

RESOLUTION 11-45
RESOLUTION PROVIDING FOR THE BORROWING OF FUNDS
FOR FISCAL YEAR 2011-2012 AND THE ISSUANCE AND SALE OF A
2011 TAX AND REVENUE ANTICIPATION NOTE THEREFORE

WHEREAS, pursuant to Article 7.6 (commencing with section 53850) of Chapter 4 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Law"), this Town Council (the "Council") has found and determined that moneys are needed for the requirements of the Town, a public body duly organized and existing under the laws of the State of California, to satisfy obligations payable from the general fund of the Town (the "General Fund"), and that it is necessary that said sum be borrowed for such purpose at this time by the issuance of a temporary note therefore in anticipation of the receipt of taxes, revenue and other moneys to be received by the Town for the General Fund during or allocable to the fiscal year of the Town beginning July 1, 2011, and ending June 30, 2012 ("Fiscal Year 2011-2012"); and

WHEREAS, the Town desires to authorize the issuance and sale of such short-term note to the County of Marin (the "Purchaser"); and

WHEREAS, a form of note purchase agreement (the "Note Purchase Agreement") has been prepared relating to the sale of such short-term note;

NOW THEREFORE, it is hereby DETERMINED AND ORDERED as follows:

Section 1. Limitation on Maximum Amount. The principal amount of the note issued pursuant hereto, when added to the interest payable thereon, shall not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, revenue and other moneys of the Town for the General Fund attributable to Fiscal Year 2011-2012, and available for the payment of said note and the interest thereon (as hereinafter provided).

Section 2. Authorization and Terms of Note. Solely for the purpose of anticipating taxes, revenue and other moneys to be received by the Town for the General Fund allocable to Fiscal Year 2011-2012, and specifically with respect to the property tax revenue to be received by the Town in April 2012, and not pursuant to any common plan of financing, the Town hereby determines to and shall borrow the principal amount of not to exceed one million dollars (\$1,000,000) by the issuance of a temporary note under the Law, designated "Town of Fairfax (Marin County, California) 2011 Tax and Revenue Anticipation Note" (the "Note").

The Note shall be dated as of its date of delivery, shall mature, on April 15, 2012, and shall bear interest, payable at maturity, and computed on a 30-day month/360-day year basis, at 3.5% per annum. Both the principal of and interest on the Notes shall be payable in lawful money of the United States of America, as described below.

Section 3. Form of Note. The Note shall be issued in fully registered form, without coupons, and shall be substantially in the form and substance set forth in Exhibit A attached hereto and by reference incorporated herein. A "CUSIP" identification number shall be imprinted on the Note, but such number shall not constitute a part of the contract evidenced by the Note and any error or omission with respect thereto shall not constitute cause for refusal of the Purchaser to accept delivery of and pay for the Note. In addition, failure on the part of the Town to use such CUSIP number in any notice to the Purchaser shall not constitute an event of default or any violation of

the Town's contract with the Purchaser and shall not impair the effectiveness of any such notice.

Except as provided below, the owner of the Note shall be The Depository Trust Company, New York, New York ("DTC"), and the Note shall be registered in the name of Cede & Co., as nominee for DTC. The Town may treat DTC (or its nominee) as the sole and exclusive owner of the Note registered in its name for all purposes of this Resolution, and the Town shall not be affected by any notice to the contrary. The Town shall not have any responsibility or obligation to any participant of DTC (a "Participant"), any person claiming a beneficial ownership interest in the Note under or through DTC or a Participant (a "Beneficial Owner"), or any other person not shown on the register of the Town as being an owner, with respect to the accuracy of any records maintained by DTC or any Participant or the payment by DTC or any Participant by DTC or any Participant of any amount in respect of the principal or interest with respect to the Note. No person other than DTC shall receive the Note.

Upon delivery by DTC to the Town of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the term "Cede Co." in this Resolution shall refer to such new nominee of DTC.

On the date of delivery of the Note, the Town will deliver to Wells Fargo Bank, N.A., as custodian for the Purchaser (the "Custodian"), through the facilities of the DTC, the Note, the Custodian will accept such delivery on behalf of the Purchaser and the Purchaser will pay the purchase price thereof in immediately available funds to the order of the Town.

