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**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**  
**Revenue Bonds, Series 2024**  
**(Water Rights Acquisition Financing Project)**

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**BOND PURCHASE CONTRACT**

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May 30, 2024

Indian Wells Valley Groundwater Authority  
100 West California Avenue  
Ridgecrest, CA 93555

Ladies and Gentlemen:

The undersigned, Oppenheimer & Co., Inc., as underwriter (the "Underwriter"), hereby offers to enter into this Bond Purchase Contract (the "Purchase Contract") with the Indian Wells Valley Groundwater Authority (the "Authority"), which, upon acceptance, will be binding upon the Authority and the Underwriter. This offer is made subject to acceptance thereof by the Authority prior to 11:59 p.m., Pacific Daylight time, on the date hereof, and upon such acceptance, as evidenced by the execution hereof by an authorized officer of the Authority in the space provided below, this Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon the Authority and the Underwriter. All capitalized terms used and not defined in this Purchase Contract have the meanings assigned to them in the Indenture (herein defined).

**1. Purchase and Sale of Bonds.**

(a) Upon the terms and conditions and upon the basis of the representations and agreements set forth herein, the Authority hereby agrees to sell to the Underwriter, and the Underwriter agrees to purchase from the Authority, all (but not less than all) of the Authority's \$\_\_\_\_\_ aggregate principal amount of Revenue Bonds, Series 2024 (the "Bonds"), at the purchase price of \$\_\_\_\_\_ (which is the aggregate principal amount of the Bonds, less an Underwriter's discount of \$\_\_\_\_\_, plus a net original issue premium of \$\_\_\_\_\_).

The Authority acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the Authority and the Underwriter; (ii) in connection with such transaction, including the process leading thereto, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Authority; (iii) the Underwriter has neither assumed an advisory or fiduciary responsibility in favor of the Authority with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Authority on other matters) nor has it assumed any other obligation to the Authority except the obligations expressly set forth in this Purchase Contract, (iv) the Underwriter has financial and other interests that differ from those of the Authority; and (v) the Authority has consulted with its own legal and financial advisors to the extent it deemed

appropriate in connection with the offering of the Bonds.

The Authority hereby acknowledges receipt from the Underwriter of disclosures required by the Municipal Securities Rulemaking Board (“MSRB”) Rule G-17 (as set forth in MSRB Notice 2012-25 (May 7, 2012), relating to disclosures concerning the Underwriter’s role in the transaction, disclosures concerning the Underwriter’s compensation, conflict disclosures, if any, and disclosures concerning complex municipal securities financing, if any.

(b) The Bonds shall be dated their date of delivery. The Bonds shall mature on the dates and in the principal amounts, with interest with respect thereto computed at the rates, and be subject to redemption, all as set forth in Exhibit A attached hereto. The Bonds shall be issued pursuant to, secured under the provisions of, and payable as provided in the Indenture of Trust, dated as of June 1, 2024 (the “Indenture of Trust”), by and between the Authority and U.S. Bank Trust Company, National Association as trustee thereunder (the “Trustee”), and shall be substantially in the form described in the Indenture and the \_\_\_\_\_ (the “Law”). The Bonds shall be limited obligations of the Authority and are not secured by a pledge of, or charge or lien upon, any property of the Authority or any of its income or receipts, except the Net Replenishment Fee Revenues (as defined in the Indenture) and certain funds and accounts held pursuant to the Indenture.

(c) The net purchase proceeds of the Bonds will be used to (i) finance the cost of certain water rights, (ii) fund a debt service reserve fund for the Bonds, and (iii) pay certain costs associated with the issuance of the Bonds.

(d) Except as disclosed in the Official Statement referred to below, the Authority has not in the previous five years failed to comply in any material respect, and is as of the date hereof in compliance in all material respects, with its disclosure obligations under any and all prior undertakings related to Rule 15c2-12 (the “Rule”) promulgated by the U.S. Securities Exchange Commissioner (the “SEC”) pursuant to the Securities Exchange Act of 1934, as amended, to provide annual reports and notices of material event.

