

\$18,570,000
CERTIFICATES OF PARTICIPATION
(2016 Financing Project)
Evidencing the Direct, Undivided Fractional Interests of the
Owners Thereof in Installment Payments to be Made by the
MID-PENINSULA WATER DISTRICT
(San Mateo County, California)
As the Purchase Price for Certain Property Pursuant to an
Installment Sale Agreement with the
Public Property Financing Corporation of California

CERTIFICATE REGARDING EFFECTIVENESS
OF ARTICLES OF INCORPORATION AND BY-LAWS

The undersigned hereby states and certifies:

(i) that the undersigned is the duly elected, qualified and acting Secretary/Treasurer of the Public Property Financing Corporation of California, a nonprofit public benefit corporation, duly organized and existing under the laws of the State of California (the "Corporation"), and as such, is familiar with the facts herein certified and is authorized to certify the same;

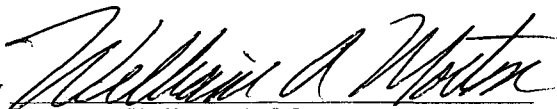
(ii) that attached hereto is a true, correct and complete copy of the Articles of Incorporation of the Corporation, including any and all amendments thereto (the "Articles"), as filed with and certified by the California Secretary of State, which Articles are in full force and effect as of the date hereof;

(iii) that attached hereto is a true, correct and complete copy of the By-Laws of the Corporation, including any and all amendments thereto (the "By-Laws"), which By-Laws are in full force and effect as of the date hereof; and

(iv) that the Corporation is not in violation of any provisions of the Articles or the By-Laws.

Dated: December 21, 2016

PUBLIC PROPERTY FINANCING
CORPORATION OF CALIFORNIA

By 
William A. Morton,
Secretary/Treasurer

1495957

ARTICLES OF INCORPORATION

OF

PUBLIC PROPERTY FINANCING CORPORATION

OF CALIFORNIA

FILED
In the office of the Secretary of State
of the State of California

APR 18 1951

March Forth Etc.
MARCH FORG EU, Secretary of State

I

The name of this Corporation is PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA.

II

This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for public and charitable purposes. The specific purposes for which the Corporation is organized include benefiting California governmental agencies, including, but not limited to public school districts, by participating with such governmental agencies in projects to maintain, improve and assist the activities of such governmental agencies by acquiring, purchasing, selling, leasing or otherwise transferring real and personal property in connection with such projects, as well as assisting the governmental agencies in financing, acquiring and constructing such projects.

Although the Corporation may pursuant to agreement hold title to personal and real property when carrying out the purposes enumerated above, the Corporation shall neither retain nor reserve the rights, title, interest and privileges

it may have in such personal and real property. The Corporation shall absolutely assign (1) all the rights, title, interest and privileges it may have in such agreements together with all rents, income and profits due therefrom; and (2) the right to sue to enforce such assigned rights, title, interest and privileges. Subject to the above limitations, the Corporation may do any and all things necessary to carry out such purposes but shall not engage in activities which do not further such purposes and shall not support or benefit any organization other than said governmental agencies.

III

The name and address in this State of the Corporation's initial agent for service of process is Ronald S. Morton, Municipal Leasing Associates, Inc., 16133 Ventura Boulevard, 13th Floor, Suite D, Encino, California 91436.

IV

This Corporation is organized and operated exclusively for public, charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986.


No substantial part of the activities of this Corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, nor shall this Corporation participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

v

The property of this Corporation is irrevocably dedicated to charitable purposes, and no part of the net income or assets of this Corporation shall ever inure to the benefit of any director, officer or member of this Corporation, or to the benefit of any private person.

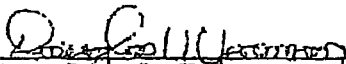
Upon winding up and dissolution of this Corporation, and after paying and adequately providing for the debts and liabilities of the Corporation, the assets of this Corporation shall be distributed to any fund, foundation, or corporation which is organized and operated exclusively for public, charitable or educational purposes and which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986.

DATED: April 15, 1991



Douglas N. Yeoman
Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.



Douglas N. Yeoman
Incorporator

A404651

FILED
in the office of the Secretary of State
of the State of California

JUN 11 1991

March Fong
MARCH FONG ELI, Secretary of State

1495957

CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION
OF PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA

Ronald S. Morton and William A. Morton certify that:

1. They are the Chairman of the Board and the Treasurer/Secretary, respectively of the Public Property Financing Corporation of California, a California non-profit public benefit corporation.