Section 4. Use of Proceeds. The moneys so borrowed shall be deposited in a segregated account in the General Fund to be withdrawn, used and expended by the Town for any purpose for which it is authorized to expend funds from the General Fund including, but not limited to, current expenses, capital expenditures and the discharge of any obligation or indebtedness of the Town.

Section 5. Security. The principal amount of the Note, together with the interest thereon, shall be payable from taxes, revenue and other moneys which are received by the Town allocable to the General Fund for the Fiscal Year 2011-2012.

As security for the payment of the principal of and interest on the Note, the Town, hereby pledges all property tax revenues receivable by the Town in April 2012 (such pledged amounts being hereinafter called the "Pledged Revenues"). Pursuant to section 5451 of the California Government Code, the Pledged Revenues shall immediately be subject to the pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the Pledged Revenues and be effective, binding, and enforceable against the Town, its successors, purchasers of the Pledged Revenues, creditors, and all others asserting the rights therein, to the extent set forth, and in accordance with, this Resolution irrespective of whether those parties have notice of the pledge and without the need for any physical delivery, recordation, filing, or further act. No prior pledge of such revenues has been made by the Town to secure any other borrowing and no such pledge will be made prior to the full payment of the Note. To the extent not so paid from the Pledged Revenues, the Note shall be paid from any other moneys of the Town lawfully available therefore. In the event that there are insufficient unrestricted moneys received by the Town to permit the repayment of the Note from such property tax revenues, then the amount of any deficiency shall be satisfied and made up from thereon.

Section 6. Repayment. The Town will irrevocably direct the Marin County Director of Finance to transfer to the Purchaser, on the maturity date of the Note, the total principal amount of the Note, plus interest accrued thereon to such date. On the maturity date of the Note, the Purchaser will send a notice to the Custodian, with copies to the Town, to the Town's bond counsel and to the Town's financial advisor, that the Note has been fully paid and authorize the Custodian to so notify DTC of such payment.

Section 7. Execution of Note. The Note shall be executed in the name of the Town, with the manual or facsimile signature of the Mayor, the Town Manager or the Finance Director and the manual or facsimile counter-signature of the Town Clerk (although at least one of such signatures shall be manual), and said officers are hereby authorized to cause the blank spaces thereof to be filled in as may be appropriate.

Section 8. No Transfer or Exchange of Note. The Note is not subject to transfer or exchange.

Section 9. Covenants and Warranties. It is hereby covenanted and warranted by the Town that all representations and recitals contained in this Resolution are true and correct, and that the Town has reviewed all proceedings heretofore taken relative to the authorization of the Note and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of the Note have existed, happened and been performed in due time, form and manner as required by law, and the Town is duly authorized to issue the Note and incur indebtedness in the manner and upon the terms provided in this Resolution. The Town has duly taken all proceedings necessary to be taken, and will take any additional proceedings necessary to be taken, for the prompt collection and enforcement of the taxes, revenue, cash receipts and other moneys pledged hereunder in accordance with law and for carrying out the provisions of this Resolution.

Section 10. Sale of Note. The Note shall be sold to the Purchaser at a purchase price equal to the principal amount thereof. The Mayor, the Town Manager and the Finance Director are each hereby individually authorized and directed, for and in the name and on behalf of the Town, to sell the Note to the Purchaser and to execute and deliver the Note Purchase Agreement in the form attached hereto as Exhibit B, together with any additions thereto or changes therein deemed necessary or advisable by the Mayor, the Town Manager or the Finance Director, subject to the terms and conditions of the Note Purchase Agreement. Approval of any additions or changes in such form of Note Purchase Agreement and compliance with the conditions precedent to the execution of the Note Purchase Agreement by the Mayor, the Town Manager or the Finance Director shall be conclusively evidenced by execution and delivery of the Note Purchase Agreement.