**2. Bona Fide Public Offering.** The Underwriter agrees to make a bona fide public offering of all of the Bonds, at prices not in excess of the initial public offering yields or prices set forth on Exhibit A attached hereto. Subject to Section 3(c), the Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices; *provided, however*, that the Underwriter may offer a portion of the Bonds for sale to selected dealers who are members of the Financial Industry Regulatory Authority and who agree to resell the Bonds to the public on terms consistent with this Purchase Contract, and the Underwriter reserves the right to change such offering prices or yields as the Underwriter shall deem necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering prices or at yields higher than the initial yields set forth on Exhibit A attached hereto. The Underwriter also reserves the right to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market and to discontinue such stabilizing, if commenced, at any time. None of such activities shall affect the principal amounts, maturity dates, interest rates, redemption or other provision of the Bonds or the amount to be paid by the Underwriter to the Authority for the Bonds.

### **3. Issue Price.**

(a) The Underwriter agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority on the Closing Date an “issue price” or similar certificate substantially in the form attached hereto as Exhibit B, with such modifications

as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) Except as otherwise set forth in Schedule 1 attached to Exhibit B, the Authority will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

(c) Schedule 1 attached to Exhibit B sets forth the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(i) the close of the fifth (5th) business day after the sale date; or

(ii) the date on which the Underwriter have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(1) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (2) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be

employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this Section 3. Further, for purposes of this Section 3:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Purchase Contract by all parties.

#### **4. Official Statement.**

(a) In connection with the offering and sale of the Bonds, the Authority has duly authorized and approved of the use and distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement, dated May 21, 2024, relating to the Bonds (including the cover page, the inside cover page and appendices thereto, the “Preliminary Official Statement”) which, as of its date, the Authority has deemed final for purposes of the Rule, except for information permitted to be omitted therefrom by the Rule. The Authority agrees to deliver to the Underwriter as many definitive copies of the Preliminary Official Statement, as amended to conform to the terms of this Purchase Contract and with such other changes and amendments as are mutually agreed upon by the Underwriter and the Authority (the “Official Statement”), as the Underwriter shall reasonably request as necessary to comply with paragraph (b)(4) of the Rule and with Rule G-2 and all other rules of the Municipal Securities Rulemaking Board. The Authority agrees to deliver the Official Statement to the Underwriter within seven business days after the execution of this Purchase Contract. The

Authority hereby authorizes and approves the distribution by the Underwriter of the Preliminary Official Statement in connection with the public offering and sale of the Bonds, provided that the Underwriter shall be responsible for complying with all requirements of the SEC and the Municipal Securities Rulemaking Board relating to the delivery of the Official Statement to the purchasers of the Bonds.

(b) If, at any time prior to the date 25 days following the later of the Closing Date (defined below) or the “End of the Underwriting Period” (which will be the date the Underwriter no longer retains, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public, which date shall be provided to the Authority Council by written notice of the Underwriter) the Authority has knowledge of an event that might or would cause the Official Statement to contain an untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority will promptly notify the Underwriter in writing of the circumstances and details of such event. If, as a result of such event or any other event, it is necessary, in the opinion of the Underwriter, the Authority or its counsel, to amend or supplement the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority will forthwith cooperate with the Underwriter in the prompt preparation and furnishing to the Underwriter of a reasonable number of copies of an amendment of or a supplement to the Official Statement, in form and substance reasonably satisfactory to the Underwriter, which will so amend or supplement the Official Statement so that, as amended or supplemented, it will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

5. **Delivery of Bonds.** At 8:00 A.M., Pacific Daylight time, on June 13, 2024, or at such earlier or later time or date as shall be agreed by the Authority and the Underwriter (such time and date being herein referred to as the “Closing Date”), the Authority will direct the Trustee to deliver the Bonds to The Depository Trust Company (“DTC”) in New York, New York (or to the Trustee in the event of a Fast Automated Securities Transaction (“F.A.S.T.”)), for the account of the Underwriter (or at such other location as may be designated by the Underwriter), the Bonds in the form of a separate single fully-registered Bond for each series of Bonds and maturities (all Bonds being typewritten and bearing CUSIP numbers), duly executed by the Authority and authenticated by the Trustee, and at the offices of Stradling Yocca Carlson & Rauth, LLP (“Bond Counsel”), or such other location or locations mutually agreed upon by the Authority and the Underwriter, the other documents herein mentioned; and the Underwriter will accept such delivery and pay the purchase prices of the Bonds as set forth in Section 1 by wire transfer, payable in immediately available funds (such delivery and payment being herein referred to as the “Closing”). The Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Notwithstanding the foregoing, neither the failure to place CUSIP numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds on the Closing Date in accordance with the terms of this Purchase Contract.

