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**COMMERCIAL PAPER DEALER AGREEMENT**

**Between the**

**CITY AND COUNTY OF SAN FRANCISCO**

**and**

\_\_\_\_\_,  
**CP Dealer**

**Dated as of \_\_\_\_\_ 1, 2016**

**Relating to**

**City and County of San Francisco**

**Tax-Exempt Lease Revenue  
Commercial Paper Certificates of  
Participation, Series 1**

**and**

**Taxable Lease Revenue  
Commercial Paper Certificates of  
Participation, Series 1-T**

**Tax-Exempt Lease Revenue  
Commercial Paper Certificates of  
Participation, Series 2**

**and**

**Taxable Lease Revenue  
Commercial Paper Certificates of  
Participation, Series 2-T**

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## COMMERCIAL PAPER DEALER AGREEMENT

This COMMERCIAL PAPER DEALER AGREEMENT, dated as of \_\_\_\_\_ 1, 2016 (as amended, supplemented or modified from time to time, the "Agreement"), between the City and County of San Francisco (the "City") and \_\_\_\_\_ ("\_\_\_\_\_") (the "CP Dealer").

For and in consideration of the mutual covenants made herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree and covenant as follows:

**Section 1. Background and Definitions.** (a) The City has authorized the delivery and redelivery from time-to-time of its City and County of San Francisco Tax-Exempt Lease Revenue Commercial Paper Certificates, Series 1 and Series 2 (the "Tax-Exempt Certificates") and its City and County of San Francisco Taxable Lease Revenue Commercial Paper Certificates, Series 1-T and Series 2-T (the "Taxable Certificates" and, together with the Tax-Exempt Certificates, the "Certificates") in the aggregate principal amount not to exceed \$150,000,000 outstanding at any time.

(b) The City has authorized the delivery of the Certificates pursuant to a Trust Agreement, dated as of June 1, 2010 (as amended by a First Supplement to Trust Agreement dated as of May 1, 2016, and as further amended, supplemented or modified from time to time, the "Trust Agreement"), between the City and U.S. Bank National Association, as trustee, and a Delivery and Paying Agent Agreement dated as of June 1, 2010 (as amended, supplemented or modified from time to time, the "Delivery and Paying Agent Agreement") between the City and U.S. Bank National Association, as delivery and paying agent (collectively, the "Authorizing Document").

(c) State Street Bank and Trust Company and U.S. Bank National Association (each, a "Bank") will provide liquidity support (each, a "Facility") for the payment of the principal of and/or interest with respect to maturing Certificates as and if necessary to U.S. Bank National Association, as delivery and paying agent (the "Account Party") in accordance with the terms of the Authorizing Document and a Revolving Credit Agreement, dated as of \_\_\_\_\_, 2016 (each a "Liquidity Facility"), between the City and each Bank.

(d) The Authorizing Document provides for the appointment of one or more dealers for the Certificates to perform certain duties, including the offering and sale from time-to-time of the Certificates on behalf of the City.

(e) \_\_\_\_\_ has agreed to accept the duties and responsibilities of the CP Dealer with respect to the Certificates under the Authorizing Document and this Agreement.

(f) The City acknowledges and agrees that: (i) Backstrom McCarley Berry & Co., LLC and KNN Public Finance, LLC, are currently serving as the City's co-financial and municipal advisors with respect to the Certificates; (ii) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the City and the CP Dealer in which the CP Dealer is not acting as a municipal advisor, financial advisor or fiduciary to the City, and has financial interests that differ from those of the City; (iii) the CP Dealer has not assumed any advisory or fiduciary responsibility (and is not a municipal advisor) to the City with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading

thereto; (iv) the only obligations the CP Dealer has to the City with respect to the transaction contemplated hereby expressly are set forth in this Agreement; (v) the CP Dealer has financial and other interests that differ from that of the City; and (vi) the City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

(g) Unless otherwise defined herein, all capitalized terms will have the meanings ascribed to them in the Authorizing Document.