2. The following amendment to the Articles of Incorporation has been approved by the Board of Directors:

The second paragraph to Article II shall be amended to read:

"The Corporation may do any and all things necessary to carry out such purposes but shall not engage in activities which do not further such purposes and shall not support or benefit any organization other than said governmental agencies."

3. The Corporation has no members.

VERIFICATION

Each of the undersigned declares under penalty of perjury that the statements contained in the foregoing certificate are true and correct of his own knowledge, and that this declaration was executed on June 7, 1991 at Encino, California.

Ronald S. Morton

Ronald S. Morton, Chairman

William A. Morton

William A. Morton, Treasurer/
Secretary

1495957

A479621

FILED

In the office of the Secretary of State
of the State of California

JUL 30 1996

**CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION
OF PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA.**

Ronald S. Morton and William A. Morton certify that *Bill Jones* Bill Jones, Secretary of State

1. They are the Chairman of the Board and the Treasurer/Secretary, respectively, of the Public Property Financing Corporation of California, a California nonprofit public benefit corporation.

2. The following amendment to the Articles of Incorporation has been approved by the Board of Directors:

The second paragraph to Article V shall be amended to read:

"Upon winding up or dissolution of this Corporation, and after paying and adequately providing for the debts and liabilities of the Corporation, the assets of this Corporation shall be distributed first to any public entity(ies) on which behalf the Corporation is holding title to those assets and second, in the event that said public entity(ies) is unwilling or unable to accept title to said assets or for any assets not being held on behalf of any particular entity, to any nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable purposes and which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986."

3. The Corporation has no members.

VERIFICATION

Each of the undersigned declares under penalty of perjury that the statements contained in the foregoing certificates are true and correct of his own knowledge, and that this declaration was executed on July 25, 1996, at Calabasas, California.

Ronald S. Morton
Ronald S. Morton, Chairman

William A. Morton
William A. Morton, Treasurer/
Secretary



I hereby certify that the foregoing
transcript of _____ page(s)
is a full, true and correct copy of the
original record in the custody of the
California Secretary of State's office.

SEP 05 2014

Date: _____ *MLR*

Nelra Bowen
NELRA BOWEN, Secretary of State

BYLAWS
OF
PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA

ARTICLE I

NAME

The name of this organization is Public Property Financing Corporation of California.

ARTICLE II

PURPOSES

The purposes for which this organization is formed shall be as provided in its Articles of Incorporation. The specific purposes for which the Corporation is organized include benefiting California governmental agencies, including, but not limited to public school districts, by participating with such governmental agencies in projects to maintain, improve and assist the activities of such governmental agencies by acquiring, purchasing, selling, leasing or otherwise transferring real and personal property in connection with such projects, as well as assisting the governmental agencies in financing, acquiring and constructing such projects.

ARTICLE III

OFFICE OF THE CORPORATION

The principal office for the transaction of the activities and affairs of the Corporation is located at 23945 Calabasas Road, Suite 103, Calabasas, California 91302. The Board of Directors may change the principal office from one location to another. Any change of location of the principal office shall be noted by the secretary of

these Bylaws opposite this Article or this Article may be amended to state the new location.

ARTICLE IV

MEMBERSHIP

This Corporation shall have no members and shall be governed solely by its Board of Directors.

ARTICLE V

BOARD OF DIRECTORS

1. Responsibility. Except as otherwise provided by the Articles of Incorporation, the Bylaws or the Nonprofit Public Benefit Corporation Law, the powers of the Corporation shall be exercised, its property shall be controlled and its affairs shall be conducted by the Board of Directors (hereinafter referred to as the "Board").

2. Powers. Without prejudice to the general powers set forth in Section I of this Article, but subject to the same limitations, the Board shall have the power to:

- a. Adopt, use and at will alter a corporate seal (but failure to affix a seal does not affect the validity of any instrument).
- b. Adopt, amend and repeal bylaws.
- c. Issue, purchase, redeem, receive, take or otherwise acquire, own, sell, lend, exchange, transfer or otherwise dispose of, pledge, use and otherwise deal in and with its own bonds, debentures, notes, certificates and debt securities.
- d. Assume obligations, enter into contracts, including contracts of guarantee or suretyship, incur liabilities, borrow or lend

money or otherwise use its credit, and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.

e. Participate with others in any partnership, joint venture or other association, transaction or arrangement of any kind whether or not such participation involves sharing or delegation of control with or to others.

f. Act as director under any trust incidental to the principal objects of the Corporation, and receive, hold, administer, exchange and expend funds and property subject to such trust.

g. Change the principal office of the Corporation from one location to another.

h. Appoint and remove, at the pleasure of the Board, all the Corporation's officers, agents, and employees; prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation and with these Bylaws; and fix their compensation and require from them security for faithful performance of their duties.

i. Acquire, own, sell, hold, lease, exchange, transfer or otherwise dispose of, real and personal property.