6. **Representations, Warranties and Covenants of the Authority.** The Authority represents, warrants and covenants as follows:

(a) The Authority is a joint exercise of powers entity duly organized and validly existing under the Constitution and the laws of the State, with the full right, power and authority to issue the Bonds and to execute, deliver and perform its obligations under the Bonds, this Purchase Contract, the Indenture, the Continuing Disclosure Certificate, dated June 13, 2024 (the “Continuing Disclosure Certificate”), and the Official Statement.

(b) The Bonds, the Indenture, the Continuing Disclosure Certificate and this Purchase Contract, when duly executed and delivered by all parties thereto, will constitute valid and binding obligations of the Authority, enforceable in accordance with their terms.

(c) By all necessary official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has duly adopted and authorized the distribution of the Preliminary Official Statement and the Official Statement, and authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in, the Bonds, the Indenture, the Continuing Disclosure Certificate and this Purchase Contract and the consummation by the Authority of all other transactions contemplated by the Official Statement and this Purchase Contract.

(d) The Preliminary Official Statement, at the date thereof (except for any information relating to DTC and its book-entry system included therein, and the information therein under the caption "UNDERWRITING," as to which no opinion or view is expressed), does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. At the date hereof, the Official Statement (except for any information relating to DTC and its book-entry system included therein, and the information therein under the caption "UNDERWRITING," as to which no opinion or view is expressed) does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(e) If between the date of this Purchase Contract and the Closing Date, an event occurs, of which the Authority has knowledge, which might or would cause the information contained in the Official Statement, as theretofore supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under it was presented, not misleading, the Authority will notify the Underwriter, and if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will amend or supplement the Official Statement in a form and in manner approved by the Underwriter.

(f) Except as otherwise disclosed in the Official Statement, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court, governmental agency, public board or body, known to the Authority to be pending or threatened against the Authority seeking to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting any proceedings of the Authority taken concerning the issuance or sale thereof, the pledge or application of any moneys or security provided for the payment of the Bonds, in any way contesting the validity or enforceability of the Bonds, the Indenture, the Continuing Disclosure Certificate or this Purchase Contract or contesting in any way the completeness or accuracy of the Official Statement or the existence or powers of the Authority relating to the issuance of the Bonds.

(g) The execution and delivery of the Bonds, the Indenture, the Continuing Disclosure Certificate and this Purchase Contract and compliance with the provisions on the Authority's part contained therein and in the Indenture, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, fiscal agent agreement, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or instrument, except

as provided by the Indenture.

(h) The Authority is not in breach of or in default under any applicable law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, trust agreement, fiscal agent agreement, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both would constitute a default or an event of default under any such instrument.

(i) The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order for the Underwriter (1) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (2) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Bonds; provided, however, that in no event shall the Authority be required to take any action which would subject it to general or unlimited service of process in any jurisdiction in which it is not now so subject.

**7. Representations of the Underwriter.** The Underwriter represents that it has full power and authority to enter into this Purchase Contract, that the execution, delivery and performance of this Purchase Contract and the purchase of the Bonds contemplated herein have been duly authorized by the Underwriter, and that this Purchase Contract, upon due authorization, execution and delivery by the Authority, will be a valid and binding obligation of the Underwriter.

**8. Conditions to Obligations of Underwriter.** The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the Authority contained herein and upon the accuracy of the statements to be contained in the documents, opinions, and instruments to be delivered at the Closing. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, accept delivery of, and pay for the Bonds on the Closing Date is subject to the performance by the Authority of its obligations hereunder at or prior to the Closing. The parties hereto expressly understand that the obligations of the Underwriter to purchase the Bonds are and shall be subject to the following further conditions:

(a) At the time of the Closing, (i) the representations and warranties of the Authority contained herein shall be true, complete and correct; (ii) each of the documents and certificates required to be delivered at Closing shall have been duly executed, acknowledged and delivered by the appropriate parties thereto, shall be in full force and effect and shall not have been amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Underwriter; and (iii) the Official Statement shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter.

