acquire, operate and maintain the Project, a map or description of the area to be benefited by the Project, and a plan for financing the Project (the "*Feasibility Study*"). A public hearing on the Feasibility Study was held April 3, 2014, after provision of publication of notice of the hearing as provided by law, and, pursuant to the Enabling Act and by resolution adopted on April 3, 2014, the Feasibility Study was ratified and approved in all respects.

(d) The District Board has determined, exercising its sole and unfettered discretion, to authorize the issuance of the District's General Obligation Bonds, Series 2014 (the "*Bonds*") to provide funds for all or a portion of the public infrastructure purposes provided for in the Enabling Act, the Development, Financing Participation and Intergovernmental Agreement for Eastmark Community Facilities District No. 1 by and among the City of Mesa, Arizona (the "*City*"), the District, and DMB Mesa Proving Grounds, LLC (the "*Company*") dated April 26, 2012 (the "*Development Agreement*"), and the Feasibility Study, to the extent authorized in the Election.

(e) Upon issuance of the Bonds the District Board (1) shall enter in its minutes a record of the Bonds sold and their numbers and dates and (2) shall levy and cause an ad valorem tax to be collected, at the same time and in the same manner as other taxes are levied and collected on all taxable property in the boundaries of the District sufficient, together with moneys from the sources described herein, to pay Debt Service (as such term is defined in the Enabling Act) when due.

(f) Pursuant to the Enabling Act, the District has also determined to enter into a Bond Registrar, Transfer Agent and Paying Agent Contract, dated as of June 1, 2014 or such other date as set forth in the hereinafter defined Purchase Contract for the sale of the Bonds (the "*Registrar/Paying Agent Contract*"), between the District and U.S. Bank National Association, as registrar, transfer agent and paying agent (the "*Registrar*" and "*Paying Agent*" as the case may be), to secure and process the issuance, registration, transfer and payment of, the Bonds. The District Board has determined by this resolution to authorize the issuance of the Bonds and, in order to provide terms for, to secure, and to provide for authentication and delivery of the Bonds by the Registrar, to authorize the execution and delivery of the Registrar/Paying Agent Contract.

(g) There have been placed on file with the Clerk of the District (the "*District Clerk*") and presented in connection herewith (1) the proposed form of the Registrar/Paying Agent Contract, (2) the proposed form of the Purchase Contract relating to the Bonds (the "*Purchase Contract*"), by and between the District and RBC Capital Markets, LLC (the "*Underwriter*"), (3) the proposed form of the Preliminary Limited Offering Memorandum relating to the Bonds, dated the date thereof (the "*Preliminary Limited Offering Memorandum*"), and which, with such completions and changes as may be necessary will constitute the form of the Final Limited Offering Memorandum for the Bonds (the "*Final Limited Offering Memorandum*"), and (4) the proposed form of Continuing Disclosure Undertaking relating to the Bonds, to be dated the date of delivery thereof (the "*Undertaking*"). (The documents described in Clauses (1), (2) and (4) of this paragraph are referred to, collectively, as the "*Bond Documents*.")

(h) The District Board hereby finds and determines that (1) the amount of indebtedness evidenced by the Bonds does not exceed the estimated cost of the public infrastructure improvements plus all costs connected with the public infrastructure purposes and issuance and sale of the Bonds to be financed therewith as indicated in the Feasibility Study and (2) the total aggregate outstanding amount of the Bonds and bonds previously issued by the District does not exceed sixty percent (60%) of the aggregate of the estimated market value of

the real property and improvements in the District after the public infrastructure of the District is acquired by the District with proceeds of the Bonds, all as provided in the Enabling Act.

## **2. Approval of Issuance and Sale of Bonds.**

(a) The Bonds are hereby authorized to be issued as a series of general obligation bonds of the District to be designated "*Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) General Obligation Bonds, Series 2014*" in an aggregate principal amount of not to exceed \$3,500,000. The Bonds shall be in fully-registered form only, shall be dated as of their date of initial issuance and shall bear interest at rates and mature on the dates and in the amounts as set forth in the Purchase Contract. The Bonds shall initially be held under the Book-Entry-Only System, as described herein, and in authorized denominations of \$100,000 and integral multiples of \$5,000 in excess thereof in the case of Bonds owned by Qualified Investors, as defined below; provided, however, that (i) in conjunction with any redemption of the Bonds or (ii) if a maturity in an amount less than \$100,000 results. If the Book-Entry-Only System is discontinued, the Bonds will continue to be in authorized denominations. After the Bonds are no longer restricted as to transfer as herein provided, the Bonds may be in authorized denominations of \$5,000. The first interest payment date will be as set forth in the Purchase Contract, and interest will be payable semiannually thereafter on each succeeding January 15 and July 15 (each such date shall be referred to as an "*Interest Payment Date*") during the term of the Bonds. The interest rate on the Bonds shall not exceed 12.00%, the yield (as determined pursuant to the regulations of the Internal Revenue Code of 1986, as amended (the "*Code*")) on the Bonds of the issue shall not exceed 8.00%, and the final maturity of the Bonds shall be no later than July 15, 2038 (or such later date as set forth in the Purchase Contract that is not greater than twenty-five (25) years from the issuance date of the Bonds).

(b) The principal of and premium, if any, on the Bonds shall be payable upon surrender thereof at the principal corporate trust office of the Paying Agent. Interest due on the Bonds on each Interest Payment Date shall be payable by check mailed, when due, to the persons (the "*Owners*") in whose names the Bonds are registered by the Registrar at the close of business on the last day of the calendar month (other than a Saturday, a Sunday, or a legal holiday or equivalent (other than a moratorium) for banking institutions generally in the place of payment or in the city where the principal corporate trust office of the Paying Agent is located (a "*Business Day*")) next preceding the applicable Interest Payment Date, or if such day is not a Business Day, the previous Business Day (the "*Record Date*").

(c) In the event that interest is not paid on an Interest Payment Date, the Registrar shall establish a special record date for the payment of such interest, if and when funds for the payment of such interest have been received. Notice of the special record date and of the scheduled payment date of the past due interest will be sent at least ten (10) days prior to the special record date, to the address of each Owner appearing on the Register (as such term is hereafter defined).

