ESCROW AGREEMENT
RELATING TO THE DEFEASANCE OF

$2,946,253.60	$3,053,625.50
Bonds of School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District Election of 2005, Series 2005 (Bank Qualified)	Bonds of School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District Election of 2005, Series 2006 (Bank Qualified)

THIS ESCROW AGREEMENT, dated as of March 1, 2016, by and between the Palo Verde Community College District (the "District"), and U.S. Bank National Association, acting in its capacity as escrow agent (the "Escrow Agent") pursuant to this Escrow Agreement (the "Agreement");

W I T N E S S E T H:

WHEREAS, the District previously issued $2,946,253.60 of its Bonds of the School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election of 2005, Series 2005 (the "2005 Bonds"); and

WHEREAS, the District previously issued $3,053,625.50 of its Bonds of the School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election of 2005, Series 2006 (the "2006 Bonds" and together with the 2005 Bonds, the "Prior Bonds"); and

WHEREAS, the District has determined that it is in its best interests to refund the outstanding portions of the Prior Bonds (so refunded, the "2005 Refunded Bonds," the "2006 Refunded Bonds", and, collectively, the "Refunded Bonds"), as more particularly described on Schedule C hereto; and

WHEREAS, in order to accomplish such a refunding it is necessary and desirable for the District to secure payment of debt service on the Refunded Bonds; and

WHEREAS, pursuant to a resolution of the Board of Trustees of the District adopted on January 19, 2016, the District approved the issuance of its 2016 General Obligation Refunding Bonds (School Facilities Improvement District No. 2004-1) (the "Bonds"); and

WHEREAS, the District has determined that it is in its best interests and desirable for a portion of proceeds of the Bonds to be deposited with the Escrow Agent on _____, 2016 and for such proceeds to be applied to pay the Refunded Bonds in accordance with the terms of this Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the District and the Escrow Agent agree as follows:

SECTION 1. Deposit of Moneys.

(a) As used herein, the term "Investment Securities" means the Investment Securities set forth in Schedule A hereto. The District hereby deposits with the Escrow Agent $_____, which amount represents the net proceeds of the Bonds to be held in irrevocable escrow by the Escrow Agent, separate and apart from other funds of the District and the Escrow Agent, in a fund hereby created and established and to be known as the "Palo Verde Community College District Improvement District Bonds Escrow Fund" (referred to herein as the "Escrow Fund"), to be applied solely as provided in this Agreement. Such moneys are at least equal to an amount sufficient to purchase the principal amount of Investment Securities set forth in Schedule A hereto.

(b) The Escrow Agent hereby acknowledges receipt of the cash flow and yield verification report of Causey Demgen & Moore P.C., certified public accountants, dated _____, 2016 (the "Verification Report"), and the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, dated _____, 2016, relating to the sufficiency of the Investment Securities and cash deposited pursuant hereto to defease the Refunded Bonds and, as to such opinion, relating to this Agreement.

SECTION 2. Use and Investment of Moneys. The Escrow Agent acknowledges receipt of the moneys described in Section 1(a) and agrees:

(a) to invest $_____ of the moneys described in Section 1(a) in the Investment Securities set forth in Schedule A hereto and to deposit such Investment Securities in the Escrow Fund, and to hold $_____ uninvested as cash in order to refund the 2006 Bonds; and

(b) to hold $_____ uninvested as cash in order to refund the 2005 Bonds; and

(c) to make the payments required under Section 3(a) hereof at the times set forth therein.

SECTION 3. Payment of Refunded Bonds.

(a) Payment of the Refunded Bonds. From the amounts deposited pursuant to Section 1(a) hereof, the Escrow Agent shall pay the interest on the (i) 2005 Refunded Bonds due on and prior to _____, 2016, if any, and to redeem on _____, 2016 the outstanding principal of the remaining outstanding 2005 Refunded Bonds, at a redemption price equal to 100% of the principal amount thereof, and (ii) 2006 Refunded Bonds due on and prior to August 1, 2016, if any, and to redeem on August 1, 2016 the outstanding principal of the remaining outstanding 2006 Refunded Bonds, at a redemption price equal to 100% of the principal amount thereof.