(b) The Underwriter shall have the right in its absolute discretion to cancel the Underwriter's obligation to purchase the Bonds if between the date hereof and the Closing any of the following events occur:

(i) Legislation shall have been enacted by the Congress of the United States or the Legislature of the State or favorably reported thereto for passage by any Committee to which such legislation has been referred for consideration or be pending before any such Committee or shall have been recommended to the Congress of the United States for passage by the President of the United States or recommended to the Legislature of the

State for passage by the Governor of the State, or a decision shall have been rendered by a court of the United States, including the Tax Court of the United States, or of the State, or a ruling or an official release shall have been made or a regulation shall have been proposed or made by the Treasury Department of the United States or the Internal Revenue Service or other federal or State authority having jurisdiction over tax matters, with respect to federal or State taxation upon revenues or other income of the Authority or upon interest on obligations of the general character of the Bonds, or other actions or events shall have transpired that would, in the reasonable judgment of the Underwriter, have the purpose or effect, directly or indirectly, of changing the federal or State tax consequences of any of the transactions contemplated in connection herewith and that in the reasonable judgment of the Underwriter, affects materially and adversely (A) the market price or marketability of the Bonds or (B) the ability of the Underwriter to enforce contracts for the sale of the Bonds;

(ii) Legislation enacted or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the SEC, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangement, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Agreement Act of 1939, as amended, or suspending the use of the Official Statement or any amendment or supplement thereto, or any proceeding for that purpose, is initiated or threatened in any such court or by any such authority;

(iii) There exists any event which, in the reasonable judgment of the Underwriter, either makes untrue or incorrect in any material respect as of such time any statement or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect, unless the Authority amends or supplements the Official Statement in accordance with Section 6(e) of this Purchase Contract;

(iv) There occurs any change in the affairs of the Authority that would materially adversely affect the ability of the Authority to perform its obligations under this Purchase Contract, the Continuing Disclosure Certificate or the Indenture;

(v) Any new restriction on transactions in securities are established materially affecting the free market for securities (including the imposition of any limitation on interest rates) or materially increasing restrictions now in force or the extension of credit by, or the charge to the net capital requirements of, the Underwriter established by the New York Stock Exchange, the SEC, any other federal or state agency or the Congress of the United States, or by Executive Order;

(vi) An order, decree or injunction of any court of competent jurisdiction, or order, ruling, regulation or official statement by the SEC, or any other governmental agency having jurisdiction of the subject matter, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement is or would be in violation of the federal securities laws as amended and then in effect;

(vii) There shall have occurred any outbreak or escalation of hostilities,



declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the sole judgment of the Underwriter, impractical or inadvisable to proceed with the offering or delivery of the Bonds as contemplated in the Official Statement (exclusive of any amendment or supplement thereto);

(viii) There is in force a general suspension of trading on the New York Stock Exchange, or minimum or maximum prices for trading become fixed and remain in force, or maximum ranges for prices for securities are required and remain in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the SEC or any other governmental authority having jurisdiction;

(ix) A general banking moratorium is declared by either federal, State or New York authorities having jurisdiction and remains in force;

(x) Trading in the Authority's outstanding securities is suspended by the SEC.

(xi) There shall have occurred, or any notice shall have been given, of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the Authority's airport obligations;

(xii) An order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency relating to Circular 230 (31 C.F.R. part 10) is issued, made or proposed, that, in the judgment of the Underwriter, affects materially and adversely the market for the Bonds or the market price generally of obligations of the general character of the Bonds; or

(xiii) The marketability of the Bonds or the market price thereof, in the reasonable judgment of the Underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets.