(d) The initial sale of the Bonds shall be limited to Qualified Investors. The Bonds may not be transferred unless: (i) in authorized denominations; (ii) any transferee is a Qualified Investor; and (iii) any transferee that provides the Registrar with a completed

Certificate of Qualified Investor, as the case may be, each in the form included with the form of the Bonds attached hereto as Exhibit A, and each of which is incorporated herein by reference. For the purposes of the Bonds, "*Qualified Investor*" means a qualified institutional buyer, as such term is defined in Rule 144A of the Securities Act of 1933, as amended, or an accredited investor (excluding natural persons) as defined in Rule 501 of Regulation D of the United States Securities Exchange Commission, who executes the Certificate of Qualified Investor set forth in the form of the Bonds attached hereto as Exhibit A.

(e) The Bonds shall have such additional terms and provisions as are set forth in the Purchase Contract and in the form of Bond attached hereto as Exhibit A, which is attached hereto and made a part of this resolution.

### **3. Prior Redemption.**

(a) Optional Redemption. The Bonds shall be subject to call for redemption prior to their stated maturity dates, at the option of the District, on such dates and at such redemption prices as are set forth in the Purchase Contract.

(b) Mandatory Redemption. The Bonds may be subject to mandatory redemption prior to their stated maturity dates, by lottery, at redemption prices, on such dates and in such amounts as are set forth in the Purchase Contract.

Whenever Bonds which are subject to mandatory redemption are purchased, redeemed (other than pursuant to mandatory redemption) or are delivered by the District to the Registrar for cancellation, the principal amount of the Bonds so retired shall satisfy and be credited against any mandatory redemption requirements for the Bonds for such years as the District may direct.

(c) Notice. (1) So long as the Bonds are held under the book-entry-only system (the "*Book-Entry-Only System*"), notices of redemption will be sent to the Depository Trust Company ("*DTC*") in the manner required by DTC. If the Book-Entry-Only System is discontinued, notice of redemption of any Bond will be mailed to the registered Owners of the Bonds being redeemed at the address shown on the Register maintained by the Registrar not more than sixty (60) nor less than thirty (30) days prior to the date set for redemption. Notice of redemption may be sent to any other securities depository by mail, facsimile transmission, wire transmission or any other means of transmission of the notice generally accepted by the respective securities depository. Neither the failure of DTC nor any registered Owner of Bonds to receive a notice of redemption nor any defect therein will affect the validity of the proceedings for redemption of Bonds to which proper notice was given.

(2) Notice of any redemption of the Bonds will also be provided as required in the Continuing Disclosure Undertaking, but no defect in such notice nor any failure to give all or a portion of such notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

(3) If moneys for the payment of the redemption price and accrued interest are not held in separate accounts by the District, or a Paying Agent prior to sending the notice of redemption, such redemption shall be conditional on such moneys being so held on the date set for redemption and if not so held by such date, the redemption shall be cancelled and be of no force and effect.

(d) Effect of Call for Redemption. On the date designated for redemption by notice given as herein provided, the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date, and, if moneys for payment of the redemption price are held in separate accounts by the Paying Agent, interest on such Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds shall cease to be entitled to any benefit or security hereunder and the Owners shall have no rights in respect thereof except to receive payment of the redemption price thereof and such Bonds shall be deemed paid and no longer outstanding.

(e) Redemption of Less Than All of a Bond. The District may redeem an amount which is included in a Bond in the denomination in excess of \$5,000, but divisible by, \$5,000. In that event, the registered Owner shall submit the Bond for partial redemption and the Paying Agent shall make such partial payment and the Registrar shall cause to be issued a new Bond in a principal amount which reflects the redemption so made to be authenticated and delivered to the registered Owner thereof.

**4. Form of Bonds.** The Bonds shall be in substantially the form of *Exhibit A*, attached hereto and incorporated by reference herein, with such necessary and appropriate omissions, insertions and variations as are permitted or required hereby or by the Purchase Contract and are approved by those officers executing the Bonds and execution thereof by such officers shall constitute conclusive evidence of such approval.

The Bonds may have notations, legends or endorsements required by law, securities exchange rule or usage. Each Bond shall be dated the date of its authentication and registration.

**5. Execution of Bonds and Other Documents.**

(a) Execution of Bonds. The Bonds shall be executed for and on behalf of the District by its Chairman and attested by the District Clerk by their manual or facsimile signatures. If the signatures are affixed or imprinted by facsimile, the Chairman and District Clerk shall execute a certificate adopting as their signatures the facsimile signatures appearing on the Bonds. If an officer whose signature is on a Bond no longer holds that office at the time the Bond is authenticated and registered, the Bond shall nevertheless be valid. A Bond shall not be valid or binding until authenticated by the manual signature of an authorized officer of the Registrar. The signature shall be conclusive evidence that the Bond has been authenticated and issued under this resolution.

(b) Other Documents. The District Board hereby approves the form and orders and directs the execution of the Bond Documents, each in substantially the form presented to the District Board.

The Chairman, any member of the District Board, the District Manager or the District Treasurer are authorized and directed to determine and approve the actual dated date, maturity dates and amounts, interest rates, redemption provisions, and the purchase price to be paid by the Underwriter, and to execute and deliver the Bond Documents in substantially the form presented to the District Board with such necessary and appropriate omissions, insertions and variations as are permitted or required hereby and are approved by those officers executing such agreements on behalf of the District. Execution of the Bond Documents by such officers shall be conclusive evidence of such approval. The District Clerk is authorized and directed to attest such signatures. Where applicable, any of the foregoing officers may affix their signatures by manual, mechanical or photographic means.

**6. Mutilated, Lost or Destroyed Bonds.** In case any Bond becomes mutilated or destroyed or lost, the District shall cause to be executed and delivered a new Bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond or in lieu of and in substitution for such Bond destroyed or lost, upon the registered Owner's paying the reasonable expenses and charges of the District in connection therewith and, in the case of the Bond destroyed or lost, filing with the District Clerk by the registered Owner evidence satisfactory to the District that such Bond was destroyed or lost, and furnishing the District with a sufficient indemnity bond pursuant to A.R.S. § 47-8405, as amended.

**7. Acceptance of Proposal.** The Bonds shall be sold to the Underwriter in accordance with the terms of the Purchase Contract. The actual terms of the Bonds and the Purchase Contract shall be reviewed and approved by the Chairman, any member of the District Board, the District Manager or the District Treasurer (which approval shall be deemed conclusive by the execution and delivery of the Purchase Contract).