Section 11. Preparation of the Note; Execution of Closing Documents. Quint & Thimmig LLP, as bond counsel to the Town, is directed to cause suitable a Note to be prepared showing on its face that the same bears interest at the rate aforesaid, and to cause the blank spaces therein to be filled in to comply with the provisions of this Resolution in accordance with the Note Purchase Agreement, and to procure their execution by the proper officers, and to cause the Note to be delivered when so executed to the Purchaser upon the receipt of the purchase price by the Town, in accordance with the Note Purchase Agreement.

The Mayor, the Town Manager and the Finance Director, or any of them, are further authorized and directed to make, execute and deliver to the Purchaser (a) a certificate in the form customarily required by purchasers of bonds of public corporations generally, certifying

to the genuineness and due execution of the Note, and (b) a receipt in similar form evidencing the payment of the purchase price of the Note which receipt shall be conclusive evidence that said purchase price of the Note has been paid and has been received on behalf of the Town. Such officers and any other officers of the Town are hereby authorized to execute any and all other documents required to consummate the sale and delivery of the Note.

Section 12. Effective Date. This Resolution shall take effect upon its adoption by this Council.

The foregoing resolution was duly introduced and adopted at a Regular Meeting of the Town Council of the Town of Fairfax on the 17th day of August 2011, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

LARRY BRAGMAN, MAYOR

ATTEST:

Town Clerk, Judy Anderson

Quint & Thimmig LLP

Attorneys at Law

575 Market Street, Suite 3600
San Francisco, CA 94105-2874

Phone: 415/765-1550
Fax: 415/765-1555

August 24, 2011

Town Council
Town of Fairfax
142 Bolinas Road
Fairfax, California 94930

OPINION: \$1,000,000 Town of Fairfax (Marin County, California) 2011-12 Tax and Revenue Anticipation Note

Members of the Town Council:

We have acted as bond counsel to the Town of Fairfax (the "Town") in connection with the issuance by the Town of its \$1,000,000 Town of Fairfax (Marin County, California) 2011-12 Tax and Revenue Anticipation Note, dated August 24, 2011 (the "Note"), pursuant to Article 7.6 (commencing with section 53850), Chapter 4, Part 1, Division 2, Title 5 of the California Government Code, and a resolution of the Town Council of the Town (the "Council") adopted on August 17, 2011 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Town contained in the Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify such facts by independent investigation.

Based upon our examination, we are of the opinion, as of the date hereof, that:

1. The Town is duly created and validly existing as a municipal corporation and general law city with the power to issue the Note and to perform its obligations under the Resolution and the Note.

2. The Resolution has been duly adopted by the Council and creates a valid first lien on the funds pledged and assigned under the Resolution for the security of the Note. Pursuant to section 5451 of the California Government Code, the Pledged Revenues (as defined in the Resolution) shall immediately be subject to the pledge and assignment, and the pledge and assignment shall constitute a lien and security interest which shall immediately attach to the Pledged Revenues and be effective, binding, and enforceable against the Town, its successors, purchasers of the Pledged Revenues, creditors, and all others asserting the rights therein, to the extent set forth, and in accordance with, this Resolution irrespective of whether those parties have notice of the pledge and without the need for any physical delivery, recordation, filing, or further act.

3. The Note has been duly authorized, executed and delivered by the Town and is a valid and binding general obligation of the Town enforceable in accordance with its terms.

The rights of the owners of the Note and the enforceability thereof may be subject to bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Respectfully submitted,

\$1,000,000
TOWN OF FAIRFAX
(Marin County, California)
2011-12 TAX AND REVENUE ANTICIPATION NOTE

NOTE PURCHASE AGREEMENT

August 18, 2011

Town Council
Town of Fairfax
142 Bolinas Road
Fairfax, California 94930

Councilmembers:

The undersigned County of Marin (the "Purchaser") offers to enter into this agreement with the Town of Fairfax (the "Town"), which, upon your acceptance hereof, will be binding upon the Town and the Purchaser. This offer is made subject to the acceptance of the Note Purchase Agreement by the Town and written delivery of such acceptance to the Purchaser at or prior to 11:59 P.M., Pacific Time, on the date hereof.

1. Purchase and Sale of the Note. Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Purchaser hereby agrees to purchase from the Town, and the Town hereby agrees to sell to the Purchaser for such purpose, the Town's \$1,000,000 2011-12 Tax and Revenue Anticipation Note (the "Note").