(c) At or prior to the Closing Date, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter:

(i) the Indenture and the Continuing Disclosure Certificate, duly executed and delivered by the respective parties thereto, with such amendments, modifications or supplements as may have been agreed to in writing by the Underwriter;

(ii) the approving opinion of Bond Counsel, addressed to the Authority, dated the date of the Closing, in substantially the form attached to the Official Statement as Appendix \_\_, together with a reliance letter addressed to the Underwriter;

(iii) a supplemental opinion of Bond Counsel, addressed to the Underwriter, dated the date of Closing, to the effect that:

(A) this Purchase Contract has been duly executed and delivered by the Authority and, assuming due authorization, execution and delivery by the other party hereto, is valid and binding upon the Authority, subject to laws relating to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, and other laws related to or affecting creditors' rights, to the application of equitable principles to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against cities;

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

(C) the statements contained in the Official Statement under the captions “DESCRIPTION OF THE BONDS” (excluding any reference to DTC or book-entry), “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS,” “TAX MATTERS,” APPENDIX A—SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE, excluding any material that may be treated as included under such captions by cross reference or reference to other documents or sources insofar as such statements purport to summarize certain provisions of the Indenture or set out the content of the Bond Opinion, are accurate in all material respects.

(iv) an opinion of Stradling Yocca Carlson & Rauth, LLP, as Disclosure Counsel to the Authority, addressed to the Authority and the Underwriter, dated the date of Closing, to the effect that no information came to the attention of the attorneys in such firm rendering legal services in connection with the issuance of the Bonds which caused such firm to believe that the Official Statement as of its date or the Closing Date (excluding any financial, statistical or engineering data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion or any information about DTC or its book-entry system included therein, as to which no opinion or view need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(v) a certified copy of the resolution of the Authority (the “Authority Resolution”) authorizing the issuance of the Bonds and the execution and delivery of the Indenture, the Continuing Disclosure Certificate, the Official Statement and this Purchase Contract;

(vi) an opinion of counsel to the Authority, addressed to the Underwriter, dated the date of Closing, in the form attached hereto as Exhibit C;

(vii) a certificate dated the date of the Closing, signed by an authorized officer of the Authority reasonably acceptable to the Underwriter to the effect that:

(A) the representations, warranties and covenants of the Authority contained herein are true and correct in all material respects on and as of the date of Closing with the same effect as if made on the date of Closing;

(B) the Authority has complied with all the Indenture and satisfied all of the conditions on its part to be performed or satisfied at or prior to Closing; and

(C) no event affecting the Authority has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date any statement or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect;

(viii) the Official Statement executed on behalf of the Authority as provided in Section 4 of this Purchase Contract;

(ix) a copy of each report required to be delivered to the California Debt and Investment Advisory Commission pursuant to section 8855(g) of the California Government Code ;

(x) a copy or verification of the filing of a letter of representation or such equivalent document as required by DTC;

(xi) satisfactory evidence that the Bonds have been rated assigned the rating of “\_\_\_” by Standard & Poor’s Ratings Services;

(xii) an opinion of Kutak Rock LLP, counsel to the Underwriter (“Underwriter’s Counsel”), addressed to the Underwriter and dated the Closing Date, in form and substance satisfactory to the Underwriter;

(xiii) a certificate, dated the Closing Date, signed by the Trustee, in form and substance satisfactory to the Authority and the Underwriter to the effect that:

(A) the Trustee is duly authorized and has all necessary power and authority to enter into, and perform its duties and accepts the trusts created under, the Indenture;

(B) the Bonds have been duly authenticated and delivered by the Trustee to the Underwriter pursuant to the direction from the Authority;

(C) to the best of the Trustee’s knowledge, the Trustee is not in breach of or default under any law or administrative rule or regulation of the State or the United States of America, or of any department, division, agency or instrumentality thereof, or any applicable court or administrative decree or order to which the Trustee is subject or bound and which would materially impair the ability of the Trustee to perform its obligations under the Indenture; and

(D) to the best of the Trustee’s knowledge, the execution and delivery of the Indenture and the authentication of the Bonds will not conflict with or constitute a breach of or default under the Trustee’s duties under any law, administrative regulation, court decree, resolution, charter or bylaws to which the Trustee is subject or by which it is bound;

(xiv) an opinion of counsel to the Trustee, addressed to the Authority and the Underwriter to the effect that:

(A) The Trustee is a national banking association, duly organized and existing under the laws of the United States of America and has full power and authority to execute and deliver the Indenture; and

