



NEWSFLASH!

Rice Financial Completes \$27 Million California College Transaction as Sole Underwriter

Rice Financial is pleased to announce the successful closing of a \$27 million refunding for Kern Community College District in Bakersfield, California. As the only leading minority-owned (MBE) investment banking firm with a strategic focus on higher education finance, this most recent sole managed transaction marks another step forward as a leading underwriter of college and university bonds nationwide.

Kern CCD's \$27,285,000 Certificate of Participation (COP) Refunding was marketed on January 13, 2016. The transaction refinanced and restructured the District's outstanding 2008 Conversion Fixed Rate COPs, which were originally issued in 2004 as Auction Rate Securities (ARS).

The District's objective for the 2016 Refunding COPs was to achieve savings from lower interest rates while simultaneously mitigating negative arbitrage in the escrow. The District achieved \$5.5 million in net present value savings, or 16.4% of refunded par. Rice Financial also eliminated the Reserve Fund requirement, reducing future potential negative arbitrage without adversely impacting the credit rating on the Certificates.

Rice Financial sold the COPs to a group of diversified buyers, from Tier 1 to Tier 3 type accounts. Purchasers of the bonds consisted of money managers, investment advisors, bond funds, arbitrage accounts and financial services retailers. Many of these investors were new to the District and to the California CCD market.

NEW ISSUE - FULL BOOK-ENTRY

INSURED RATING: Standard & Poor's: "AA"
UNDERLYING RATING: Standard & Poor's: "A+"
(See "RATINGS")

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel, subject, however, to certain qualifications described herein, under existing law, the portion of lease payments designated as and comprising interest and received by the owners of the Certificates is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Special Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS."

\$27,285,000

2016 REFUNDING CERTIFICATES OF PARTICIPATION
Evidencing the Direct, Undivided Fractional Interests of the Owners
Thereof in Lease Payments to be Made by the
KERN COMMUNITY COLLEGE DISTRICT
(2008 Certificates of Participation Refinancing)



Dated: Date of Delivery

Due: June 1, as shown on inside cover

Purposes. The captioned refunding certificates of participation (the "Certificates") are being executed and delivered to (a) provide funds to refinance outstanding lease obligations of the Kern Community College District (the "District"), and (b) pay certain costs of executing and delivering the Certificates. See "REFINANCING PLAN" herein.

Security. The Certificates evidence direct, undivided fractional interests of the owners thereof in Lease Payments to be made by the District for the use and occupancy of certain real property and improvements under an Amended and Restated Lease Agreement, dated as of January 1, 2016 (the "Lease Agreement"), between the District and the Kern Community College District Public Facilities Corporation, a California nonprofit public benefit corporation (the "Corporation"). The Lease Payments will be payable from any source of available funds of the District, subject to the provisions of the Lease Agreement described herein regarding abatement and defeasance. The District is required under the Lease Agreement to take such action as may be necessary to include all Lease Payments coming due in each of its annual budgets during the term of the Lease and to make the necessary annual appropriations for all such Lease Payments. The semiannual Lease Payments payable under the Lease Agreement will comprise the interest and principal represented by the Certificates. The Certificates will be secured under a Trust Agreement dated as of January 1, 2016, among the District, the Corporation and U.S. Bank National Association, Los Angeles, California, as trustee (the "Trustee"). Under an Assignment Agreement dated as of January 1, 2016, between the Corporation and the Trustee, the Lease Payments will be irrevocably assigned to the Trustee for the benefit of the Owners of the Certificates. No reserve fund has been established for the Certificates. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES." See also "RISK FACTORS."

Interest. Interest represented by the Certificates will be payable on June 1 and December 1 of each year, commencing June 1, 2016. See "THE CERTIFICATES."

Book-Entry Only. When executed and delivered, the Certificates will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Certificates. Ownership interests in the Certificates may be purchased in book-entry form only. Beneficial owners of Certificates will not receive physical certificates representing the Certificates purchased, but will receive a credit balance on the books of the nominees of such purchasers who are participants of DTC. See "THE CERTIFICATES - Book-Entry Only System" and "APPENDIX F - Book-Entry Only System."