The District Treasurer is hereby authorized and directed to cause the Bonds to be delivered to or upon the order of the Underwriter upon receipt of payment therefor and satisfaction of the other conditions for delivery thereof in accordance with the terms of the sale (and to direct how such proceeds and the required contribution from the Company shall be deposited among the funds described in Section 8).

**8. Funds and Accounts.** The District Treasurer shall create the following funds and accounts which shall be held separate and apart and used only as provided herein:

- (a) Bond Fund, which shall include:
  - (i) Principal Account;
  - (ii) Interest Account; and
  - (iii) Redemption Account.
- (b) Acquisition Fund.
- (c) Issuance and Expenses Fund.

The money deposited to the various funds and accounts created hereby, together with all investments thereof and investment income therefrom, shall be held in trust by the District and applied solely as herein provided.

**9. Deposits to and Application of Bond Fund.**

(a) The District shall deposit or shall cause, at the applicable times set forth below, to be immediately deposited from the tax levy described in Section 19 to the Bond Fund to the credit of the applicable accounts:

- (i) to the Principal and Interest Accounts, as applicable, on each December 14 and January 14 or, if either such date is not a Business Day, then the first Business Day immediately preceding such date, all amounts collected by or remitted to the District from the collections of taxes levied pursuant to this resolution;
- (ii) to the Redemption Account, amounts transferred from the Acquisition Fund to the extent hereinafter provided;
- (iii) to the Redemption Account, amounts transferred from the Principal and Interest Accounts or other funds deposited pursuant to any optional or mandatory redemption of the Bonds; and
- (iv) such other funds as the District shall, from time to time, at its option deem advisable.

The Principal, Interest and Redemption Accounts of the Bond Fund shall be applied solely to pay principal of (including any mandatory redemption amount then due), interest on and the redemption price with respect to the Bonds, respectively.

**10. Acquisition Fund.** The District shall deposit to the Acquisition Fund Bond proceeds in the amount provided in the District's Tax Certificate to be executed and delivered as of the date of initial delivery of the Bonds. Amounts on deposit in the Acquisition Fund shall be applied by the District in the amounts and to the persons approved by the District to pay all items of expense directly or indirectly relating to the cost of the Project and as described in the Feasibility Study upon acceptance of the Project by the District or the City pursuant to Article IV of the Development Agreement. Notwithstanding anything contained in this Section 10, any amounts remaining in the Acquisition Fund after three (3) years from the issuance date of the Bonds shall be transferred to the Redemption Account of the Bond Fund and applied to the redemption of Bonds.

**11. Issuance and Expenses Fund.** The money deposited to the Issuance and Expenses Fund, together with all investments thereof and investment income therefrom, shall be

held in trust by the District. The District shall deposit to the Issuance and Expenses Fund Bond proceeds and a Company contribution in the amounts provided in the District's Tax Certificate to be executed and delivered as of the date of initial delivery of the Bonds. Upon a request for disbursement, amounts on deposit in the Issuance and Expenses Fund shall be applied to pay all costs of the issuance and sale of the Bonds identified in a request signed by either the Chairman of the Board, the District Manager or the District Treasurer. After six (6) months from the issuance date of the Bonds, the District shall transfer any moneys in the Issuance and Expenses Fund to the Acquisition Fund.

**12. Investment of and Security for Funds.** Money held for the credit of any fund or account herein created shall be invested pursuant to A.R.S. § 35-323.

**13. Registrar and Paying Agent.** Pursuant to the Registrar/Paying Agent Contract, the Registrar will maintain an office or agency where Bonds may be presented for registration of transfer and the Paying Agent will maintain an office or agency where Bonds may be presented for payment. The District may appoint one or more co-registrars or one or more additional paying agents. The Registrar and the Paying Agent may make reasonable rules and set reasonable requirements for their respective functions with respect to the owners of the Bonds.

Initially, U.S. Bank National Association, Phoenix, Arizona, will act as Registrar and Paying Agent with respect to the Bonds. The District may change the Registrar or Paying Agent without notice to or consent of the Owners of the Bonds and the District may act in any such capacity.

Each Paying Agent will be required to agree in writing that the amounts which are segregated by the District or deposited with the Paying Agent to pay the principal of or interest on any Bonds becoming due on any due date shall be held in trust for the benefit of the Owner of such Bonds. Amounts so segregated or deposited and held in trust shall constitute a separate trust fund for the benefit of the Owner of such Bonds entitled to such principal or interest, as the case may be. Amounts held by the District or Paying Agent for the payment of the principal of (and premium, if any) or interest on the Bonds need not be segregated from other funds, except to the extent required by law.

The District may at any time direct any Paying Agent to pay to the District all money held by such Paying Agent, such amounts to be held by the District upon the same trusts as those upon which such money was held by such Paying Agent, and, upon such payment by any Paying Agent to the District, such Paying Agent shall be released from all further liability with respect to such money.

The Registrar may appoint an authenticating agent acceptable to the District to authenticate Bonds. An authenticating agent may authenticate Bonds whenever the Registrar may do so. Each reference herein to authentication by the Registrar includes authentication by an authenticating agent acting on behalf and in the name of the Registrar and subject to the Registrar's direction.



The Registrar shall keep a register of the Bonds (the "*Register*"), the registered Owners of the Bonds and of transfer of the Bonds. When Bonds are presented to the Registrar or a co-registrar with a request to register transfer, the Registrar will register the transfer on the registration books if its requirements for transfer are met and will authenticate and deliver one or more Bonds registered in the name of the transferee of the same principal amount, maturity and rate of interest as the surrendered Bonds. Bonds presented to the Registrar for transfer after the close of business on the Record Date and before the close of business on the next subsequent Interest Payment Date will be registered in the name of the transferee but the interest payment will be made to the registered Owners of the Bonds shown on the books of the Registrar as of the close of business on the Record Date.

The Registrar may but need not register the transfer of a Bond which has been selected for redemption and need not register the transfer of any Bond for a period of fifteen (15) days before a selection of Bonds to be redeemed; if the transfer of any Bond which has been called or selected for call for redemption in whole or in part is registered, any notice of redemption which has been given to the transferor will be binding upon the transferee and a copy of the notice of redemption will be delivered to the transferee along with the Bond or Bonds.