(h) The City acknowledges that the CP Dealer may not be able to perform some of the services the City may request of CP Dealer from time to time in connection with its engagement as CP Dealer to the extent that such services would cause the CP Dealer to be considered a “municipal advisor” under SEC Rel. No. 34-70462 (Sept. 20, 2013)) (such final rules and to the extent referenced therein, Section 975, the “Municipal Advisor Rules”) implementing Section 975 (“Section 975”) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

**Section 2. Appointment of CP Dealer.** Subject to the terms and conditions contained herein, the City hereby appoints \_\_\_\_\_ as the CP Dealer for the Certificates, and \_\_\_\_\_ hereby accepts such appointment. The CP Dealer acknowledges that the City has also appointed additional dealers for the Certificates that will be entering into agreements with the City that are substantially similar to this Agreement.

**Section 3. Responsibilities of CP Dealer.** (a) Subject to the terms and conditions set forth in this Agreement, \_\_\_\_\_ will perform the duties of CP Dealer set forth in this Agreement. The CP Dealer will use its best efforts to solicit and arrange sales of the Certificates on behalf of the City at such rates (up to the Maximum Interest Rate) and maturities as may prevail from time to time in the market. The CP Dealer and the City agree that any Certificates which the CP Dealer may arrange the sale of or which, in the CP Dealer’s sole discretion, it may elect to purchase, will be purchased or sold on the terms and conditions and in the manner provided in the Authorizing Document and this Agreement. The CP Dealer is not obligated to purchase any Certificates until it has agreed with the City to do so. Anything herein to the contrary notwithstanding, to the extent of any conflict between the provisions hereof and of the Authorizing Document, the provisions of the Authorizing Document are controlling.

(b) Notwithstanding anything to the contrary contained herein, the CP Dealer:

(i) will suspend its efforts with respect to the offer or sale of the Certificates on behalf of the City upon the receipt of notice of the occurrence of an event of default under the Authorizing Document or the issuance of a “No-Delivery Notice” under the Liquidity Facility; and

(ii) may, in its sole discretion, suspend its efforts with respect to the offer or sale of the Certificates on behalf of the City immediately upon the occurrence of any of the following events, which suspension will continue so long as, in the CP Dealer’s reasonable judgment, such event continues to exist as to the Certificates:

(1) a suspension or material limitation in trading in securities generally on the New York Stock Exchange;

(2) a general moratorium on commercial banking activities in New York is declared by either federal or New York State authorities;

(3) the engagement by the United States in hostilities if the effect of such engagement, in the CP Dealer's reasonable judgment, makes it impractical or inadvisable to proceed with the solicitation of offers to purchase the Certificates if in the CP Dealer's reasonable judgment such engagement would materially adversely effect the marketability of the Certificates;

(4) legislation is introduced by committee, by amendment or otherwise, in, or be enacted by, the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States is rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter is made or proposed, to the effect that the offering or sale of obligations of the general character of the Certificates, as contemplated hereby, is or would be in violation of any provision of the Securities Act of 1933, as amended (the "Securities Act") as then in effect, or the Securities Exchange Act of 1934, as amended (the "Exchange Act") as then in effect, or with the purpose or effect of otherwise prohibiting the offering or sale of obligations of the general character of the Certificates, or the Certificates themselves, as contemplated hereby;

(5) any event occurs or information becomes known, which, in the CP Dealer's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in any disclosure documents provided to the CP Dealer in connection with the performance of its duties hereunder, whether provided pursuant to Section 8 hereof or otherwise, or causes such documents to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(6) any governmental authority imposes, as to the Certificates, or obligations of the general character of the Certificates, any material restrictions regarding the ownership or transfer of the Certificates not now in force, or increase materially those now in force which, in the CP Dealer's reasonable judgment, materially adversely effects the marketability of the Certificates;

(7) any of the representations and warranties of the City made hereunder were not materially true and correct on the date made which, in the CP Dealer's reasonable judgment, materially adversely effects the marketability of the Certificates;

(8) the City fails to observe any of the covenants or agreements made herein and such failure continues for a period of not to exceed thirty days from the time the CP Dealer notifies the City of such failure which, in the CP Dealer's reasonable judgment, materially adversely effects the marketability of the Certificates;

