

ESCROW AGREEMENT

\$65,000,000

**Los Rios Community College District
(Sacramento County, California)
General Obligation Bonds, 2008 Election, Series C**

This ESCROW AGREEMENT (this “Agreement”), dated June 18, 2025, is between the LOS RIOS COMMUNITY COLLEGE DISTRICT, a community college district organized and existing under the Constitution and laws of the State of California (the “District”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as escrow agent (the “Escrow Agent”).

BACKGROUND:

1. The District has previously issued its Los Rios Community College District (Sacramento County, California) General Obligation Bonds, 2008 Election, Series C in the aggregate original principal amount of \$65,000,000 (the “2008 Series C Bonds”), under Resolution No. 2017-21 adopted by the Board of Trustees of the District on November 8, 2017 (the “2008 Series C Bond Resolution”), for the purpose of providing funds to finance educational facilities of the District which are authorized under Measure M.

2. The Director of Finance of the County of Sacramento acts as paying agent (the “Paying Agent”) for the 2008 Series C Bonds under the 2008 Series C Bond Resolution.

3. The 2008 Series C Bonds are subject to optional redemption on August 1, 2025, and on any date thereafter, at a redemption price equal to 100% of the principal amount to be redeemed together with accrued interest thereon to the redemption date, without premium.

4. In order to provide funds to redeem the 2008 Series C Bonds and thereby realize debt service savings, the District has authorized the issuance of its Los Rios Community College District (Sacramento County, California) 2025 Refunding General Obligation Bonds in the aggregate principal amount of \$_____ (the “2025 Refunding Bonds”) under Resolution No. ____ adopted by the Board of Trustees of the District on April 9, 2025 (the “Refunding Bond Resolution”).

5. As a result of the deposit and investment of funds in accordance with this Agreement, the 2008 Series C Bonds will be discharged and defeased in accordance with the 2008 Series C Bond Resolution.

A G R E E M E N T :

In consideration of the premises and the material covenants contained herein, the District and the Escrow Agent hereby agree as follows:

Section 1. Definition of Federal Securities. As used herein, the term “Federal Securities” means any non-callable United States Treasury notes, bonds, bills or certificates of indebtedness, or any other non-callable obligations the timely payment of which is directly or indirectly guaranteed by the faith and credit of the United States of America.

Section 2. Appointment of Escrow Agent; Establishment of Escrow Fund. The District hereby appoints the Escrow Agent to act as escrow agent for purposes of administering the funds required to redeem and defease the 2008 Series C Bonds maturing on and after August 1, 2026 (the “Refunded 2008 Series C Bonds”).

The Escrow Agent is directed to establish an escrow fund (the “Escrow Fund”) to be held by the Escrow Agent in trust as an irrevocable escrow securing the payment of the Refunded 2008 Series C Bonds as hereinafter set forth. All cash and Federal Securities in the Escrow Fund are hereby irrevocably pledged as a special fund for the payment of the principal of and interest on the Refunded 2008 Series C Bonds in accordance with the 2008 Series C Bond Resolution.

If at any time the Escrow Agent receives actual knowledge that the cash and Federal Securities in the Escrow Fund will not be sufficient to make any payment required by Section 4 in respect of the Refunded 2008 Series C Bonds, the Escrow Agent shall notify the District of such fact and the District shall immediately cure such deficiency from any source of legally available funds. The Escrow Agent has no liability for any such insufficiency.

Section 3. Deposit and Investment of Amounts in Escrow Fund. On June 18, 2025 (the “Closing Date”), the District shall cause to be transferred to the Escrow Agent for deposit into the Escrow Fund the amount of \$_____ in immediately available funds, to be derived from the proceeds of the 2025 Refunding Bonds. The Escrow Agent shall invest \$_____ of the amounts on deposit in the Escrow Fund in Federal Securities consisting of United States Treasury Certificate of Deposit, State and Local Government Series, maturing on August __, 2025, bearing interest at the rate of _____% per annum. The Escrow Agent shall hold the remaining \$_____ of the amounts on deposit in the Escrow Fund in cash, uninvested.