The restrictions on transfer of the Bonds or any beneficial interest therein to Qualified Investors, included in the form of the Bonds attached hereto as Exhibit A, shall not be applicable after receipt by the Registrar of (a) proof of: (i) a rating on the Bonds from a rating agency of "AAA" or "AA" or (ii) a rating on the Bonds from a rating agency of "A" or "BBB" and written approval of the District to the deletion of such restrictions, such approval to be granted by the Board in its sole discretion; or (b) defeasance of the Bonds pursuant to this resolution.

The Registrar shall authenticate Bonds for original issue up to \$3,500,000 in aggregate principal amount upon the written request of the District Treasurer. The aggregate principal amount of Bonds outstanding at any time may not exceed that amount except for replacement Bonds as to which the requirements of the Registrar and the District are met.

So long as the Bonds are administered under the Book-Entry-Only System, interest payments and principal payments that are part of periodic principal and interest payments shall be paid to Cede & Co. or its registered assigns in same-day funds no later than the time of payment established by DTC on each interest or principal payment date (or in accordance with then existing arrangements between the District and DTC). The District has entered into an agreement (the "*Letter of Representations*") with DTC in connection with the issuance of its bonds and, while the Letter of Representations is in effect, the procedures established therein shall apply to the Bonds.

If the Book-Entry-Only System is discontinued, the Registrar's registration books will show the registered Owners. While the Bonds are subject to the Book-Entry-Only System, the Bonds shall be registered in the name of Cede & Co., or its registered assigns. The Bonds will be administered by the Registrar in a manner which assures against double issuance and provides a system of transfer of ownership on the books of the Registrar in the manner set forth in the Bonds.

Upon written request of a registered Owner of at least \$1,000,000 in principal amount of Bonds not less than twenty (20) days prior to an Interest Payment Date, all payments of interest and, if adequate provision for surrender is made, principal shall be paid by wire transfer in immediately available funds to an account within the United States of America designated by such Owner.

**14. Payment of Indebtedness; Satisfaction and Discharge of Resolution.**

Whenever:

(a) all Bonds theretofore authenticated and delivered have been canceled by the Registrar or delivered to the Registrar for cancellation, excluding, however:

(i) Bonds for the payment of which money has theretofore been deposited in trust with the Paying Agent as provided in Section 13,

(ii) Bonds alleged to have been destroyed, lost, or stolen which have been replaced or paid as provided in Section 6, except for any such Bond which, prior to the satisfaction and discharge of this resolution, has been presented to the Registrar with a claim of ownership and enforceability by the Owner thereof and where enforceability has not been determined adversely against such Owner by a court of competent jurisdiction,

(iii) Bonds, other than those referred to in the foregoing Clauses, for the payment or redemption (under arrangements satisfactory to the Registrar for the giving of notice of redemption by the Registrar in the name and at the expense of the District) of which the District has deposited or caused to be deposited with the Paying Agent in trust for such purpose an amount (to be immediately available for payment, except in the case of Bonds excepted from the foregoing Clause (ii) prior to the time the ownership and enforceability of such Bonds has been established) sufficient to pay and discharge the entire indebtedness on the Bonds for principal (and premium, if any) and interest to the date of maturity thereof, and

(iv) Bonds deemed no longer outstanding as a result of the deposit or escrow of money or Governmental Obligations or both as described in Section 15; and

(b) the District has paid or caused to be paid all other sums payable hereunder by the District, then this resolution and the lien, rights, and interests created hereby shall cease, determine, and become null and void (except as to any surviving rights of transfer or exchange of Bonds herein or therein provided for), and the Paying Agent and each co-paying agent and separate paying agent, if any, then acting as such shall pay, assign, transfer, and deliver to the District all cash, securities, and other personal property then held by it.

(c) Notwithstanding the satisfaction and discharge of this resolution, the obligations of the District to pay the Registrar and Paying Agent reasonable compensation for its services rendered under the Registrar/Paying Agent Contract shall survive.

(d) For purposes of this section, "*Governmental Obligations*" means (1) direct obligations of, or obligations the timely payment of principal of is fully and unconditionally guaranteed by, the United States of America or (2) obligations described in Section 103(a) of the Code, provision for the payment of the principal of and premium, if any, and interest on which shall have been made by the irrevocable deposit with a bank or trust company acting as a trustee or escrow agent for holders of such obligations of securities described in clause (1) the maturing principal of and interest on which, when due and payable, will provide sufficient moneys to pay when due the principal of and premium, if any, and interest on such obligations, and which securities described in clause (1) are not available to satisfy any other claim, including any claim of the Paying Agent or escrow agent, or any claim of one to whom the Paying Agent or escrow agent may be obligated which, at the time of deposit pursuant to Section 15, have been assigned ratings in the highest rating categories of Standard and Poor's Financial Services LLC ("*S&P*") and Moody's Investors Service, Inc. ("*Moody's*"), but in the case of both Clause (1) and Clause (2) of this paragraph, for purposes of Section 15, only if such obligations are non-callable prior to the maturity of the Bonds or (3) REFCORP STRIPS, which are defined as obligations, representing interest on obligations of the Resolution Funding Corporation, the payment of such interest, if other revenues are insufficient, is required to be paid from the United States Treasury, which interest obligations are stripped by the Federal Reserve Bank of New York. Governmental Obligation also includes for purposes other than Section 15, a "no load," open-end management investment company or trust (mutual fund), registered with the federal Securities and Exchange Commission (SEC), meeting the requirements of Rule 2a-7 under the Investment Company Act of 1940, and which money market fund invests in short term United States Treasury obligations, agencies guaranteed by the United States, and repurchase agreements secured by the same and which money market fund has a rating by S&P of AAAm-G; AAAm; or AAAm or better and a rating by Moody's of "VMIG-1" or better.