(9) with respect to a series of the Certificates, any of the rating agencies then rating the Certificates or the applicable Bank will either (i) downgrade the ratings assigned to either the Certificates or the Bank issuing the Facility supporting the payment of principal of and/or interest with respect to such Certificates or (ii) suspend or withdraw each of the then current ratings assigned to either the Certificates or the Bank issuing the Facility supporting the payment of principal of and/or interest on such Certificates which, in either case, in the CP Dealer's reasonable judgment, materially adversely effects the marketability of the Certificates; or

(10) an actual or imminent default or a moratorium in respect of payment of any U.S. Treasury bills, bonds or notes the effect of which in the CP Dealer's reasonable judgment, makes it impractical to market a series of the Certificates or to enforce contracts for the sale of such Certificates.

**Section 4. Transactions in Certificates.** All transactions in Certificates between the CP Dealer and the City will be in accordance with the Authorizing Document, this Agreement, the Liquidity Facility and with the customs and practices in the commercial paper market regarding settlement and delivery formally adopted in writing from time to time by the New York Clearinghouse, to the extent not inconsistent with the Authorizing Document. All Certificates will be evidenced either by (i) a global certificate immobilized with The Depository Trust Company of New York or (ii) if not, will be executed in the manner provided for in the Authorizing Document. As early as possible, but not later than 11:30 a.m.] (New York City time) on the day on which any Certificates are to be issued, the CP Dealer will notify the City of the proposed final maturities, prices and interest rates (which interest rates may not exceed 12% per annum unless the City otherwise notifies the CP Dealer in writing that the Authorizing Document and the Liquidity Facility have been amended to provide for a higher maximum interest rate for the Certificates) at which the CP Dealer will purchase or cause the purchase of the Certificates, and provide the City with any other information as required for delivery of such Certificates. Except as described below, the CP Dealer will not be obligated to purchase or cause the purchase of any Certificates unless and until agreement has been reached in each case on the foregoing points and the CP Dealer has agreed to such purchase. Not later than 2:30 p.m. (New York City time) on the date of each transaction the CP Dealer will either (a) confirm each transaction made with or arranged by it or (b) notify the City and the Delivery and Paying Agent of the difference, if any, between the amount of maturing Certificates and the amount of Certificates which the CP Dealer has arranged to sell or has agreed to purchase. The CP Dealer will give such confirmation or notification by telephone (or by other telecommunications medium acceptable to the City) and in writing to the City and the Delivery and Paying Agent.

**Section 5. Payment for Certificates.** The CP Dealer will pay the Delivery and Paying Agent against delivery to it of the Certificates sold by the CP Dealer (or purchased by the CP Dealer for its own account) in immediately available funds by 3:00 p.m. (New York City time) on the Business Day such Certificates are delivered to the CP Dealer (provided that such Certificates are to be delivered to the CP Dealer by no later than 3:00 p.m. (New York City time) on such Business Day).

**Section 6. Designated Representative.** Transactions with the City, pursuant to Section 4 hereof, will be with any one of the officers or employees of the City who are designated as a Designated Representative by certificate signed by the Director of Public Finance of the City. The initial written designation of the Designated Representatives is appended hereto as Appendix A. The City will provide the CP Dealer with revised written

designations in the form of Appendix A when and as required by changes in the Designated Representatives. The CP Dealer may rely upon such designation unless and until otherwise notified in writing by the City.

**Section 7. Resignation and Removal of CP Dealer.** The CP Dealer may at any time resign and be discharged of its duties and obligations hereunder upon providing the City, Delivery and Paying Agent and the Bank with not less than sixty (60) days' prior written notice. The City will use its best efforts to appoint a successor CP Dealer within 60 days after receipt of notice of the CP Dealer's resignation. The CP Dealer may be removed at any time, at the direction of the City, with the prior written consent of the Bank, upon not less than fourteen (14) days' prior written notice to the CP Dealer and the Delivery and Paying Agent. Upon removal or resignation of the CP Dealer, the City will promptly cause the Delivery and Paying Agent to give notice thereof by mail to all owners of the Certificates. The CP Dealer will assign and deliver this Agreement to its successor if requested by the City.