Such transfers shall constitute the respective payments of the principal of and interest on the Refunded Bonds and redemption price due from the District.

(b) Unclaimed Moneys. Any moneys which remain unclaimed for two years after the date such moneys have become due and payable hereunder shall be repaid by the Escrow Agent to the District. Any moneys remaining in the Escrow Fund established hereunder after August 1, 2016 (aside from unclaimed moneys of the Refunded Bonds) which are in excess of the amount needed to pay owners of the Refunded Bonds payments of principal and interest with respect to the Refunded Bonds or to pay any amounts owed to the Escrow Agent shall be immediately transferred by the Escrow Agent to the District.

(c) Priority of Payments. The holders of each series of the Refunded Bonds shall have a first lien on the moneys and Investment Securities (as defined herein) in the Escrow Fund which are allowable and sufficient to pay the corresponding series of Refunded Bonds until such moneys and Investment Securities are used and applied as provided in this Agreement, as verified by the Verification Report. Any cash or securities held in the Escrow Fund are irrevocably pledged only to the holders of the Refunded Bonds.

(d) Termination of Obligation. Upon deposit of the moneys set forth in Section 1(a) hereof with the Escrow Agent pursuant to the provisions of Section 1(a) hereof and the purchase of the Investment Securities as provided in Section 2 hereof, all obligations of the District with respect to the Refunded Bonds shall cease and terminate, except only the obligation to make payments therefor from the moneys provided for hereunder.

SECTION 4. Performance of Duties. The Escrow Agent agrees to perform the duties set forth herein.

SECTION 5. Investment. Upon written direction of the District, the Escrow Agent may invest any uninvested amounts held as cash under this Agreement in noncallable nonprepayable obligations which are direct obligations issued by the United States Treasury or obligations which are unconditionally guaranteed as to full and timely payment by the United States of America (collectively, "Investment Securities") provided (i) the amounts of and dates on which the anticipated transfers from the Escrow Fund to the Trustee for the payment of the principal of, and interest on the Refunded Bonds will not be diminished or postponed thereby, (ii) the Escrow Agent shall receive the unqualified opinion of nationally recognized municipal bond counsel to the effect that such investment will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or the Refunded Bonds, (iii) the Escrow Agent shall receive from a firm of independent certified public accountants a certification that, immediately after such investment, the principal of and interest on obligations in the Escrow Fund will, together with other cash on deposit in the Escrow Fund available for such purposes, be sufficient without investment to pay, when due, the principal and interest on the Refunded Bonds; and (iv) the Escrow Agent shall receive an opinion of nationally recognized municipal bond counsel that such investment is permissible under this Agreement.

SECTION 6. Indemnity. The District hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the District or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of its Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds

and securities deposited therein, the purchase of the Investment Securities, the retention of the Investment Securities or the proceeds thereof and any payment, transfer or other application of moneys by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the District shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the negligent or willful misconduct of the Escrow Agent's respective successors, assigns, agents and employees or the breach by the Escrow Agent of the terms of this Agreement. In no event shall the District or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this section. The indemnities contained in this section shall survive the termination of this Agreement and the earlier resignation or removal of the Escrow Agent.

SECTION 7. Responsibilities of the Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or securities deposited therein, the purchase of the Investment Securities, the retention of the Investment Securities or the proceeds thereof, the sufficiency of the Investment Securities to accomplish the refunding and defeasance of the Refunded Bonds or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained in the "whereas" clauses herein shall be taken as the statements of the District and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the Investment Securities to accomplish the refunding and defeasance of the Refunded Bonds or to the validity of this Agreement as to the District and, except as otherwise provided herein, the Escrow Agent shall incur no liability with respect thereto. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the District, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection with respect to any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the District.