(B) The Indenture, when duly authorized, executed and delivered by the Trustee, will constitute the valid and binding obligation of the Trustee enforceable against the Trustee in accordance with its terms, except insofar as the validity, binding nature and enforceability of the Trustee’s obligations thereunder may be limited by the effect of (1) insolvency, reorganization, arrangement, moratorium, fraudulent transfer and other similar laws, (2) the discretion of any court of competent jurisdiction in awarding equitable remedies, including, without limitation, specific performance or injunctive relief and (3) general principles of equity embodied in California statutes and common law;

(xv) A tax certificate and agreement by the Authority in form and substance satisfactory to Bond Counsel;

(xvi) A copy of the executed Information Return for Tax-Exempt Governmental Bond Issues, Form 8038-G (current revision), and evidence of the filing thereof with the Internal Revenue Service regarding the Bonds; and

(xvii) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably request to evidence compliance by the Authority with this Purchase Contract, legal requirements (including tax status), and the performance or satisfaction by the Authority at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Authority.

The Authority will furnish the Underwriter with such conformed copies of such opinions, certificates, letters and documents as the Underwriter may reasonably request. If the Authority is unable to satisfy the conditions to the obligations of the Underwriter contained in this Purchase Contract, or if the obligations of the Underwriter are terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the Authority shall have any further obligations hereunder, except as provided in Section 10 hereof. However, the Underwriter may in its discretion waive one or more of the conditions imposed by this Purchase Contract for the protection of the Underwriter and proceed with the Closing.

**9. Conditions to Obligation of the Authority.** The obligations of the Authority under this Purchase Contract to deliver the Bonds on the Closing Date are subject to the performance by the Underwriter of its obligations hereunder at or prior to the Closing.

#### **10. Expenses.**

(a) Except as specifically provided in paragraph (b) of this Section 10, the Underwriter shall be under no obligation to pay, and the Authority shall pay from its available funds or from the proceeds of the Bonds, certain expenses set forth in this Section 10, including but not limited to (i) all expenses in connection with the preparation, distribution and delivery of the Official Statement, and any amendment or supplement thereto, (ii) the fees and disbursements of Bond Counsel and the Trustee in connection with the Bonds; (iii) the fees and disbursements of counsel to the Authority in connection with the Bonds; (iv) the fees and disbursements of advisors and consultants to the Authority in connection with the Bonds; (v) the premiums to be paid to the Municipal Bond Insurer; (vi) all expenses of the Authority in connection with the preparation, printing and delivery of the Bonds; and (vii) any expenses incurred on behalf of the Authority's employees which are incidental to implementing this Purchase Contract, including, but not limited to meals, transportation, lodging and entertainment of those employees.

(b) The Underwriter shall pay (i) the fees of the California Debt and Investment Advisory Commission, and (ii) all other expenses incurred by it in connection with its offering and distribution of the Bonds, including travel and advertising expenses and the fees and expenses of Underwriter's Counsel.

11. **Notice.** Any notice or other communication to be given to the Authority under this Purchase Contract may be given by delivering the same in writing to the Controller of the Authority at the addresses set forth above. Any such notice or communication to be given to the Underwriter may be given by delivering the same in writing to:

Oppenheimer & Co., Inc.  
580 California Street, Suite 2300  
San Francisco, CA 94104  
Attention: \_\_\_\_\_

12. **Governing Law.** This Purchase Contract shall be governed by the laws of the State.

13. **Parties in Interest.** This Purchase Contract is made solely for the benefit of the signatories hereto (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

14. **Survival of Representations.** All representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect, regardless of (a) delivery of and payment for any of the Bonds and (b) any termination of this Purchase Contract.

15. **Severability.** If any provision of this Purchase Contract is held or deemed to be or is, in fact, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Purchase Contract invalid, inoperative or unenforceable to any extent whatever.

16. **Counterpart Signatures and Facsimile Transmission.** This Purchase Contract may be executed by facsimile transmission and in separate counterparts, each of which when so executed and delivered shall be original, but all such counterparts shall together constitute but one and the same instrument.

Very truly yours,

OPPENHEIMER & CO., INC.