The Note shall be dated August 24, 2011, shall bear interest at a rate of 3.5% per annum. The Note shall mature on April 15, 2012 (or such earlier date as moneys for the prepayment of the Note shall be available to the Town). The purchase price to be paid by the Purchaser for the Note shall be \$1,000,000, representing the principal amount of the Note.

2. The Note. The Note shall be described in, and shall be issued and secured pursuant to the provisions of the Resolution of the Town Council of the Town, adopted August 17, 2011 (the "Resolution"), and Article 7.6, Chapter 4, Part 1, Division 2, Title 5 (commencing with section 53850) of the California Government Code (the "Act").

3. Private Placement; Note Constitutes Investment of the Purchaser; No Transfer or Exchange.

(a) The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of obligations of a nature similar to the Note to be able to evaluate the risks and merits of the investment represented by the purchase of the Note.

(b) The Purchaser is acquiring the Note for its own account and not with a view to, or for sale in connection with, any distribution of the Note or any part thereof. The Purchaser has

not offered to sell, solicited offers to buy, or agreed to sell the Note or any part thereof, and the Purchaser has no intention of reselling or otherwise disposing of the Note.

(c) The Purchaser acknowledges that the Note is not assignable, exchangeable or transferable.

(d) The Purchaser has made its own credit inquiry and analysis with respect to the Town and the Note and has made an independent credit decision based upon such inquiry and analysis. The Town has furnished to the Purchaser all the information which the Purchaser, as a reasonable investor, has requested of the Town as a result of the Purchaser having attached significance thereto in making its investment decision with respect to the Note, and the Purchaser has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the Town and the Note. The Purchaser is able and willing to bear the economic risk of the purchase and ownership of the Note.

(e) The Purchaser understands that the Note has not been registered with any federal or state securities agency or commission.

4. Closing. At 9:00 A.M., Pacific Time, on August 24, 2011, or such other time or such other date as shall have been mutually agreed upon by the Town and the Purchaser (the "Closing"), the Town will deliver to Wells Fargo Bank, N.A., as custodian for the Purchaser (the "Custodian"), through the facilities of the Depository Trust Company in New York, New York ("DTC"), the Note in definitive form, duly executed, together with other documents hereinafter mentioned, the Custodian will accept such delivery on behalf of the Purchaser and the Purchaser will pay the purchase price thereof in immediately available funds to the order of the Town. The Note will be initially issued in the form of a separate single fully registered note. Upon initial issuance, the ownership of the Note will be registered in the name of Cede & Co., as the nominee of the DTC.

The Town has irrevocably directed the Marin County Director of Finance to transfer to the Owner, on the maturity date of the Note, from property tax revenues owed to the Town in April 2012, the total principal amount of the Note, plus interest accrued thereon to such date. On the maturity date of the Note, the Purchaser will send a notice to the Custodian, with copies to the Town, Bond Counsel (hereinafter defined) and the Financial Advisor (hereinafter defined), that the Note has been fully paid and authorize the Custodian to so notify DTC of such payment.

5. Representations, Warranties and Agreements of the Town. The Town hereby represents, warrants and agrees with the Purchaser that:

(a) The Town is a municipal corporation and general law city organized and validly existing under the laws of the State of California, with the power to issue the Note pursuant to the Act.

(b) At or prior to the Closing, (i) the Town will have taken all action required to be taken by it to authorize the issuance and delivery of the Note; (ii) the Town has full legal right, power and authority to enter into this Note Purchase Agreement and to adopt the Resolution, and the Town has full legal right, power and authority to perform its obligations under each such document or instrument, and to carry out and effectuate the transaction contemplated by this Note Purchase Agreement and the Resolution; (iii) the execution and delivery or adoption of, and the performance by the Town of the obligations contained in the Note, the Resolution and this Note Purchase Agreement have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Note Purchase Agreement constitutes

a valid and legally binding obligation of the Town; and (v) the Town has authorized the consummation by it of all transactions contemplated by this Note Purchase Agreement.