SECTION 8. Substitution of Investment Securities. At the written request of the District and upon compliance with the conditions hereinafter set forth, the Escrow Agent shall have the power to sell, transfer, request the redemption or otherwise dispose of some or all of the Investment Securities in the Escrow Fund and to substitute noncallable nonprepayable obligations (the "Substitute Investment Securities") constituting direct obligations issued by the United States Treasury or obligations which are unconditionally guaranteed as to full and timely payment by the United States of America. The foregoing may be effected only if: (i) the substitution of Substitute Investment Securities for the Investment Securities (or Substitute Investment Securities) occurs simultaneously; (ii) the amounts of and dates on which the anticipated transfers from the Escrow Fund to the Trustee for the payment of the principal, and/or redemption price of and/or interest on the Refunded Bonds will not be diminished or postponed thereby; (iii) the Escrow Agent shall receive the unqualified opinion of nationally recognized bond counsel to the effect that such disposition and substitution would not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds or the Bonds, and that the conditions of this Section 8 as to the disposition and substitution have been

satisfied and that the substitution is permitted by this Agreement; and (iv) the Escrow Agent shall receive from a firm of independent certified public accountants a certification that, immediately after such transaction, the principal of and interest on the Substitute Investment Securities in the Escrow Fund will, together with other cash on deposit in the Escrow Fund available for such purpose, be sufficient without reinvestment to pay, when due, the principal or redemption price of and interest on the Refunded Bonds. Any cash from the sale of Investment Securities (including U.S. Treasury Securities) received from the disposition and substitution of Substitute Investment Securities pursuant to this Section 8 to the extent such cash will not be required, in accordance with this Agreement, and as demonstrated in the certification described in subsection (iv) above, at any time for the payment when due of the principal or redemption price of or interest on the Refunded Bonds shall be paid to the District as received by the Escrow Agent free and clear of any trust, lien, pledge or assignment securing such Bonds or otherwise existing under this Agreement. Any other substitution of securities in the Escrow Fund not described in the previous sentence must satisfy the requirements of this Section 8. In no event shall the Escrow Agent invest or reinvest moneys held under this Agreement in mutual funds or unit investment trusts.

SECTION 9. Irrevocable Instructions as to Notice; Termination of Obligations.

(a) The Escrow Agent hereby acknowledges that upon the funding of the Escrow Fund as provided in Section 1(a) hereof and the purchase of the Investment Securities as provided in Section 2 hereof, the receipt of the Defeasance Opinion and the Verification Report described in Section 1(b) of this Agreement, then the Refunded Bonds shall be deemed paid in accordance with the terms of each series of Refunded Bonds and all obligations of the District with respect to each series of Refunded Bonds shall cease and terminate, except only the obligation to make payments therefore from the moneys provided for hereunder.

(b) The Escrow Agent further acknowledges that it has received from the District the Instructions and Form of Conditional Notice of Redemption, dated as of _____, 2016, relating to the 2005 Refunded Bonds, and has provided timely notice of redemption of the 2005 Refunded Bonds as described therein;

(c) The Escrow Agent further agrees it shall provide timely notice of the redemption of the 2006 Refunded Bonds, pursuant to the Irrevocable Instructions and Request to Escrow Agent attached hereto as Schedule B;

(d) The Escrow Agent further agrees that it shall file a notice of the defeasance of the Refunded Bonds with the Municipal Securities Rulemaking Board (the "MSRB") (which is located at http://emma.msrb.org/), as soon as practicable, but no later than 10 days after the date of Closing, to the holders of the Refunded Certificates (in the form annexed hereto as Schedule B) that the deposit of moneys has been made with it as such Escrow Agent and that it has received a verification report verifying that the projected withdrawals from such escrow have been calculated to be adequate to pay the principal or prepayment price of and the interest on said Refunded Bonds outstanding as such become due or are subject to redemption.

SECTION 10. Amendments. This Agreement is made for the benefit of the District and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and the District; provided, however, but

only after the receipt by the Escrow Agent of an opinion of nationally recognized municipal bond counsel that the exclusion from gross income of interest on the Bonds and the Refunded Bonds will not be adversely affected for federal income tax purposes, that the District and the Escrow Agent may, without the consent of, or notice to, such holders, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and (iii) to include under this Agreement additional funds, securities or properties. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized municipal bond counsel with respect to compliance with this Section 10, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section 10. In the event of any conflict with respect to the provisions of this Agreement, this Agreement shall prevail and be binding.

SECTION 11. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either (i) the date upon which the Refunded Bonds have been paid in accordance with this Agreement or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 3(b) of this Agreement.

SECTION 12. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien nor will it assert a lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

SECTION 13. Resignation or Removal of Escrow Agent.