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

The foregoing is hereby accepted as of the date first written above

INDIAN WELLS VALLEY  
GROUNDWATER AUTHORITY

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

Time: \_\_\_\_\_

EXHIBIT A

MATURITY SCHEDULES AND REDEMPTION PROVISIONS

\$ \_\_\_\_\_  
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY  
Revenue Bonds, Series 2024  
(Water Rights Acquisition Financing Project)

<u>Maturity Date</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Yield</u>
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\_\_\_\_\_ c Priced to the 6/1/\_\_\_ par call date.  
T Term maturity

*Optional Redemption.* The Bonds maturing on or after December 1, \_\_\_\_\_, are subject to redemption prior to their respective stated maturities at the written direction of the Authority (delivered to the Trustee no later than 60 days prior to the redemption date and including the information required to be provided pursuant to any notice of redemption to be delivered to the trustee pursuant to the Indenture), from any moneys deposited by the Authority, as a whole or in part on any date (in such maturities as are designated in writing by the Authority to the Trustee) on or after December 1, \_\_\_\_\_, at the redemption price of 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption.

*Mandatory Sinking Fund Account Redemption.* The Bonds maturing on December 1, \_\_\_\_\_, are also subject to mandatory sinking fund redemption prior to maturity, in part on December 1, \_\_\_\_\_, and each December 1 thereafter to and including December 1, \_\_\_\_\_, by lot in accordance with the procedures of DTC, if applicable, from and in the amount of the Mandatory Sinking Account Payments set forth below at a redemption price equal to the sum of the principal amount thereof plus accrued interest thereon to the redemption date, without premium:

Sinking Fund Account  
Redemption Date  
(December 1)

Sinking Fund Installments

†Maturity

*Mandatory Sinking Fund Account Redemption.* The Bonds maturing on December 1, \_\_\_\_, are also subject to mandatory sinking fund redemption prior to maturity, in part on December 1, \_\_\_\_, and each December 1 thereafter to and including December 1, \_\_\_\_, by lot in accordance with the procedures of DTC, if applicable, from and in the amount of the Mandatory Sinking Account Payments set forth below at a redemption price equal to the sum of the principal amount thereof plus accrued interest thereon to the redemption date, without premium:

Sinking Fund Account  
Redemption Date  
(December 1)

Sinking Fund Installments

†Maturity



## EXHIBIT B

### FORM OF ISSUE PRICE CERTIFICATE

\$ \_\_\_\_\_  
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY  
Revenue Bonds, Series 2024  
(Water Rights Acquisition Financing Project)

#### ISSUE PRICE CERTIFICATE OF UNDERWRITER

The undersigned, on behalf of Oppenheimer & Co., Inc., as underwriter (“Oppenheimer”), based on the information available to it, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. Sale of the General Rule Maturities. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule 1.

2. Initial Offering Price of the Bonds Hold-the-Offering Price Maturities.

(a) Oppenheimer offered the Hold-the-Offering Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule 1 (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule 2.

(b) As set forth in the Bond Purchase Agreement, Oppenheimer has agreed in writing that, (i) for each Maturity of the Hold-the-Offering Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. Defined Terms.

(a) “General Rule Maturities” means, the Maturities of the Bonds listed in Schedule 1 as “General Rule Maturities.”

(b) “Hold-the-Offering Price Maturities” means, the Maturities of the Bonds listed in Schedule 1 as “Hold-the-Offering Price Maturities.”

(c) “Holding Period” means, for each Maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which Oppenheimer has sold at least 10% of such Maturity of the Bonds to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(d) "Issuer" means the Indian Wells Valley Groundwater Authority.

(e) "Maturity" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(f) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) "Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is May 30, 2024.

(h) "Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Oppenheimer's interpretation of any laws, including specifically sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. Accordingly, Oppenheimer makes no representation as to the legal sufficiency of the factual matters set forth herein. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the arbitrage certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth, LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party for any other purpose.