**Section 8. Furnishing of Disclosure Materials.**

(a) The City will furnish the CP Dealer with as many copies as the CP Dealer may reasonably request of the offering memoranda of the City relating to the Certificates (each, an "Offering Memorandum"), and such other information with respect to the City and the Certificates as the CP Dealer reasonably requests from time to time.

(b) The City will prepare for the CP Dealer from time-to-time new Offering Memoranda of the City for the Certificates in the event the CP Dealer reasonably determines that the preparation and distribution of such Offering Memoranda is necessary or desirable in connection with offering and sale on behalf of the City of the Certificates, and to furnish or to cause to be furnished to the CP Dealer as many copies of such new Offering Memoranda as the CP Dealer requests.

(c) The Certificates are exempt from the continuing disclosure requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended (the "1934 Act"), and after the initial delivery of the Certificates, the City will have no obligation to provide any ongoing information to the CP Dealer regarding corrections or updates to the Offering Memorandum other than as expressly provided herein. Notwithstanding the foregoing, for as long as any Certificates are outstanding, the City will provide prompt notice to the CP Dealer of the occurrence of any event with respect to the Certificates referred to in Rule 15c2-12(b)(5)(i)(C) promulgated under the 1934 Act, as amended, except that such notice is not required to be given with respect to draws on any Liquidity Facility.

(d) The City will promptly furnish to the CP Dealer a copy of each filing made on the Municipal Securities Rulemaking Board's Electronic Municipal Markets Access System (whether in connection with the Certificates or not) pursuant to any undertaking or other agreement of the City made with respect to general fund debt of the City under any provision of Rule 15c2-12 promulgated under the 1934 Act.

**Section 9. Fees and Expenses.** For the CP Dealer's services under this Agreement, the City will pay the CP Dealer a fee of \_\_\_ basis points per annum of the weighted average of the principal amount of Certificates outstanding during each three month period that are or have been placed by the CP Dealer, computed on the basis of a 365 or 366 day year, provided, however, that the payment due on July 1, 2016 shall be for the period commencing on the first date of delivery of the Certificates to, but not including, July 1, 2016. The City will pay the fee

quarterly in arrears commencing July 1, 2016, and each October 1, January 1, April 1 and July 1 thereafter. The City will also pay the reasonable out-of-pocket expenses of the CP Dealer, incurred in connection with the performance of its obligations hereunder.

**Section 10. Representations and Warranties of the City.** The City, by its acceptance hereof, represents and warrants that:

(a) It is a charter city and county organized and existing under the laws of the State of California.

(b) The Certificates have been duly authorized and, when executed and delivered as provided in the Authorizing Document and paid for, will be duly and validly issued and delivered and will constitute legal, valid and binding obligations of the City enforceable against the City in accordance with their terms.

(c) It has full power and authority to take all actions required or permitted to be taken by the City by or under, and to perform and observe the covenants and agreements on its part contained in, this Agreement, the Authorizing Document, the Liquidity Facility, and any other instrument or agreement relating thereto to which the City is a party (collectively, the "Financing Documents").

(d) The Financing Documents have been duly authorized, executed and delivered by the City and constitute legal, valid and binding obligations of the City, enforceable against the City in accordance with their terms, except to the extent enforceability may be limited by the City's bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally, and by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(e) There are no consents, authorizations or approvals of, or filings with, any Federal or state government authority (other than the City) required in connection with the delivery or sale by the City of the Certificates or the performance of its obligations thereunder except as may be required by state securities laws and those which have already been obtained or made.

(f) To the knowledge of the Director of Public Finance, after reasonable due inquiry, the execution, delivery and performance by the City of the Certificates and the Financing Documents will not result in a material breach or violation of, conflict with, or constitute a material default under any law, regulation, order, judgment, agreement or instrument to which the City is a party or by which the City or any of its property is bound.

(g) Each delivery of Certificates to the CP Dealer will be deemed a representation and warranty by the City, as of the date thereof, that (i) the Certificates issued on such date have been duly authorized, issued and delivered and, upon payment therefor, will constitute legal, valid and binding obligations of the City, enforceable against the City in accordance with their terms, except to the extent enforceability may be limited by the City's bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally, and by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law, and (ii) the representations and warranties of the City set forth in

paragraphs (a) through (f) of this Section 10 are true and correct as if made on such date.