(a) The Escrow Agent may resign by giving notice in writing to the District, a copy of which shall be sent to DTC. The Escrow Agent may be removed (1) by (i) filing with the District an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of the Refunded Bonds then remaining unpaid, (ii) sending notice at least 60 days prior to the effective date of said removal to DTC, and (iii) the delivery of a copy of the instruments filed with the District to the Escrow Agent or (2) by a court of competent jurisdiction for failure to act in accordance with the provisions of this Agreement upon application by the District or the holders of 51% in aggregate principal amount of the Refunded Bonds then remaining unpaid.

(b) If the position of Escrow Agent becomes vacant due to resignation or removal of the Escrow Agent or any other reason, a successor Escrow Agent may be appointed by the District. The holders of a majority in principal amount of the Refunded Bonds then remaining unpaid may, by an instrument or instruments filed with the District, appoint a successor Escrow Agent who shall supersede any Escrow Agent theretofore appointed by the District. If no successor Escrow Agent is appointed by the district or the holders of such Refunded Bonds then remaining unpaid, within 45 days after any such resignation or removal, the holder of any such Refunded Bond or any retiring Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor Escrow Agent. The responsibilities of the Escrow Agent under this Escrow Agreement will not be discharged until a new Escrow Agent is appointed and until any cash and investments held under this Escrow Agreement are transferred to the new Escrow Agent.

SECTION 14. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the District or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 15. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 16. Governing Law. This Agreement shall be construed under the laws of the State of California.

SECTION 17. Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Agreement, shall be a legal holiday or a day on which banking institutions in the city in which is located the principal office of the Escrow Agent are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Agreement, and no interest shall accrue for the period after such nominal date.

SECTION 18. Assignment. This Agreement shall not be assigned by the Escrow Agent or any successor thereto without the prior written consent of the District, except as provided in Section 20 hereof, which shall require no such prior written consent.

SECTION 19. Rating Agencies. The District agrees to provide to Standard & Poor's Financial Services LLC, 55 Water Street, New York, New York 10041, and Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York, 10007, prior notice of each amendment entered into pursuant to Section 10 hereof and a copy of such proposed amendment, and to forward a copy (as soon as possible) of (i) each amendment hereto entered into pursuant to Section 10 hereof, and (ii) any action relating to severability or contemplated by Section 14 hereof.

SECTION 20. Reorganization of Escrow Agent. Notwithstanding anything to the contrary contained in this Agreement, any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Escrow Agent is a party, or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Escrow Agent without execution or filing of any paper or any paper or further act, if such company is eligible to serve as Escrow Agent.

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

PALO VERDE COMMUNITY COLLEGE DISTRICT

By:_____
Chief Business Officer

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent

By:_____
Authorized Signatory

SCHEDULE A

"Investment Securities" are defined to be and shall be as follows:

SCHEDULE B

IRREVOCABLE INSTRUCTIONS AND REQUEST TO
ESCROW AGENT

_____, 2016

U.S. Bank National Association

$2,946,253.60	$3,053,625.50
Bonds of School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District Election of 2005, Series 2005 (Bank Qualified)	Bonds of School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District Election of 2005, Series 2006 (Bank Qualified)

Ladies and Gentlemen:

As Escrow Agent with respect to the Bonds of the School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election of 2005, Series 2005, maturing on August 1, 2025 and August 1, 2030 (the "2005 Refunded Bonds") and the Bonds of the School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election of 2005, Series 2006 maturing on August 1, 2019, August 1, 2021 and August 1, 2023 (the "2006 Refunded Bonds" and, together with the 2005 Refunded Bonds, the "Refunded Bonds"), as further defined in that certain Escrow Agreement, dated as of March 1, 2016, by and between Palo Verde Community College District (the "District") and U.S. Bank National Association, as escrow agent (the "Escrow Agreement"), you are hereby notified of the irrevocable election of the District to pay the interest on the 2006 Refunded Bonds due on and prior to August 1, 2016, and to redeem on August 1, 2016 the outstanding principal of the 2006 Refunded Bonds at a redemption price equal to 100% of the principal amount thereof.