3. Number. The Board shall consist of at least two (2) but no more than five (5) directors until changed by amendment to these Bylaws. The exact number of directors shall be fixed, within these limits, by a resolution adopted by the Board.

4. Term. Each Director shall hold office for a term of six (6) years or until his or her successor has been elected or appointed. Directors may be re-elected to membership on the Board.

5. Vacancies. Any vacancy on the Board, whether by reason of death, resignation, removal, change in the number of directors or otherwise, shall be filled by the remaining member(s) of the Board, even though less than a quorum. A director appointed to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office.

6. Removal. Any Director may be removed from office with or without cause by a majority vote of the directors of this Corporation then in office.

7. Voting Rights. Each Director shall be entitled to one (1) vote on all matters before the Board. Directors may vote by written ballot but there shall be no voting by proxy.

8. Annual Meetings. The Board shall meet annually on the last business day in January of each year, at a time and place to be set by the Board. The annual meeting shall be held for the purposes of organizing the Board, electing officers and transacting such other business as may come before the meeting. Notice of this meeting is not required.

9. Regular Meetings. Regular meetings of the Board may be held without notice of such frequency, time and place as the Board shall from time to time determine.

10. Special Meetings. Special meetings of the Board for any purpose or purposes may be called by the Chairman, the Secretary or any two (2) or more Directors.

11. Notice of Meetings. . . . Notice of the time and place of any meeting for which notice is required by law or these Bylaws shall be delivered personally, communicated by telephone or telegraph or sent to each Director by priority mail, charges prepaid, addressed to the Director either at his or her address as it is shown on the records of the Corporation, or, if it is not so shown on such records or is not readily obtainable, to the place at which meetings of the board are regularly held. If personally delivered or communicated by telephone or telegraph, such notice shall be delivered at least forty-eight (48) hours prior to the hour set for the meeting. If sent by mail, such notice shall be mailed at least four (4) days prior to the day set for the meeting. The notice shall state the time of the meeting, and the place if the place is other than the principal office of the Corporation. Said notice need not specify the purpose of the meeting..

Notice of a meeting need not be given to any Director who signed a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

12. Quorum. A majority of the members of the Board shall constitute a quorum at any meeting of the Board. The act of the majority of the voting power present at any meeting at which a quorum is present shall be considered the act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit

Corporation Law, including, without limitation, those provisions relating to:

- a. approval of contracts or the transactions in which a director has a direct or indirect material financial interest;
- b. approval of certain transactions between corporations having common directorships;
- c. creation of and appointments to committees of the board; and
- d. indemnification of directors.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action (except adjournment) is approved by at least a majority of the required quorum for such meeting, or greater number as is required by the Articles of Incorporation, these Bylaws or by law.

13. Place. The Board shall hold its meetings at the principal office of the Corporation or at such other place as it may designate.

14. Validation of Transactions. ~~The transactions of the Board occurring at any meeting, however called or noticed, or wherever held,~~ shall be as valid as though such meeting were duly held after regular call and notice if a quorum be present and if, either before or after the meeting, each Director who would have been entitled to vote at the meeting but who was not present signs a waiver of notice, a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

15. Action Without Meeting. Any action required or permitted to be taken by the Board under the provisions of the California Nonprofit Public Benefit Corporation Law, the Articles of

Incorporation of these Bylaws may be taken without a meeting, if all Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such Directors. Any certificate or other documents filed on behalf of the Corporation relating to an action taken by the Board without a meeting shall state that the action was taken by a unanimous written consent of the Board without a meeting, and that the Bylaws of this Corporation authorize its Directors so to act.

15. Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

~~17. Telephonic Meetings. Members of the Board may participate~~
in a meeting through use of a conference telephone or similar communications equipment, so long as all Directors participating in such meeting can hear one another. Participation in a meeting pursuant to this section constitutes presence in person at such meeting.