**Section 11. Covenants and Agreements of the City.**

(a) The City will provide the CP Dealer at its address set forth below, as promptly as available, and in no event no later than 270 days after the end of each fiscal year of the City, the complete Comprehensive Annual Financial Report (“CAFR”) of the City, certified as to the fairness of presentation and conformity with generally accepted accounting principles by a recognized firm of independent certified public accountants.

(b) The City will promptly notify the CP Dealer of any fact or circumstance that may constitute, or with the passage of time will constitute, an event of default under the Certificates, the Authorizing Document or a Liquidity Facility.

(c) The City will notify the CP Dealer in the event that the Director of Public Finance has received actual notice that opinions from Special Counsel delivered in connection with the initial delivery of the Certificates have been withdrawn, adversely modified or retracted.

(d) The City will take all action within its control necessary to maintain the exclusion of interest with respect to the Tax-Exempt Certificates from the gross income of the Holders thereof for Federal income tax purposes.

(e) The City will notify the CP Dealer of the replacement or substitution of any Liquidity Facility provider in accordance with Section 6.02 of the Trust Agreement.

**Section 12. Conditions Precedent.** At or promptly following the execution of this Agreement and as a condition precedent to any obligations of the CP Dealer hereunder with respect to a series of Certificates, the City will furnish to the CP Dealer the following documents, in form and substance satisfactory to the CP Dealer.

(1) Certified copies of the First Supplement to Trust Agreement and documents authorizing the execution and delivery of this Agreement.

(2) An opinion of Special Counsel to the City substantially in the form attached as Appendix A to the Offering Memorandum for the Certificates, with respect to such series of Certificates.

(3) All other pertinent legal documents supporting the transaction.

**Section 13. Term of Agreement.** This Agreement will become effective on the date hereof and will continue in full force and effect until the cessation of the Certificates program, subject to the right of suspension and termination as provided herein.

**Section 14. Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of California.

**Section 15. Dealing in Certificates by the CP Dealer; No Obligation to Purchase Certificates.**

(a) The CP Dealer, in its individual capacity, may in good faith buy, sell, own, hold and deal in any of the Certificates, including, without limitation, any Certificates offered and sold by the CP Dealer pursuant to this Agreement, and may join in any action which any Owner may be entitled to take with like effect as if it did not act in any capacity hereunder. The CP Dealer, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the City and may act as depository, Account Party, or agent for any committee or body of owners of the Certificates or other obligations of the City as freely as if it did not act in any capacity hereunder.

(b) Nothing in this Agreement will be deemed to constitute the CP Dealer an underwriter of the Certificates or to obligate the CP Dealer to purchase any Certificates for its own account at any time.

### **Section 16. City Requirements.**

(a) CP Dealer Will Not Discriminate. In the performance of this Agreement, the CP Dealer agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, weight, height, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or associated with members of such protected classes, or in retaliation for opposition to discrimination against such protected classes against any employee of, any City employee working with, or applicant for employment with the CP Dealer in any of the CP Dealer's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services or membership in all business, social or other establishments or organizations operated by the CP Dealer.

(b) Subcontracts. The CP Dealer will incorporate by reference in all subcontracts made in fulfillment of its obligations hereunder the provisions of Section 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code (copies of which are available from purchasing) and will require all subcontractors to comply with such provisions. The CP Dealer's failure to comply with the obligations in this subsection will constitute a material breach of this Agreement.

(c) Non-Discrimination in Benefits. The CP Dealer does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco, California, or on real property owned by San Francisco, California, or where the work is being performed for the City elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) HRC Form. As a condition to this Agreement, the CP Dealer will execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form

HRC 12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

(e) Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. The CP Dealer will comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, the CP Dealer understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against the CP Dealer and/or deducted from any payments due the CP Dealer; provided, however that such damages will not be set off against the payment of rental or other contract related to bonds, certificates of participation or other debt obligation of the City.

(f) Drug-Free Workplace Policy. The CP Dealer acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. The CP Dealer agrees that any violation of this prohibition by the CP Dealer, its employees, agents or assigns will be deemed a material breach of this Agreement.