You are hereby irrevocably instructed to give, as provided in the resolution of the District authorizing the issuance of the 2006 Refunded Bonds, notice of redemption of such principal amounts of said 2006 Refunded Bonds as are scheduled to be redeemed prior to maturity to the extent such 2006 Refunded Bonds have not been otherwise redeemed or purchased by the Escrow Agent prior to such date. Such notice shall substantially be in the form annexed hereto as Exhibit X.

You are further hereby irrevocably instructed to file notices of defeasance of the Refunded Bonds with the Municipal Securities Rulemaking Board, which can be found at http://emma.msrb.org/

Finally, you are hereby irrevocably instructed to provide, as soon as practicable, notices to the holders of the Refunded Bonds (substantially in the forms annexed hereto as Exhibit Y) that the deposit of investment securities and moneys has been made with you as such Escrow Agent and that you have received a verification report verifying that the projected withdrawals from such escrow have been calculated to be adequate to pay the principal or redemption price of and the interest on said Refunded Bonds outstanding as such become due or are subject to redemption.

PALO VERDE COMMUNITY COLLEGE DISTRICT

By:_____
Chief Business Officer

Receipt acknowledged and consented to:
US BANK NATIONAL ASSOCIATION,
as Escrow Agent

By: _____
Authorized Signatory

EXHIBIT X

NOTICE OF REDEMPTION OF

$3,053,625.50
Bonds of School Facilities Improvement District No.
2004-1 of the Palo Verde Community College District
Election of 2005, Series 2006
(Bank Qualified)

Original Issue Date: September 12, 2006

Maturity (August 1)	Rate	Original Principal Amount	CUSIP*	Redemption Price	Bond Number
2019	5.500%	$545,000	697479AW3	100%	
2021	4.500	435,000	697479AX1	100	
2023	4.500	500,000	697479AY9	100	

NOTICE IS HEREBY GIVEN to the holders of the outstanding $3,053,625.50 Bonds of the School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election of 2005, Series 2006, maturing on August 1, 2019, August 1, 2021 and August 1, 2023 (the "Refunded Bonds"), that all of such bonds, as identified above, have been called for redemption prior to maturity on August 1, 2016 (the "Redemption Date") in accordance with their terms at a redemption price of 100% of the principal amount thereof as of such Redemption Date. The source of the funds to be used for such redemption is the principal of and interest on investment securities heretofore deposited with U.S. Bank National Association as Escrow Agent, together with moneys heretofore deposited with the Escrow Agent and held as cash.

Interest on the Refunded Bonds and the redemption price shall become due and payable on the Redemption Date, and after such date interest on such Refunded Bonds shall cease to accrue and be payable.

Holders of the Refunded Bonds will receive payment of the redemption price to which they are entitled upon presentation and surrender thereof at the principal corporate trust office of U.S. Bank National Association in the following manner:

If by Mail:	If by Hand or Overnight Mail:
U. S. Bank National Association Corporate Trust Services 111 Fillmore Avenue St. Paul, MN 55107-2292	U. S. Bank National Association Corporate Trust Services 111 Fillmore Avenue St. Paul, MN 55107-2292

Bondholders presenting their Certificates in person for same day payment **must** surrender their bond(s) by 1:00 PM on the Redemption Date and a check will be available for pickup after 2:00PM. Checks not picked up by 4:30PM will be mailed out to the bondholder via first class mail. If payment of the redemption price is to be made to the registered owner of the Bond, you are not required to endorse the Bond to collect the redemption price.

Interest on the principal amount designated to be redeemed shall cease to accrue on and after the Redemption Date.

IMPORTANT NOTICE

Under the Economic Growth and Tax Relief Reconciliation Act of 2001 (the "Act") 28% will be withheld if tax identification number is not properly certified.

*Neither the Palo Verde Community College District nor the Escrow Agent shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness as shown in the Redemption Notice. It is included solely for convenience of the Holders.