**15. Defeasance.** Any Bond shall be deemed to be no longer outstanding when payment of the principal of such Bond, plus interest thereon to the maturity thereof (whether such maturity be by reason of the stated maturity thereof or call for redemption, if notice of such call has been given or waived or irrevocable arrangements therefor satisfactory to the Paying Agent or a depository trustee have been made) shall have been provided for by depositing for such payment from funds of the District under the terms provided in this Section (1) money sufficient to make such payment or (2) money and Governmental Obligations certified by an independent accountant of national reputation to mature as to principal and interest in such amounts and at such times as shall, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom be sufficient to make such payment, provided that all necessary and proper fees, compensation, and expenses of the Paying Agent or a depository trustee pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Paying Agent or a depository trustee. Any such deposit shall be made either with the Paying Agent or a depository trustee or, if notice of such deposit is given to the Paying Agent or a depository trustee, with a state or nationally-chartered bank with a minimum combined capital and surplus of \$50,000,000,

as escrow agent, with irrevocable instructions to transfer the amounts so deposited and investment income therefrom to the Paying Agent or a depository trustee in the amounts and at the times required to pay principal of and interest on the Bonds with respect to which such deposit is made at the maturity thereof and of such interest or the stated maturity, as the case may be. In the event such deposit is made with respect to some but not all of the Bonds then outstanding, the outstanding Bonds shall be selected in the same manner as provided in Section 13 for the selection of Bonds to be redeemed.

Notwithstanding anything herein to the contrary however, no such deposit shall have the effect hereinabove described (1) if made during the existence of default hereunder of which the Paying Agent or a depository trustee has received written notice unless made with respect to all of the Bonds then outstanding and (2) unless there shall be delivered to the Paying Agent or a depository trustee an opinion of a firm of attorneys of national reputation, acceptable to the District and experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds to the effect that such deposit shall not adversely affect any exemption from federal income taxation of interest on any Bond. Any money and Governmental Obligations deposited with the Paying Agent or a depository trustee for such purpose shall be held by the Paying Agent or a depository trustee in a segregated account in trust for the Owners of the Bonds with respect to which such deposit is made and together with any investment income therefrom, shall be disbursed solely to pay the principal of and interest on the Bonds when due. No money or Governmental Obligations so deposited pursuant to this Section shall be invested or reinvested unless in Governmental Obligations and unless such money not invested, such Governmental Obligations not reinvested, and such new investments are together certified by an independent accountant of national reputation to be of such amounts, maturities, and interest payment dates and to bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient to make such payment. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this resolution, except for purposes of any such payment from such money or Governmental Obligations.

**16. Application of Deposited Money.** Money or Governmental Obligations deposited with the Paying Agent or a depository trustee pursuant to Section 15 shall constitute a separate trust fund for the benefit of the persons entitled thereto. Such money or Governmental Obligations shall be applied by the Paying Agent or a depository trustee to the payment to the Owners entitled thereto of the principal (and premium, if any) and interest for the payment of which such money has been deposited with the Paying Agent or a depository trustee.

**17. Other Actions Necessary.** The Chairman (or any other member of the District Board in the event the Chairman is absent or unable to timely take the desired action), the District Manager, the District Clerk and the officers of the District shall take all action necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated by the Bond Documents and the Final Limited Offering Memorandum, including without limitation, the execution and delivery of the closing and other documents required to be delivered in connection with the sale and delivery of the Bonds.

**18. Distribution of Disclosure Documents.** The Preliminary Limited Offering Memorandum is hereby deemed final for all purposes of SEC Rule 15c(2)(12), its distribution by the Underwriter is hereby authorized and approved, and the District Manager or any member of the District Board is hereby authorized and directed to complete, execute and deliver the Final Limited Offering Memorandum in substantially the form of the Preliminary Limited Offering Memorandum with, in each case, such completions and changes as may be acceptable to such District Manager or member of the District Board, and the distribution and use of the Final Limited Offering Memorandum by the Underwriter is hereby approved.

**19. Tax Levy.**

(a) For each year while any Bond is outstanding, the District Board shall annually levy and thereafter forward to Maricopa County for collection an ad valorem tax, at the same time and in the same manner as other taxes are levied and collected on all taxable property in the District, sufficient, together with any moneys from any sources authorized in the Enabling Act and provided for under the Bond Documents, to pay Debt Service when due.

(b) Moneys derived from the levy of the tax provided for in this Section when collected and allocated to the Bonds constitute funds to pay Debt Service and shall be deposited in the Bond Fund for the Bonds and shall be kept separately from other funds of the District.

(c) The District Board shall make annual statements and estimates of the amount to be raised to pay Debt Service on the Bonds and such other costs of the District as are permitted under "public infrastructure purposes" as provided in the Enabling Act. The District Board shall file the annual statements and estimates with the District Clerk of the City and shall publish a notice of the filing of the estimate. The District Board, on or before the date set by law for certifying the annual budget of the District, shall fix, levy and assess the amounts to be raised by ad valorem taxes of the District and shall cause certified copies of the order to be delivered to the Board of Supervisors of Maricopa County, Arizona, and to the Department of Revenue of the State. All statutes relating to the levy and collection of State and county taxes, including the collection of delinquent taxes and sale of property for nonpayment of taxes, apply to the taxes provided for by this Section.

**20. No Obligation of City.** Nothing contained in this resolution, the Bond Documents or any other instrument shall be construed as obligating the City or the State of Arizona (the "State") or any political subdivision of either (other than the District) or as incurring a charge upon the general credit of the City and the State nor shall the breach of any agreement contained herein, the Bond Documents or any other instrument or documents executed in connection therewith impose any charge upon the general credit of the City and the State.

**21. Ratification of Actions.** All actions of the officers and agents of the District which conform to the purposes and intent hereof and which further the issuance and sale of the Bonds as contemplated hereby whether heretofore or hereafter taken shall be and are hereby ratified, confirmed and approved. Any change made in the Purchase Contract, which does not conform to the prior order or resolution of the District Board, is hereby ratified. The proper officers and agents of the District are hereby authorized and directed to do all such acts and

things and to execute and deliver all such documents on behalf of the District as may be necessary to carry out the terms and intent of this resolution.

**22. Compliance with Federal Law.**

(a) The District recognizes that the purchasers and Owner of the Bonds will have accepted them on, and paid therefore a price which reflects, the understanding that interest thereon is excludable from gross income of the Owner thereof for federal income tax purposes under laws in force at the time the Bonds shall have been delivered. In this connection the District agrees that it shall take no action which may render the interest on any of the Bonds to be includable in gross income for federal income tax purposes. The District agrees that, to the extent possible under state law, it will comply with whatever federal law is now in effect or which shall be adopted in the future which applies to the Bonds and is necessary to prevent interest on the Bonds from becoming included as gross income for purposes of calculating federal income taxes.