Dated: June 13, 2024

OPPENHEIMER & CO., INC., as  
Underwriter

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_



**SCHEDULE 2 TO ISSUE PRICE CERTIFICATE**  
**PRICING WIRE OR EQUIVALENT COMMUNICATION**

## EXHIBIT C

### FORM OF OPINION OF AUTHORITY COUNSEL

[Date of Closing]

Indian Wells Valley Groundwater Authority  
Ridgecrest, California

Oppenheimer & Co., Inc.  
San Francisco, California

Re: \$\_\_\_\_\_ Indian Wells Valley Groundwater Authority Revenue Bonds, Series 2024 (Water Rights Acquisition Financing Project)

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Ladies and Gentlemen:

Our office has acted as counsel to the Indian Wells Valley Groundwater Authority (the "Authority") in connection with the issuance, sale, and delivery of \$\_\_\_\_\_ aggregate principal amount of its Revenue Bonds, Series 2024 (Water Rights Acquisition Financing Project) (the "Bonds").

In connection with the Bonds, we have reviewed (i) Resolution No. \_\_\_\_\_ of the Board of Directors of the Authority ("Board") adopted April 10, 2024 (the "Resolution"), authorizing the issuance of the Bonds and the execution and delivery by the Authority of certain documents related to its issuance of the Bonds; (ii) the Indenture of Trust, dated as of June 1, 2024, by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Indenture"), (iii) the Bond Purchase Contract, dated May 30, 2024, between Oppenheimer & Co., Inc., as underwriter (the "Underwriter") and the Authority (the "Purchase Contract"), (iv) the Continuing Disclosure Certificate of the Authority, dated as of the date hereof (the "Continuing Disclosure Certificate"); and (v) the Preliminary Official Statement, dated May 21, 2024, and such changes and amendments thereto as of the date of this letter (the "Official Statement"). The Indenture, the Bond Purchase Contract and the Continuing Disclosure Certificate are collectively referred to herein as the "Authority Documents." Any capitalized term used herein and not otherwise defined shall have the meaning given to such terms in the Official Statement.

Based on the foregoing, we are of the opinion that:

1. The Authority is a joint exercise of powers entity duly organized and validly existing under the Constitution of the State of California.
2. The Resolution has been duly adopted by the Board and is in full force and effect and has not been modified, amended or rescinded.
3. The Authority has the full legal right, power, and authority to execute, deliver, and perform its obligations and duties under the Authority Documents. The Authority has complied with the provisions of applicable law in all matters relating to the transactions contemplated by

the Authority Documents.

4. The Authority Documents have each been duly authorized, executed and delivered by the Authority, and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the Authority enforceable against the Authority in accordance with their respective terms, subject in each case to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally, to the application of equitable principles if equitable remedies are sought, the exercise of judicial discretion in appropriate cases, and the limitations on legal remedies against charter cities in the State of California ("State").

5. No approval, consent or authorization of any governmental or public agency, authority or person is required for the Authority to execute and deliver the Authority Documents, or to perform its obligations under the Authority Documents, except such as have been obtained, and except such as may be required under state securities or blue sky laws in connection with the purchase and distribution of the Bonds by the Underwriter.

6. The execution and delivery of the Authority Documents by the Authority, and compliance with the provisions thereof will not in any material respect conflict with or constitute a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound, or breach any existing law, ruling, regulation, ordinance, judgment, order or decree to which the Authority is subject, which breach or default may have a material adverse effect on the ability of the Authority to perform its obligations under the Authority Documents.

7. To the best of our knowledge, except as otherwise disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before any court, public board, or body, pending or threatened, against the Authority, which challenges the creation, organization or existence of the Authority, or the validity of the Authority Documents, or the validity of the proceedings taken by the Authority in authorizing the issuance, execution and delivery of the Bonds, or the execution and delivery of the Authority Agreements, or that challenges the authority of the Authority to perform its obligations under the Authority Documents, or seeking to restrain or enjoin any of the transactions referred to in or contemplated by the Authority Documents, or under which a determination adverse to the Authority would materially adversely affect its financial condition.

Our office offers no opinion as to the content of the Bonds, the Official Statement, the Preliminary Official Statement, or any other disclosure in connection with the Bonds. We offer no opinion as to the laws of any jurisdiction other than the State and local laws. This opinion is furnished to you solely for your benefit in connection with the Bonds under the authorizing Resolution and may not be used and relied upon by any other person or entity.

Very truly yours,