Payments. Principal, premium, if any, and interest due with respect to the Certificates will be paid by the Trustee to DTC, which will in turn remit those payments to its participants for subsequent disbursement to the beneficial owners of the Certificates as described in this Official Statement. See "THE CERTIFICATES - Book-Entry Only System" and "APPENDIX F - Book-Entry Only System."

Prepayment. The Certificates are subject to optional prepayment, mandatory prepayment from net proceeds of insurance or condemnation, and mandatory sinking fund prepayment prior to their maturity. See "THE CERTIFICATES - Prepayment."

Limited Obligation. NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE DISTRICT TO MAKE LEASE PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE DISTRICT, THE CORPORATION, THE MEMBERS OF THE CORPORATION, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF CALIFORNIA OR OTHERWISE, OR AN OBLIGATION FOR WHICH THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE DISTRICT HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES."

Certificate Insurance. The scheduled payment of principal and interest with respect to the Certificates when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Certificates by Build America Mutual Assurance Company. See "CERTIFICATE INSURANCE."



MATURITY SCHEDULE
(See inside cover)

This cover page contains information for quick reference only. It is not a summary of all the provisions of the Certificates. Investors must read the entire official statement to obtain information essential in making an informed investment decision. See "RISK FACTORS" for a discussion of factors that should be considered, in addition to the other matters set forth in this Official Statement, in evaluating the investment quality of the Certificates.

The Certificates are offered when, as and if executed and delivered, subject to the approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel. Certain legal matters will be passed upon for the District by Jones Hall, A Professional Law Corporation, San Francisco, California, as Disclosure Counsel, and for the Underwriter by Norton Rose Fulbright US LLP, Los Angeles, California, as its counsel. It is anticipated that the Certificates will be available for delivery to DTC in New York, New York, on or about January 27, 2016.



The date of this Official Statement is: January 13, 2016

During the single three-hour order period, Rice was able to reduce yields three basis points while expanding the institutional and retail marketing base. With stable market conditions, issue timing proved fortuitous; market yields increased 5-7 basis points the following week.

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The Leader Among Small and MBE Firms in Educational Finance

Rice Financial is unique among small firms and MBEs in our dedication to serving the higher education sector. Since January 2015, we have provided underwriting services on 13 higher education transactions totaling \$1.6 billion, including sole managed financings for two California community college districts, Kern CCD and

West Hills CCD, and a \$115 million senior managed transaction for Hampton University in Virginia.

In addition, since 2009, Rice Financial has served as placement agent for 37 U.S. Department of Education loans totaling \$1.1 billion for both public and private colleges and universities. While not publicly offered, the banking, credit analysis and other functions in these financings are analogous to those performed by a senior manager on a tax-exempt bond transaction.

Selected Higher Education Transactions, 2014-2016

<p>\$27,285,000</p>  <p>Kern Community College District (CA)</p> <p>Sole Underwriter 1/13/16</p>	<p>\$38,000,000</p>  <p>Livingstone College (NC)</p> <p>Direct Loan Placement 12/3/15</p>	<p>\$96,000,000</p>  <p>Alabama A&M University</p> <p>Direct Loan Placement 9/24/15</p>	<p>\$21,000,000</p>  <p>Lawson State Comm. College (AL)</p> <p>Direct Loan Placement 7/16/15</p>	<p>\$12,665,000</p>  <p>West Hills Community College District (CA)</p> <p>Sole Underwriter 5/28/15</p>	<p>\$19,000,000</p>  <p>University of the Virgin Islands</p> <p>Direct Loan Placement 2/27/15</p>
<p>\$30,035,000</p>  <p>Arkansas Baptist College</p> <p>Direct Loan Placement 12/3/14</p>	<p>\$115,090,000</p>  <p>Hampton University (VA) via Virginia Small Business Finance Authority</p> <p>Senior Manager 11/20/14</p>	<p>\$18,500,000</p>  <p>Voorhees College (SC)</p> <p>Direct Loan Placement 9/26/14</p>	<p>\$19,000,000</p>  <p>Texas College</p> <p>Direct Loan Placement 9/23/14</p>	<p>\$26,150,000</p>  <p>Johnson C. Smith University (NC)</p> <p>Direct Loan Placement 8/28/14</p>	<p>\$23,000,000</p>  <p>Saint Augustine's University (NC)</p> <p>Direct Loan Placement 2/28/14</p>