(g) Compliance with Americans with Disabilities Act. Without limiting any other provisions of this Agreement, the CP Dealer will provide the services specified in this Agreement in a manner that complies with the Americans with Disabilities Act (ADA) Title 24, and any and all other applicable federal, state and local disability rights legislation. The CP Dealer agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of the CP Dealer, its employees, agents or assigns will constitute a material breach of this Agreement.

(h) Sunshine Ordinance. In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors' bids, responses to solicitations and all other records of communications between the City and persons or firms seeking contracts, will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

(i) Prohibition on Political Activity with City Funds. In accordance with San Francisco Administrative Code Chapter 12.G, the CP Dealer may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure in the performance of the services provided under this Agreement. The CP Dealer agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event the CP Dealer violates the provisions of this section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit the

CP Dealer from bidding on or receiving any new City contract for a period of two (2) years.

(j) MacBride Principles—Northern Ireland. The City urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

(k) Tropical Hardwood and Virgin Redwood Ban. Pursuant to §804(b) of the San Francisco Environment Code, the City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood or tropical hardwood product or any virgin redwood or virgin redwood product.

(l) Limitations on Contributions. Through execution of this Agreement, the CP Dealer acknowledges that it is familiar with Section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. The CP Dealer acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. The CP Dealer further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of the CP Dealer's board of directors; the CP Dealer's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in the CP Dealer; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by the CP Dealer. Additionally, the CP Dealer acknowledges that the CP Dealer must inform each of the persons described in the preceding sentence of the prohibitions contained in said Section 1.126. The CP Dealer further agrees to provide to the City the names of each person, entity or committee described above.

(m) Requiring Minimum Compensation for Covered Employees. The CP Dealer agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of the CP Dealer's obligations under the MCO is set forth in this Section. The CP Dealer is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12P. Consistent with the requirements of the MCO, the CP Dealer agrees to all of the following:

(i) The MCO requires the CP Dealer to pay the CP Dealer's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and the CP Dealer is obligated to keep informed of the then-current requirements. Any subcontract entered into by the CP Dealer shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is the CP Dealer's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, the City may pursue any of the remedies set forth in this Section against the CP Dealer. Nothing in this Section shall be deemed to grant the CP Dealer the right to subcontract.

(ii) The CP Dealer shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(iii) The CP Dealer shall maintain employee and payroll records as required by the MCO. If the Dealer fails to do so, it shall be presumed that the Dealer paid no more than the minimum wage required under State law.

(iv) The City, upon reasonable notice to the CP Dealer, is authorized to inspect the CP Dealer's job sites during normal business hours.

(v) The CP Dealer's commitment to provide the minimum compensation required by the MCO is a material element of the City's consideration for this Agreement. The CP Dealer in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Dealer fail to comply with these requirements. The CP Dealer agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for the CP Dealer's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(vi) The CP Dealer understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including at its option the liquidated damages provided for therein), under the terms of this Agreement, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, the CP Dealer fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, the CP Dealer fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be

exercisable individually or in combination with any other rights or remedies available to the City.

(vii) The CP Dealer represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(viii) If the CP Dealer is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with the City for the fiscal year is less than \$25,000, but the CP Dealer later enters into an agreement or agreements that cause the CP Dealer to exceed that amount in a fiscal year, the CP Dealer shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the CP Dealer and the City to exceed \$25,000 in the fiscal year.

(n) Requiring Health Benefits for Covered Employees. The CP Dealer agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(i) For each Covered Employee, the CP Dealer shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If the CP Dealer chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(ii) Notwithstanding the above, if the CP Dealer is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(iii) The CP Dealer's failure to comply with the HCAO shall constitute a material breach of this Agreement. The City shall notify the CP Dealer if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, the CP Dealer fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, the CP Dealer fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(iv) Any subcontract entered into by the CP Dealer shall require the subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. The CP Dealer shall notify City's Office of Contract Administration when it enters into such a subcontract and shall certify to the Office of Contract Administration that it has notified the subcontractor of the obligations under the HCAO and has

imposed the requirements of the HCAO on subcontractor through the subcontract. The CP Dealer shall be responsible for its subcontractors' compliance with this Chapter. If a subcontractor fails to comply, the City may pursue the remedies set forth in this Section against the CP Dealer based on the subcontractor's failure to comply, provided that the City has first provided the CP Dealer with notice and an opportunity to obtain a cure of the violation.