(c) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any person, organization, court or government agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Note or the consummation of the other transactions effected or contemplated herein or hereby.

(d) The issuance of the Note, the execution, delivery and performance of this Note Purchase Agreement, the Resolution and the Note, and compliance with the provisions hereof do not conflict with or constitute on the part of the Town a violation of or default under, the Constitution of the State of California or any other existing law, charter, ordinance, regulation, decree order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the Town is a party or by which it is bound or to which it is subject.

(e) To the best of the Town's knowledge, no action, suit, proceeding, hearing or investigation is pending or threatened against the Town: (i) in any way affecting the existence of the Town or in any way challenging the respective powers of the several offices of the titles of the officials of the Town to such offices; or (ii) seek to restrain or enjoin the sale, issuance or delivery of the Note, the application of the proceeds of the sale of the Note, or the collection of the revenue or assets of the Town pledged, assigned or available to pay the principal and interest on the Note, or the pledge or assignment thereof, or in any way contesting or affecting the validity or enforceability of the Note, this Note Purchase Agreement or the Resolution or contesting the powers of the Town or its authority with respect to the Note, the Resolution or this Note Purchase Agreement; or (iii) in which a final adverse decision could (a) materially adversely affect the operations of the Town or the consummation of the transactions contemplated by this Note Purchase Agreement and the Resolution, or (b) declare this Note Purchase Agreement to be invalid or unenforceable in whole or in material part.

(f) Between the date hereof and the date of the Closing, the Town has not, without prior written consent of the Purchaser, borrowed any additional moneys.

(g) Between the date of the Closing and the maturity date of the Note, the Town will not, without prior written consent of the Purchaser, borrow any additional moneys secured by the same source of funds for the security of the Note.

(h) Any certificates signed by any officer of the Town and delivered to the Purchaser shall be deemed a representation and warranty by the Town, as the case may be, to the Purchaser as to the statements made therein but not of the person signing the same.

6. Conditions to Closing. The Purchaser has entered into this Note Purchase Agreement in reliance upon the representations and warranties of the Town contained herein and the performance by the Town of its obligations hereunder, both as of the date hereof and as of the date of Closing. The Purchaser's obligations under this Note Purchase Agreement are and shall be subject, at the option of the Purchaser, to the following further conditions at the Closing:

(a) The representations and warranties of the Town contained herein shall be true, complete and correct in all material respects as of the date hereof and as of the date of Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Purchaser at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing; and the Town shall be in compliance with each of the agreements made by it in this Note Purchase Agreement.

(b) At the time of the Closing, (i) this Note Purchase Agreement and the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Purchaser; (ii) all actions under the Act which, in the opinion of the firm of Quint & Thimmig LLP, bond counsel ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and, (iii) the Town shall perform or have performed all of their obligations required under or specified in the Resolution or the Note Purchase Agreement to be performed at or prior to the Closing.

(c) No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Note Purchase Agreement (and not reversed on appeal or otherwise set aside), or to the best knowledge of the Town, pending or threatened.

(d) No order, decree or injunction of any court of competent jurisdiction, nor any order, ruling or regulation of the Securities and Exchange Commission, shall have been issued or made with the purpose or effect of prohibiting the issuance, offering or sale of the Note as contemplated hereby and no legislation shall have enacted, or a bill favorably reported for adoption, or a decision by a court established under Article III of the Constitution of the United States rendered, or a ruling, regulation, proposed regulation or official statement by or on behalf of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or issued, to the effect that the Note or any securities of the Town or of any similar body of the type contemplated herein are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, or the Trustee Indenture Act of 1939, as amended and as then in effect.

(e) At or prior to the date of the Closing, the Purchaser shall receive one copy of the following documents in each case dated as of the Closing Date and satisfactory in form and substance to the Purchaser:

(1) An approving opinion of Bond Counsel, as to the Note, addressed to the Town.

(2) A letter setting forth that the Purchaser can rely upon the approving opinion of Bond Counsel.

(3) A certificate signed by appropriate officials of the Town to the effect that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending, or to his or her knowledge, threatened against the Town (but in lieu of or in conjunction with such certification the Purchaser may, at its sole discretion, accept certificates, opinions of counsel to the Town or Bond Counsel, that in their opinion the issues raised in any such pending or threatened litigation are without substance and that the contentions of all plaintiffs therein are without merit).