By U.S. BANK NATIONAL ASSOCIATION

as Escrow Agent

Date:_____, 2016

EXHIBIT Y

NOTICE OF DEFEASANCE OF

$2,946,253.60
Bonds of School Facilities Improvement District No.
2004-1 of the Palo Verde Community College District
Election of 2005, Series 2005
(Bank Qualified)

Original Issue Date: October 19, 2005

Maturity (August 1)	Rate	Original Principal Amount	CUSIP*	Redemption Price	Bond Number
2025	6.000%	$890,000	697479AP8	100%	
2030	6.000	1,190,000	697479AQ6	100	

Notice is hereby given to the holders of the outstanding $2,946,253.60 Bonds of the School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election of 2005, Series 2005 maturing on August 1, 2025 and August 1, 2030 (the " Refunded Bonds") (i) that there has been deposited with U.S. Bank National Association as Escrow Agent, moneys as permitted by the Escrow Agreement, dated as of March 1, 2016, between the Palo Verde Community College District (the "District") and U.S. Bank National Association (the "Agreement"), which shall be sufficient and available (a) to pay the principal and interest with respect to the Refunded Bonds scheduled to be paid on and prior to _____, 2016, and (b) to redeem the remaining outstanding Refunded Bonds on _____, 2016 at a redemption price (expressed as a percentage of the principal amount of the Refunded Bonds to be redeemed) equal to 100%; (ii) that the Escrow Agent has been irrevocably instructed to redeem on _____, 2016 such Refunded Bonds; and (iii) that the Refunded Bonds are deemed to be paid in accordance with Section 3 of the Agreement.

Dated this __th day of _____, 2016.

PALO VERDE COMMUNITY COLLEGE DISTRICT

_____
U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent

NOTICE OF DEFEASANCE OF

$3,053,625.50
Bonds of School Facilities Improvement District No.
2004-1 of the Palo Verde Community College District
Election of 2005, Series 2006
(Bank Qualified)

Original Issue Date: September 12, 2006

Maturity (August 1)	Rate	Original Principal Amount	CUSIP*	Redemption Price	Bond Number
2019	5.500%	$545,000	697479AW3	100%	
2021	4.500	435,000	697479AX1	100	
2023	4.500	500,000	697479AY9	100	

Notice is hereby given to the holders of the outstanding $3,053,625.50 Bonds of the School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election of 2005, Series 2006, maturing on August 1, 2019, August 1, 2021 and August 1, 2023 (the " Refunded Bonds") (i) that there has been deposited with U.S. Bank National Association as Escrow Agent, moneys and investment securities as permitted by the Escrow Agreement, dated as of March 1, 2016, between the Palo Verde Community College District (the "District") and U.S. Bank National Association (the "Agreement"), the principal of and the interest on which when due will provide moneys which, together with such other moneys deposited with the Escrow Agent, shall be sufficient and available (a) to pay the principal and interest with respect to the Refunded Bonds scheduled to be paid on and prior to August 1, 2016, and (b) to redeem the remaining outstanding Refunded Bonds on August 1, 2016 at a redemption price (expressed as a percentage of the principal amount of the Refunded Bonds to be redeemed) equal to 100%; (ii) that the Escrow Agent has been irrevocably instructed to redeem on August 1, 2016 such Refunded Bonds; and (iii) that the Refunded Bonds are deemed to be paid in accordance with Section 3 of the Agreement.

Dated this __th day of _____, 2016.

PALO VERDE COMMUNITY COLLEGE DISTRICT

_____
U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent

SCHEDULE C

REFUNDED BONDS

$2,946,253.60
Bonds of School Facilities Improvement District No.
2004-1 of the Palo Verde Community College District
Election of 2005, Series 2005
(Bank Qualified)

Original Issue Date: October 19, 2005

Maturity (August 1)	Rate	Original Principal Amount	CUSIP*	Redemption Price	Bond Number
2025	6.000%	$890,000	697479AP8	100%	
2030	6.000	1,190,000	697479AQ6	100	

$3,053,625.50
Bonds of School Facilities Improvement District No.
2004-1 of the Palo Verde Community College District
Election of 2005, Series 2006
(Bank Qualified)

Original Issue Date: September 12, 2006

Maturity (August 1)	Rate	Original Principal Amount	CUSIP*	Redemption Price	Bond Number
2019	5.500%	$545,000	697479AW3	100%	
2021	4.500	435,000	697479AX1	100	
2023	4.500	500,000	697479AY9	100	