(v) The CP Dealer shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying the City with regard to the CP Dealer's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(vi) The CP Dealer represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(vii) The CP Dealer shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the Agreement.

(viii) The CP Dealer shall keep itself informed of the current requirements of the HCAO.

(ix) The CP Dealer shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on subcontractors and Subtenants, as applicable.

(x) The CP Dealer shall provide the City with access to records pertaining to compliance with HCAO after receiving a written request from the City to do so and being provided at least ten business days to respond.

(xi) The CP Dealer shall allow the City to inspect the CP Dealer's job sites and have access to the CP Dealer's employees in order to monitor and determine compliance with HCAO.

(xii) The City may conduct random audits of the CP Dealer to ascertain its compliance with HCAO. The CP Dealer agrees to cooperate with the City when it conducts such audits.

(xiii) If the CP Dealer is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but the CP Dealer later enters into an agreement or agreements that cause either CP Dealer's aggregate amount of all agreements with the City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the CP Dealer and the City to be equal to or greater than \$75,000 in the fiscal year.

(o) Protection of Private Information. The CP Dealer has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. The CP Dealer agrees that any failure of the CP Dealer to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of this Agreement. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate this Agreement, bring a false claim action against the CP Dealer pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the CP Dealer.

(p) Graffiti Removal. Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and its residents, and to prevent the further spread of graffiti.

The CP Dealer shall remove all graffiti from any real property owned or leased by the CP Dealer in the City and County of San Francisco within forty eight (48) hours of the earlier of the CP Dealer's (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This section is not intended to require the CP Dealer to breach any lease or other agreement that it may have concerning its use of the real property. The term "graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" shall not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.). Any failure of the CP Dealer to comply with this section of this Agreement shall constitute a breach of this Agreement.

(q) Airport Intellectual Property. Pursuant to Resolution No.01-0118, adopted by the City on April 18, 2001, the City affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and

copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior consent.

(r) Submitting False Claims; Monetary Penalties. Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for three times the amount of damages which the City sustains because of the false claim. The text of Section 21.35, along with the entire San Francisco Administrative Code is available on the web at <http://www.municode.com/Library/clientCodePage.aspx?clientID=4201>. An underwriter, bank, subcontractor or consultant who submits a false claim shall also be liable to the City for the costs, including attorneys' fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the City for a civil penalty of up to \$10,000 for each false claim. An underwriter, subcontractor or consultant will be deemed to have submitted a false claim to the City if the underwriter, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

(s) Through its execution of this Agreement, the CP Dealer acknowledges that it is familiar with the provision of Section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

(t) Assignment. The CP Dealer is prohibited from assigning, delegating or transferring this Agreement or any part of it unless such assignment, delegation or transfer is first approved by City in writing. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any contract made in violation of this provision shall confer no rights on any party and shall be null and void.

(u) Food Service Waste Reduction Requirements. The CP Dealer agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement

as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, the CP Dealer agrees that if either breaches this provision, the City will suffer actual damages that will be impractical or extremely difficult to determine; further, the CP Dealer agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that the City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by the City because of the CP Dealer's failure to comply with this provision.

(v) Proprietary or Confidential Information of City. The CP Dealer understands and agrees that, in the performance of the work or services under this Agreement or in contemplation thereof, the CP Dealer may have access to private or confidential information which may be owned or controlled by the City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to the City. The CP Dealer agrees that all information disclosed by the City to the CP Dealer shall be held in confidence and used only in the performance of this Agreement. The CP Dealer shall exercise the same standard of care to protect such information as a reasonably prudent business entity would use to protect its own proprietary data.