Firm Overview

Rice Financial provides underwriting and fixed income brokerage services to municipalities and higher education issuers nationwide. The firm is a certified Minority-Owned Business Enterprise.

In 2015, Rice Financial served as a managing underwriter on issues totaling \$37.6 billion, earning a 17th place ranking nationally - one of only five MBEs to breach the top 20.

Top 20 Underwriters of Municipal Bonds, 2015*

Firm	Par Amount (US\$ mil)	Rank	Mkt. Share	Number of Issues	Average Deal Size (US\$ mil)
Bank of America Merrill Lynch	127,733.9	1	33.8	858	148.9
Citi	109,815.7	2	29.1	897	122.4
J P Morgan Securities LLC	108,863.5	3	28.8	744	146.3
Morgan Stanley	104,260.3	4	27.6	971	107.4
Wells Fargo & Co	99,455.6	5	26.3	706	140.9
RBC Capital Markets	86,301.5	6	22.9	1,121	77.0
Raymond James	86,167.0	7	22.8	1,501	57.4
Loop Capital Markets	75,859.0	8	20.1	878	86.4
Siebert Brandford Shank & Co	73,094.0	9	19.4	395	185.0
Ramirez & Co Inc	70,858.7	10	18.8	749	94.6
Stifel Nicolaus & Co Inc	65,004.3	11	17.2	1,589	40.9
Barclays	62,574.0	12	16.6	321	194.9
Piper Jaffray & Co	61,459.0	13	16.3	992	62.0
Goldman Sachs & Co	58,033.9	14	15.4	251	231.2
Jefferies LLC	50,547.2	15	13.4	465	108.7
Fidelity Capital Markets	41,794.0	16	11.1	445	93.9
Rice Financial Products Company	37,379.7	17	9.9	200	186.9
US Bancorp	32,562.2	18	8.6	129	252.4
Williams Capital Group LP	32,386.4	19	8.6	158	205.0
Oppenheimer & Co	30,492.7	20	8.1	649	47.0

Source: Thomson Reuters SDC Platinum, full credit to each manager

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Rice Financial Products Company conducts its bond underwriting, sales and trading business, and municipal advisor services through its broker-dealer subsidiary, Rice Securities, LLC, Member FINRA/SIPC/MSRB, d/b/a Rice Financial Products Company. MSRB Rule G-17 requires an underwriter to deal fairly at all times with both the municipal issuers and investors. The underwriter's primary role is to purchase securities with a view to the distribution of those securities in an arm's length transaction. Unlike municipal advisors, an underwriter does not have a federal fiduciary duty to issuers and is not required to act in the issuer's best interests without regard to its own or other interests. An underwriter has a duty to purchase securities from an issuer at a fair and reasonable price but must balance that duty to sell securities to investors at fair and reasonable prices. An underwriter reviews official statements in accordance with, and as part of, its responsibilities to investors under federal securities laws.

Rice Financial is not acting as, or seeking to act as, your financial advisor or Municipal Advisor (as such term is defined in Section 975(e)) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and as defined in Section 15B of the Exchange Act of 1934, as amended) and shall not have a fiduciary duty to you in connection with the matters contemplated by these materials. In connection with any underwriting services contemplated herein, Rice Financial would serve as a principal in an arm's length commercial transactional relationship and would not serve as a financial advisor or Municipal Advisor. You should consult your own financial and other advisors to the extent you deem appropriate. Rice Financial does not provide accounting, tax or legal advice. Nothing in these materials represents an expressed or implied commitment by Rice Financial to act in any capacity. Any such commitments to perform services would be set forth by a separate agreement.

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