(b) The District Authorizes the creation of a fund which is hereinafter referred to as the "*Rebate Fund*". The District will comply with the rebate requirement set forth in the certificate as to tax matters delivered in connection with the delivery of the Bonds.

(c) The Chairman of the Board of the District or his or her designee is hereby authorized to make certain truthful certifications, representations, agreements and elections as required by law to assure the purchasers and Owner of the Bonds that the proceeds of the Bonds will not be used in a manner which would or might result in the Bonds being "arbitrage bonds" under Section 148 of the Code or the regulations of the United States Treasury Department currently in effect or proposed. The certifications, representations and agreements of the District may be made by executing and delivering certificates and agreements required by the District's bond counsel, Gust Rosenfeld P.L.C. The certificates and agreements shall constitute an agreement of the District to follow covenants and requirements set forth therein which may require the District to take certain actions (including the payment of certain amounts to the United States Treasury) or which may prohibit certain actions (including the establishment of certain funds) under certain conditions.

(d) The District further recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully-registered form in order for interest thereon to be excludable from gross income for purpose of federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the District agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form if such action would cause interest on the Bonds to be included in gross income for federal income tax purposes.

(e) This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

**23. Qualified Tax-Exempt Obligations.** In the event the Chairman, any member of the District Board, the District Manager or the District Treasurer determines that the

District reasonably expects to issue less than \$10,000,000 in principal amount of tax-exempt obligations in this current calendar year, the District hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. The Chairman, any member of the District Board, the District Manager or the District Treasurer shall certify in the closing certificates that it is reasonably anticipated that the aggregate amount of qualified tax-exempt obligations (as defined in Section 265(b)(3)(B) of the Code) which shall be issued for or by the District in the current calendar year shall not exceed \$10,000,000.

**24. Resolution a Contract.** This resolution shall constitute a contract between the District and the registered Owners of the Bonds and shall not be repealed or amended in any manner which would impair, impede or lessen the rights of the registered Owners of the Bonds then outstanding.

**25. Severability.** If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

**26. Effective Date.** This resolution shall be effective immediately.

[SIGNATURES ON FOLLOWING PAGE]

**PASSED AND ADOPTED** by the Board of Directors of Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) on April 3, 2014.

**EASTMARK COMMUNITY FACILITIES  
DISTRICT NO. 1 (CITY OF MESA, ARIZONA)**

\_\_\_\_\_  
Chairman, Board of Directors

ATTEST:

\_\_\_\_\_  
Clerk, Board of Directors

APPROVED AS TO FORM:

\_\_\_\_\_  
Bond Counsel

***CERTIFICATE***

I hereby certify that the above and foregoing Resolution No. CFD EM1 RES\_\_\_ was duly passed by the Board of Directors of the Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) at a regular meeting held on April 3, 2014, and that a quorum was present thereat and that the vote thereon was \_\_\_\_\_ ayes and \_\_\_\_\_ nays; \_\_\_\_\_ did not vote or were absent.

\_\_\_\_\_  
Clerk



**EXHIBIT A**

REGISTERED

No. R-\_\_\_\_\_

REGISTERED

\$\_\_\_\_\_

*UNLESS THE PROVISIONS OF THE HEREINAFTER DESCRIBED BOND RESOLUTION PROVIDE OTHERWISE, BENEFICIAL OWNERSHIP INTERESTS IN THE HEREINAFTER DESCRIBED BONDS ARE ONLY TRANSFERABLE IN CONNECTION WITH A SALE TO OR THROUGH A BROKER/DEALER (1) OF A PRINCIPAL AMOUNT OF \$100,000 OR MORE AND (2) TO A QUALIFIED INSTITUTIONAL BUYER EXECUTING THE REQUIRED INVESTOR LETTER IN THE RESPECTIVE FORM AS ATTACHED HERETO.*

*UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC") TO THE PAYING AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.*

THIS BOND IS ONLY TRANSFERABLE UPON COMPLIANCE  
WITH THE RESTRICTED TERMS PROVIDED HEREIN

UNITED STATES OF AMERICA  
STATE OF ARIZONA

***EASTMARK COMMUNITY FACILITIES DISTRICT NO. 1  
(CITY OF MESA, ARIZONA)  
GENERAL OBLIGATION BONDS, SERIES 2014***

Interest Rate	Maturity Date	Original Dated Date	CUSIP No.
%	July 15, ____	_____, 2014	_____

REGISTERED OWNER:     **CEDE & CO.**

PRINCIPAL AMOUNT:     \_\_\_\_\_ AND NO/100  
DOLLARS

Eastmark Community Facilities District No. 1, a community facilities district formed by the City of Mesa, Arizona, and duly organized and validly existing, pursuant to the laws of the State of Arizona (the "*District*"), for value received, hereby promises to pay or cause the Paying Agent to pay to the "Registered Owner" specified above or registered assigns (the "*Owner*"), on the "Maturity Date" specified above unless earlier redeemed as provided herein, the "Principal Amount" specified above and to pay interest (calculated on the basis of a 360-day year of twelve 30-day months) on the unpaid portion thereof from the "Original Dated Date" specified above, or from the most recent "Interest Payment Date" (as such term is hereinafter defined) to which interest has been paid or duly provided for, until such Principal Amount is paid

or the payment thereof is duly provided for at or in advance of the Maturity Date, semiannually on each January 15 and July 15 commencing January 15, 2015 (each an "*Interest Payment Date*"), at the per annum "*Interest Rate*" specified above.

As provided in the Bond Resolution (as such term is hereinafter defined), the interest, principal and redemption price payable on the Bonds shall be paid to CEDE & Co. or its registered assigns in same-day funds by the Paying Agent no later than the time established by The Depository Trust Company ("*DTC*") on the date due (or in accordance with then existing arrangements between the District and DTC).

If the specified date for any such payment shall be a Saturday, a Sunday, or a legal holiday or equivalent (other than a moratorium) for banking institutions generally in the place of payment or in the city where the designated corporate trust office of the Paying Agent is located then such payment may be made on the next succeeding day which is not one of the foregoing days without additional interest and with the same force and effect as if made on the specified date for such payment, except that in the event of a moratorium for banking institutions generally at the place of payment or in the city where the principal corporate trust office of the Paying Agent is located, such payment may be made on such next succeeding day except that the Bonds on which such payment is due shall continue to accrue interest until such payment is made or duly provided for.