(w) Earned Income Credit (EIC) Forms. Administrative Code Section 12O requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found. The CP Dealer shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty days following the date on which this Agreement becomes effective (unless the CP Dealer has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by the CP Dealer; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement. Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by the CP Dealer of the terms of this Agreement. If, within thirty days after the CP Dealer receives written notice of such a breach, the CP Dealer fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty days, the CP Dealer fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law. Any subcontract entered into by the CP Dealer shall require the subcontractor to comply, as to the subcontractor's Eligible Employees, with each of the terms of this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

(x) Repeal of Administrative Code Provisions. To the extent that the City repeals any provision of the Administrative Code incorporated, set forth or referenced in this Section 15, other than pursuant to a restatement or amendment of any such provision, such provision, as incorporated, set forth or referenced herein, will no longer apply to this Agreement or the CP Dealer.

**Section 17. Miscellaneous.** Except as otherwise specifically provided in this Agreement, all notices, requests, demands and other communications under this Agreement will be in writing (unless otherwise specified herein) and will be sufficiently given on the date of service if served personally upon the party to whom notice is to be given or on receipt if sent by telex or other telecommunication facility or courier or if mailed by registered or certified mail, postage prepaid, and properly addressed as follows:

The CP Dealer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention \_\_\_\_\_  
Tel: \_\_\_\_\_  
Fax: \_\_\_\_\_

The City: City and County of San Francisco  
City Hall, 1 Dr. Carlton B. Goodlett Place,  
Room 316  
San Francisco, California 94102  
Attention: City Controller

The Delivery and Paying Agent: U.S. Bank National Association  
Corporate Trust Services  
100 Wall Street, Suite 1600  
New York, New York 10005  
Facsimile: (212) 514-6841

The Bank: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

or to such other address or addresses as any such Person has designated to the others by notice given in accordance with the provisions of this Section.

(b) This Agreement inures to the benefit of and is binding upon the parties hereto and their respective successors and assigns. The terms "successors" and "assigns" do not include any purchaser of any of the Certificates merely because of such purchase. Except as provided in (c) below, neither Bank nor any owner of the Certificates or other third party has any rights or privileges hereunder.

(c) The Bank is a third party beneficiary of this Agreement only for the purpose of enforcing the rights and obligations of the CP Dealer and the City pursuant to Sections 3, 4, 5 and 7 of this Agreement.

(d) All of the representations and warranties of the City and the CP Dealer in this Agreement will remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the CP Dealer or the City, (ii) the offering and sale of and any payment for any Certificates hereunder, or (iii) suspension, termination or cancellation of this Agreement.

(e) This Agreement and each provision hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the parties hereto. If such an amendment, change, waiver discharging or termination affects a Bank, the prior written consent of that Bank will be required.

(f) Nothing herein will be construed to make any party an employee of the other or to establish any fiduciary relationship between the parties except as expressly provided herein.

(g) If any provision of this Agreement is held or deemed to be or is, in fact, invalid, inoperative or unenforceable for any reason, such circumstances will not have the effect of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

(h) This Agreement may be executed in several counterparts, each of which is regarded as an original and all of which constitute one and the same document.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

City and County of San Francisco

By: \_\_\_\_\_  
Controller

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Officer

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney

**APPENDIX A**

**CERTIFICATE OF DESIGNATED REPRESENTATIVE**

I am the Director of Public Finance of the City and County of San Francisco (the "City") duly authorized pursuant to the Trust Agreement, dated as of June 1, 2010 (as amended by a First Supplement to Trust Agreement dated as of May 1, 2016, and as further amended, supplemented or modified from time to time, the "Trust Agreement"), between the City and U.S. Bank National Association, as trustee, and a Delivery and Paying Agent Agreement dated as of June 1, 2010 (as amended, supplemented or modified from time to time, the "Delivery and Paying Agent Agreement") between the City and U.S. Bank National Association, as delivery and paying agent (collectively, the "Authorizing Document") to appoint Designated Representatives of the City in connection with the delivery, from time to time, by the City of lease revenue commercial paper (the "Certificates") in accordance with the Authorizing Document. I hereby designate the following persons to act on my behalf in accordance with the Authorizing Document and specimen signatures of such persons are set forth beside their names.

Designated Persons

Specimen Signature

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Executed this \_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Director of Public Finance  
of the City and County of San Francisco