18. Compensation of Directors. Directors, members of committees and officers, may receive such compensation, if any, for their services as Directors or officers, and such reimbursement of expenses, as the Board may determine by resolution to be just and reasonable as to the Corporation at the time that the resolution is adopted.

ARTICLE VI

OFFICERS

1. Officers. The officers of the Corporation shall consist of a Chairman, a Secretary and a Treasurer, each of whom shall be a Director. The offices of Secretary and Treasurer may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the Chairman. The Board may establish such other offices as it shall deem advisable. Additional officers so elected shall hold office for such period and shall have such power and duties as the Board may from time to time authorize.

2. Election. The officers of the Corporation shall be elected by the Board at its annual meeting. The Board may accept suggestions for nominations for officers from any director, and officers shall be elected by a majority of the Directors present and voting. Each such officer shall hold office for six (6) years at the ~~pleasure of the Board or until his or her successor shall be selected~~ or qualified to serve. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled for the unexpired term at any meeting of the Board.

3. Chairman. The Chairman shall preside at all meetings of the Directors. He or she shall have such other duties and powers as may be conferred by the Board.

4. Secretary. The secretary shall keep or cause to be kept a book of minutes at the principal office or at such other place as the Board may order of all meetings of the Directors with the time and place of holding, whether regular or special, and if special how

authorized, the notice thereof given, the names of those present at the Directors' meetings and the proceedings thereof. The Secretary shall give or cause to be given notice of all the meetings of the Board required by these Bylaws or by law to be given. The Secretary shall keep or cause to be kept, at the principal office of the Corporation, a copy of the Articles of Incorporation and Bylaws, as amended to date, and shall keep or cause to be kept any seal of the Corporation in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board from time to time.

5. Treasurer. The Treasurer shall be the chief financial officer of the Corporation and shall keep and maintain or cause to be kept and maintained adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. All monies and other valuables shall be deposited in the name and to the credit of the Corporation with such depositories as may from time to time be designated by the Board. ~~The funds of the Corporation may be~~ disbursed upon the check or draft of the Corporation signed by one officer of the Corporation. When requested by the Chairman or the Board, the Treasurer shall render an account of the financial condition of the Corporation and shall perform all other duties required of him or her by the Chairman, Directors and committees pertaining to the office of Treasurer.

ARTICLE VII

COMMITTEES

1. Committees Generally. Committees of the Board shall be standing or special. Each committee shall exercise such powers and carry out such functions as are designated by these Bylaws or as delegated by the Board from time to time, subject to the limitations of the California Nonprofit Public Benefit Corporation Law. Except as otherwise provided by the Board or these Bylaws, such committees shall be advisory only and subject to the control of the Board.

2. Membership, Appointment. The chairman and members of each committee shall be appointed annually by the chairman, subject to approval by the Board.

3. Quorum, Meetings. A majority of the members of a committee shall constitute a quorum at any meeting of that committee. Each committee shall meet as often as is necessary to perform its duties.

4. Vacancies. Vacancies in any committee shall be filled for ~~the unexpired portion of the term in the same manner as provided in the~~ case of original appointment.

5. Expenditures. Except as may otherwise be provided by the Board or by these Bylaws, any expenditure of corporate funds by a committee shall require prior approval of the Board.

ARTICLE VIII

GENERAL PROVISIONS

1. Self-Dealing. In the exercise of voting rights by members of the Board, no individual shall vote on any issue, motion or resolution which directly or indirectly inures to his or her benefit

financially except that such individual may be counted in order to qualify a quorum and, except as the Board may otherwise direct, may participate in the discussion of such an issue, motion or resolution if he or she first discloses the nature of his or her interest, subject to the California Nonprofit Public Benefit Law of the California Corporations Code or any successor statute.

2. Indemnification. This Corporation may indemnify any Director, officer, employee or agent of the Corporation of liability incurred by such person in the exercise of his or her duties with respect to this Corporation to the extent permitted by the California Nonprofit Public Benefit Law, the California Corporations code or any successor statute.

3. Construction and Definitions. Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Public Benefit Corporation Law shall govern construction of these Bylaws.

ARTICLE II

AMENDMENTS

These Bylaws may be amended or repealed, or new Bylaws may be adopted, by majority vote of the directors of the Corporation present and voting at any duly held meeting of the Board or by unanimous written consent of the members of the Board.