This Bond is one of a an issue of bonds of the District duly authorized to be issued by a resolution of the District's Board of Directors adopted on April 3, 2014 (the "*Bond Resolution*") and having the designation specified in its title (the "*Bonds*"), issued and to be issued in one series under, and all equally and ratably secured, with the limitations described herein, by the Bond Resolution, to which Bond Resolution reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder of the Owners of the Bonds, the Paying Agent, and the District, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each Owner of this Bond hereby consents. The Bonds are issued for the purposes described in the Bond Resolution and in strict conformity with Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the "*Enabling Act*").

The Bonds are payable, equally and ratably with such other obligations of the District payable from such sources as may be outstanding from time to time and to the extent provided in the Bond Resolution, from the proceeds of an *ad valorem* tax, unlimited as to rate or amount, to be levied and collected at the same time and in the same manner as other taxes are levied and collected on all taxable property within the boundaries of the District sufficient together with any other moneys from sources available pursuant to the Enabling Act to pay Debt Service (as defined in the Enabling Act) on the Bonds when due.

Notwithstanding any provisions hereof or of the Bond Resolution, however, the obligation of the District to make money available to pay this Bond may be defeased by the deposit of money and/or certain direct or indirect Governmental Obligations (as such term is defined in the Bond Resolution) sufficient for such purpose as described in the Bond Resolution.

The Bonds are issuable as fully-registered bonds only in the denominations of \$100,000 and integral multiples of \$5,000 in excess thereof.

**Optional Redemption.** The Bonds maturing after July 15, 20\_\_, are subject to redemption, at the option of the District, on any date on or after July 15, 20\_\_ as a whole or in part, upon not more than sixty (60) nor less than thirty (30) days prior notice given by mail as provided in the Bond Resolution, upon payment of the redemption price, which shall consist of the principal amount of the Bonds so redeemed plus accrued interest, if any, on the bonds so redeemed from the most recent Interest Payment Date to the date fixed for redemption, but without premium.

**Mandatory Redemption.** The Bonds maturing on July 15, 20\_\_, shall be redeemed on the following Redemption Dates and in the following amounts upon not more than sixty (60) nor less than thirty (30) days prior notice given by mail as provided in the Indenture, upon payment of the redemption price, which shall consist of the principal amount of the Bonds so redeemed plus accrued interest, if any, on the Bonds so redeemed from the most recent Interest Payment Date to the Redemption Date but without premium.

Redemption Date <u>(July 15)</u>	Principal <u>Amount</u>
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Whenever Bonds are redeemed (other than pursuant to mandatory redemption) or are delivered to the Registrar for cancellation, the principal amount of the Bonds of such maturity so retired shall satisfy and be credited against the mandatory redemption requirements for such maturity on a pro rata basis, to the extent practicable provided, however, that each remaining mandatory payment shall be in an amount which is an Authorized Denomination.

Bonds (or portions thereof) for whose redemption and payment provision is made in accordance with the Bond Resolution shall thereupon cease to be entitled to the benefits thereof and shall cease to bear interest from and after the date fixed for redemption.

If less than all the outstanding Bonds are to be redeemed, the particular Bonds of a maturity to be redeemed shall be determined by DTC pursuant to its procedures.

The Bonds shall initially be issued as a single, fully-registered bond in each stated maturity and so long as the ownership of the Bonds is maintained in book-entry form by DTC or a nominee thereof, this Bond may be transferred in whole but not in part only to DTC or a nominee thereof or to a successor Depository or its nominee.

Neither the District nor the Paying Agent will have any responsibility or obligation to any direct participant, indirect participant or any beneficial Owner or any other person not shown on the registration books of the Registrar as being an Owner with respect to: (1) the Bonds; (2) the accuracy of any records maintained by DTC or any direct participant or

indirect participant; (3) the timely or untimely payment by DTC or any direct participant or indirect participant of any amount due to any beneficial Owner in respect of the principal or redemption price of or interest on the Bonds; (4) the delivery by any direct participant or indirect participant of any notice to any beneficial Owner which is required or permitted under the terms of the Bond Resolution to be given to Owners; (5) the selection of the beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (6) any consent given or other action taken by DTC as Owner.

The Owner of this Bond has no right to enforce the provisions of the Bond Resolution, or to institute action to enforce the pledge, assignment or covenants made therein or to take any action with respect to an event of default described in the Bond Resolution or to institute, appear in, or defend any suit, action or other proceeding at law or in equity with respect thereto, except as provided in the Bond Resolution.

The liability of the District and obligations of the District pursuant to the Bond Resolution with respect to all or any portion of the Bonds may be discharged at or prior to the maturity or redemption of the Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Bond Resolution.

No covenant or agreement contained in the Bonds or in the Bond Resolution shall be deemed to be the covenant or agreement of any elected or appointed official, officer, agent, servant or employee of the District in his or her individual capacity or of any officer, director, agent, servant or employee of the Paying Agent or Owner in his or her individual capacity, and neither the members of the governing body of the District nor any official executing the Bonds, including any officer or employee of the Paying Agent, shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Terms used, but not defined, herein have the meanings set forth in the Bond Resolution. Copies of the Bond Resolution are on file at the designated office of the Paying Agent, and reference is made to those instruments for the provisions relating, among other things, to the terms and source of payment and security for the Bonds, the limited liability of the District, the custody and application of the proceeds of the Bonds, the rights and remedies of the Owners of the Bonds, amendments, and the rights, duties and obligations of the District and the Paying Agent, to all of which the Owner hereof, by acceptance of this Bond, assents.

Notwithstanding any other provision of this Bond to the contrary, but except as otherwise provided in the Bond Resolution, this Bond, including any beneficial ownership interest therein, is non-transferable except through a Broker-Dealer to qualified investors executing the applicable certificate attached hereto.

The District, the Paying Agent, and any agent of either of them may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Bond be overdue, and none of the District, the Paying Agent, and any such agent shall be affected by notice to the contrary.