Section 4. Application of Amounts in Escrow Fund. The Escrow Agent shall withdraw from the Escrow Fund, and transfer to the Paying Agent, all amounts required to pay the principal of and interest on all of the Refunded 2008 Series C Bonds when due in accordance with the following schedule:

<u>Payment Date</u>	<u>Interest</u> \$	<u>Redeemed Principal</u> \$	<u>Total Payment</u> \$
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Any amounts held by the Escrow Agent in excess of the amount needed to pay the principal, interest and redemption price of the Refunded 2008 Series C Bonds in accordance with the foregoing schedule shall be transferred to the Paying Agent and deposited in the Debt Service Fund established for the 2025 Refunding Bonds, to be applied to pay debt service next coming due on the 2025 Refunding Bonds.

Section 5. Irrevocable Election to Redeem 2008 Series C Bonds. The District hereby irrevocably elects to redeem all of the outstanding Refunded 2008 Series C Bonds on August __, 2025, in accordance with the provisions of Section 2.03(a) of the 2008 Series C Bond Resolution.

The District hereby directs the Paying Agent to give notice of redemption in accordance with the requirements of Section 2.03(d) of the 2008 Series C Bond Resolution, at the expense of the District. The Paying Agent shall give notice of such redemption of the Refunded 2008 Series C Bonds, not less than 30 days not more than 60 days prior to the redemption date. The District hereby signifies intention, pursuant to Section 9.02 of the 2008 Series C Bond Resolution, to discharge all indebtedness on the Refunded 2008 Series C Bonds on the Closing Date.

The District hereby authorizes and directs the Escrow Agent to file a notice of the defeasance of the Refunded 2008 Series C Bonds, in substantially the form set forth in Exhibit A attached hereto, on the Electronic Municipal Market Access system which is maintained by the Municipal Securities Rulemaking Board. Such notice shall be filed promptly following the deposit of funds into the Escrow Fund under Section 3.

Section 6. Substitution or Withdrawal of Federal Securities. The District may at any time direct the Escrow Bank to substitute other Federal Securities for any or all of the Federal Securities then deposited in the Escrow Fund, or to withdraw and transfer to the District any portion of the Federal Securities then deposited in the Escrow Fund, provided that any such direction and substitution or withdrawal shall be accompanied by: (a) a certification of an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions that the Federal Securities then to be so deposited in the Escrow Fund, together with interest to be derived therefrom, or in the case of withdrawal, the Federal Securities to be remaining in the Escrow Fund following such withdrawal, together with the interest to be derived therefrom, shall be in an amount at all times at least sufficient to make the payments specified in Section 4; and (b) an opinion of Bond Counsel that the substitution or withdrawal will not affect, for Federal income tax purposes, the exclusion from gross income for federal income tax purposes of the interest on the 2008 Series C Bonds or the 2025 Refunding Bonds. In the event that, following any such substitution or withdrawal of Federal Securities pursuant to this Section, there is an amount of moneys or Federal Securities in excess of an amount sufficient to make the payments required by Section 4, such excess shall be paid to the District. All capitalized terms used in this Section and not otherwise defined shall have the meanings given such terms in the 2008 Series C Bond Resolution.

Section 7. Compensation to Escrow Agent. The District shall pay the Escrow Agent full compensation for its services under this Agreement, including out-of-pocket costs such as redemption expenses, legal fees and other costs and expenses relating hereto and, in addition, all fees, costs and expenses relating to the purchase, substitution or withdrawal of any securities after the date hereof.

Section 8. Right to Rely on Documents. The Escrow Agent may conclusively rely as to the truth and accuracy of the statements and correctness of any opinions or calculations provided to it in connection with this Agreement and shall be protected in acting, or refraining from acting, upon any notice, instruction, request, certificate, document, opinion or other writing furnished to the Escrow Agent in connection with this Agreement and believed by the Escrow Agent to be signed by the proper party, and it need not investigate any fact or matter stated therein.

Section 9. Indemnification of Escrow Agent. The District shall indemnify, defend and hold harmless the Escrow Agent and its officers, directors, employees, representatives and agents, from and against and reimburse the Escrow Agent for any and all claims, obligations, liabilities, losses, damages, actions, suits, judgments, costs and expenses (including attorneys' and agents' fees and expenses) of whatever kind or nature regardless of their merit, demanded, asserted or claimed against the Escrow Agent directly or indirectly relating to, or arising from the execution and delivery of this Agreement and in the performance of its duties and obligations under this Agreement, except to the extent caused by the Escrow Agent's negligence or willful misconduct. The provisions of this Section shall survive the termination of this Agreement or the earlier resignation or removal of the Escrow Agent.