(4) A certificate signed by appropriate officials of the Town to the effect that (i) the representation, agreements and warranties of the Town herein are true and correct in all material respects as of the date of Closing; and (ii) the Town has complied with all the terms of the Resolution and this Note Purchase Agreement to be complied with by the Closing and such documents are in full force and effect.

(5) A certificate, together with fully executed copies of the Resolution, of the Town Clerk to the effect that (i) such copies are true and correct copies of the Resolution; and (ii) that the Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing.

(6) Such additional legal opinion, certificates, proceedings, instruments and other documents as the Purchaser may reasonably request to evidence compliance (i) by the Town with legal requirements; (ii) the truth and accuracy, as of the time of Closing, of the representations of the Town herein contained; and, (iii) the due performance or satisfaction by the Town at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Town.

If the Town shall be unable to reasonably satisfy the conditions requested by the Purchaser to evidence compliance with the terms and conditions set forth in this Note Purchase Agreement, the Purchaser's obligations for the purchase of the Note shall be terminated for any reason permitted by this Note Purchase Agreement, and this Note Purchase Agreement may be canceled by the Purchaser at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the Town in writing, or by telephone or email confirmed in writing. Notwithstanding any provision herein to the contrary, the performance and any and all obligations of the Town hereunder and the performance of any and all conditions contained herein for the benefit of the Purchaser may be waived by the Purchaser in writing at its sole discretion.

7. Conditions to Obligations of the Town. The performance by the Town of its obligations is conditioned upon (i) the performance by the Purchaser of its obligations hereunder; and (ii) receipt by the Town and the Purchaser of opinions and certificates being delivered at the Closing by persons and entities other than the Town.

8. Expenses. The Town shall pay the expenses incident to the performance of its obligations hereunder from the proceeds of the Note (or from any other source of available funds of the Town) which expenses include and are limited to: (i) the cost of the preparation and reproduction of the Resolution; (ii) the fees and disbursements of Bond Counsel, (iii) the fees and expenses of Wulff, Hansen & Co., as financial advisor to the Town in connection with the issuance of the Note (the "Financial Advisor"), (iv) DTC fees; (v) CUSIP fees; (vi) CDIAF fees; (vii) the fees and disbursements of any other advisors or consultants retained by the Town in connection with the issuance of the Note, and (viii) any other fees and expenses required in connection with the issuance of the Note.

All costs or expenses incurred by the Purchaser as a result of nonpayment or other default by the Town shall be borne by the Town including, without limitation, attorneys fees.

All other costs and expenses incurred by the Purchaser as a result of or in connection with the purchase of the Note shall be borne by the Purchaser.

9. Notices. Any notice or other communication to be given under this Note Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the Town, to the Town Manager, Town of Fairfax, 142 Bolinas Road, Fairfax, CA 94930, or if to the Purchaser to the Assistant Director of Finance, County of Marin, 3501 Civic Center Drive, San Rafael, CA 94903.

10. Parties in Interest; Survival of Representations and Warranties. This Note Purchase Agreement when accepted by the Town in writing as heretofore specified shall constitute the entire agreement between the Town and the Purchaser. This Note Purchase Agreement is made solely for the benefit of the Town and the Purchaser (including the successors or assigns of the Purchaser). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the Town in this Note Purchase Agreement shall survive regardless of (a) any investigation or any statement in respect thereof made by or on

behalf of the Purchaser, (b) delivery of and payment by the Purchaser for the Note hereunder, and (c) any termination of this Note Purchase Agreement.

11. Execution in Counterparts. This Note Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original of all of which shall constitute one and the same document.

12. Applicable Law. This Note Purchase Agreement shall be interpreted, governed and enforced in accordance with the law of the State of California.

Very truly yours,
COUNTY OF MARIN, as Purchaser

By _____
Assistant Director of Finance

The foregoing is hereby agreed to and accepted as of the date first written above:

TOWN OF FAIRFAX

By _____
Town Manager