NOTHING CONTAINED IN THE BOND RESOLUTION, THE BOND DOCUMENTS (AS DEFINED IN THE BOND RESOLUTION) OR ANY OTHER INSTRUMENT SHALL BE CONSTRUED AS OBLIGATING THE CITY OF MESA, ARIZONA OR THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION OF EITHER (OTHER THAN THE DISTRICT) OR AS INCURRING A CHARGE UPON THE GENERAL CREDIT OF THE CITY AND THE STATE NOR SHALL THE BREACH OF ANY AGREEMENT CONTAINED IN THE BOND RESOLUTION, THE BOND DOCUMENTS OR ANY OTHER INSTRUMENT OR DOCUMENTS EXECUTED IN CONNECTION THEREWITH IMPOSE ANY CHARGE UPON THE GENERAL CREDIT OF THE CITY AND THE STATE.

Unless the Certificate of Authentication hereon has been executed by the Registrar, by manual signature, this Bond shall not be entitled to any benefit under the Bond Resolution or be valid or obligatory for any purpose.

It is hereby certified, covenanted, and represented that all acts, conditions and things required to be performed, exist, and be done precedent to or in the issuance of this Bond in order to render the same a legal, valid, and binding general obligation of the District have been performed, exist and have been done, in regular and due time, form, and manner, as required by law, and that issuance of the bonds does not exceed any constitutional or statutory limitation. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. This Bond shall be construed in accordance with and governed by the laws of the State of Arizona and the federal laws of the United States of America.

IN WITNESS WHEREOF, the District has caused this Bond to be duly executed.

EASTMARK COMMUNITY FACILITIES  
DISTRICT NO. 1 (CITY OF MESA,  
ARIZONA)

By \_\_\_\_\_  
District Chairman

ATTEST:

\_\_\_\_\_  
District Clerk

Dated \_\_\_\_\_

## CERTIFICATE OF AUTHENTICATION

This Bond is one of the Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) General Obligation Bonds, Series 2014, described in the Bond Resolution mentioned herein.

U.S. Bank National Association, as Registrar

By \_\_\_\_\_  
Authorized Representative

DATE: \_\_\_\_\_

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(INSERT INSURANCE STATEMENT HERE, IF APPLICABLE)  
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### **FORM OF ASSIGNMENT**

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT/TRANS MIN ACT - \_\_\_\_\_ (Custodian)

Custodian for \_\_\_\_\_ (Minor) Under Uniform

Gifts/Transfers to Minors Act of \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in the above list.

### **ASSIGNMENT**

For Value Received the undersigned, subject to the transfer restrictions described in the within bond, hereby sells, assigns, and transfers unto (print or typewrite name, address, and zip code of transferee):

\_\_\_\_\_  
\_\_\_\_\_  
(Print or typewrite Social Security or other identifying number of transferee:

\_\_\_\_\_) the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints (print or typewrite name of attorney) \_\_\_\_\_, attorney, to transfer the within bond on the book kept for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_

Signature guarantee should be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Registrar and Paying Agent.

NOTICE: The signature(s) on this assignment must correspond with the name(s) of the registered owner(s) appearing on the face of the within bond in every particular.

**ALL FEES AND TRANSFER COSTS SHALL BE PAID BY THE TRANSFEROR**

**[FORM OF CERTIFICATE OF QUALIFIED INVESTOR]**

[Letterhead of Purchaser]

EASTMARK COMMUNITY FACILITIES DISTRICT NO. 1  
(CITY OF MESA, ARIZONA)

U.S. BANK NATIONAL ASSOCIATION, as Registrar

RBC CAPITAL MARKETS, LLC

Re: Eastmark Community Facilities District No. 1 (City of Mesa, Arizona)  
General Obligation Bonds, Series 2014

Ladies and Gentlemen:

In connection with the undersigned Purchaser's proposed purchase of the above-referenced Bonds (the "Bonds"), which Bonds were issued by Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) (the "District"), Purchaser hereby certifies, represents and warrants as follows:

1. Purchaser has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by Purchaser in connection with the purchase of the Bonds.
2. Purchaser is a "qualified institutional buyer" as defined in Rule 144A under the Securities Act of 1933, as amended, or an accredited investor (excluding natural persons) as defined in Rule 501 of Regulation D of the United States Securities Exchange Commission.
3. Purchaser has, either alone or with a purchaser representative, (i) experience in the bond market, (ii) knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of the Bonds, and (iii) the ability to bear the economic risk of its investment in the Bonds, including a total loss of Purchaser's investment. Purchaser's commitment to investments that are not readily marketable is not disproportionate to its net worth, and an investment in the Bonds will not cause such commitment to become excessive. Purchaser has adequate means of providing for its current needs and contingencies and has no need for liquidity with respect to its investment in the Bonds, and can withstand a complete loss of such investment in the Bonds.
4. Purchaser understands that the Bonds (a) are not registered under the Securities Act of 1933, as amended, and are not registered or otherwise qualified for sale under the "blue sky" laws and regulations of any state, (b) will not be listed on any stock or other securities exchange, (c) will not be rated by any bond rating agency, and (d) will not be readily marketable.
5. The Bonds are being acquired by Purchaser for investment and not with a view to, or for resale in connection with, any distribution of the Bonds, and Purchaser intends to hold the Bonds for its own account and for an indefinite period of time, and does not intend at this time to dispose of all or any part of the Bonds in violation of the Act or other applicable securities laws. Purchaser agrees that it may not sell or otherwise transfer all or any interest in the Bonds except as expressly provided in this letter, the Bonds and the offering document. Purchaser understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.

6. Purchaser, either alone or with a purchaser representative, has made its own inquiry, independent investigation, due diligence and analysis with respect to the Bonds and acknowledges that it has either been supplied with or been given access to information, including the offering document, financial statements and other financial information, to which a reasonable Purchaser would attach significance in making investment decisions, and Purchaser has read and understand the information, including the rights, risks and limitations pertaining to the Bonds, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the District, DMB Mesa Proving Grounds, LLC, the Project (as described in the offering document), the Bonds and the security therefore so that, as a reasonable investor, Purchaser has been able to make its investment decision to purchase the Bonds.
7. Purchaser acknowledges that the District and the Registrar and others will rely upon the truth and accuracy of the acknowledgements, representations and agreements herein.
8. Purchaser has satisfied itself that the Bonds are a lawful investment for Purchaser under all applicable laws.

#### **ACCEPTANCE**

ACCEPTED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_