Section 10. Limitations on Liability. The Escrow Agent undertakes to perform only such duties as are expressly set forth in this Agreement and no implied duties, covenants or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent shall not have any liability hereunder except to the extent of its negligence or willful misconduct. In no event shall the Escrow Agent be liable for any special, indirect or consequential damages. The Escrow Agent shall not be liable for any loss from any investment made by it in accordance with the terms of this Agreement. The Escrow Agent shall not be liable for the recitals or representations contained in this Agreement and shall not be responsible for the validity of this Agreement, the sufficiency of the Escrow Fund or the moneys and securities to pay the Redemption Price of the 2008 Series C Bonds.

Whenever in the administration of this Agreement the Escrow Agent deems it necessary or desirable that a matter be proved or established prior to taking or not taking any action, such matter may be deemed to be conclusively proved and established by a certificate of an authorized representative of the District and shall be full protection for any action taken or not taken by the Escrow Agent in good faith reliance thereon.

None of the provisions of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder. The Escrow Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed. The Escrow Agent shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of *force majeure*. The term "*force majeure*" means an occurrence that is beyond the control of the Escrow Agent and could not have been avoided by exercising due care. *Force majeure* shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

The Escrow Agent agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Escrow Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the District elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Escrow Bank will furnish the District periodic transaction statements which include detail for all investment transactions made by the Escrow Bank hereunder; provided that the Escrow Bank is not obligated to provide an accounting for any fund or account that (a) has a balance of \$0.00 and (b) has not had any activity since the last reporting date.

Section 11. Resignation; Successors and Assigns. The Escrow Agent may at any time resign by giving 30 days written notice of resignation to the District. Upon receiving such notice of resignation, the District shall promptly appoint a successor and, upon the acceptance by the successor of such appointment, release the resigning Escrow Agent from its obligations hereunder by written instrument, a copy of which instrument shall be delivered to each of the District, the resigning Escrow Agent and the successor. If no successor shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor.

Any bank, corporation or association into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any bank, corporation or association resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Escrow Agent shall be the successor of the Escrow Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

Section 12. Termination of Agreement. Upon payment and redemption in full of the Refunded Bonds, and upon payment of all fees, expenses and charges of the Escrow Agent as described above, this Agreement shall terminate and the Escrow Agent shall be discharged from any further obligation or responsibility hereunder.

Section 13. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

**LOS RIOS COMMUNITY COLLEGE
DISTRICT**

By: _____
Executive Vice Chancellor,
Finance and Administration

**U.S. BANK TRUST, NATIONAL
ASSOCIATION**, as Escrow Agent

By _____
Vice President

EXHIBIT A

NOTICE OF DEFEASANCE OF

\$65,000,000

**Los Rios Community College District
(Sacramento County, California)**

General Obligation Bonds, 2008 Election, Series C

Maturity Date (August 1)	CUSIP	Interest Rate	Par Amount
2026	545624QD3	4.000%	4,765,000
2027	545624QE1	4.000	5,220,000
2028	545624QF8	4.000	5,600,000
2029	545624QG6	4.000	5,995,000
2030	545624QH4	3.000	6,415,000
2031	545624QJ0	3.000	6,850,000
2032	545624QK7	3.000	7,310,000

NOTICE IS HEREBY GIVEN by the Los Rios Community College District (the "District") with respect to the above-described maturities of the Los Rios Community College District (Sacramento County, California) General Obligation Bonds, 2008 Election, Series C (the "Defeased Bonds"), issued under Resolution No. No. 2017-21 adopted by the Board of Trustees of the District on November 8, 2017 (the "Bond Resolution"), that the District has deposited certain federal securities and cash with U.S. Bank Trust Company, National Association (the "Escrow Agent"). As a result of such deposit, the Defeased Bonds are deemed to have been paid and discharged in accordance with the Bond Resolution. The pledge of moneys provided for under the Bond Resolution and all other obligations of the District to the owners of the Defeased Bonds shall hereafter be limited to the application of moneys held by the Escrow Agent for the redemption price for the Defeased Bonds as the same become due and payable as described below.

Amounts held by the Escrow Agent are calculated to be sufficient to redeem the outstanding Defeased Bonds on August __, 2025 at a redemption price equal to 100% of the principal amount of the Defeased Bonds, together with accrued interest to such date.

Dated: _____, 2025

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**, as Escrow Agent

* The Escrow Agent shall not be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness indicated in the Notice of Defeasance. It is included solely for the convenience of the Holders.