

**OFFICIAL NOTICE OF SALE**

---

\$ \_\_\_\_\_ \*

**CITY AND COUNTY OF SAN FRANCISCO  
CERTIFICATES OF PARTICIPATION,  
SERIES 2023A  
(AFFORDABLE HOUSING AND COMMUNITY  
FACILITIES PROJECTS) (FEDERALLY TAXABLE)**

The City and County of San Francisco will receive electronic bids for the above-referenced certificates of participation at the place and up to the time specified below:

SALE DATE: \_\_\_\_\_, 2023\*  
(Subject to postponement, cancellation, modification or amendment in accordance with this Official Notice of Sale)

TIME: \_\_\_\_\_ a.m. \*, California time

PLACE: Controller's Office of Public Finance  
1 Dr. Carlton B. Goodlett Place, Room 338,  
San Francisco, California 94102

DELIVERY DATE: \_\_\_\_\_, 2023\*

---

\* Preliminary, subject to change.

**OFFICIAL NOTICE OF SALE**

**§ \_\_\_\_\_ \***  
**CITY AND COUNTY OF SAN FRANCISCO**  
**CERTIFICATES OF PARTICIPATION,**  
**SERIES 2023A**  
**(AFFORDABLE HOUSING AND COMMUNITY FACILITIES**  
**PROJECTS)**  
**(FEDERALLY TAXABLE)**

NOTICE IS HEREBY GIVEN that electronic bids will be received through the Ipreo LLC's BiDCOMP™/PARITY® System ("Parity") at [www.newissuehome.i-deal.com](http://www.newissuehome.i-deal.com) for the purchase of all, but not less than all, of the City and County of San Francisco's (the "City") above-captioned certificates of participation (the "Certificates") as more particularly described herein. Bidding procedures and sale terms are as follows:

- Issue:** The Certificates are described in the City's Preliminary Official Statement for the Certificates dated \_\_\_\_\_, 2023 (the "Preliminary Official Statement").
- Time:** Bids for the Certificates must be received electronically by \_\_\_\_ a.m., California time, on \_\_\_\_\_, 2023 (subject to postponement or cancellation in accordance with this Official Notice of Sale).
- Place:** Bidders may only submit electronic bids in the manner and subject to the terms and conditions described under "TERMS OF SALE - Form of Bids; Delivery of Bids" below, but no bid will be received after the time for receiving bids specified above.

**THE RECEIPT OF BIDS ON \_\_\_\_\_, 2023 MAY BE POSTPONED OR CANCELLED AT OR PRIOR TO THE TIME BIDS ARE TO BE RECEIVED. NOTICE OF SUCH POSTPONEMENT OR CANCELLATION WILL BE COMMUNICATED BY OR ON BEHALF OF THE CITY THROUGH THOMSON REUTERS AND/OR BLOOMBERG BUSINESS NEWS (COLLECTIVELY, THE "NEWS SERVICES") AND/OR PARITY (AS DESCRIBED IN "TERMS OF SALE - FORM OF BIDS; DELIVERY OF BIDS" BELOW) AS SOON AS PRACTICABLE FOLLOWING SUCH POSTPONEMENT OR CANCELLATION.** Notice of the new date and/or time for receipt of bids shall be given through Parity and/or the News Services as soon as practicable following a postponement and no later than [1:00] p.m., California time, on the business day preceding the new date for receiving bids.

As an accommodation to bidders, notice of such postponement and of the new sale date and time will be given to any bidder requesting such notice from:

KNN Public Finance, Inc. LLC  
2054 University Avenue, Suite 300

---

\* Preliminary, subject to change.

Berkeley, CA 94704  
Telephone: (510) 208-8226  
Attention: Melissa Shick (email: mshick@knninc.com)

NHA Advisors, LLC  
4040 Civic Center Drive, Suite 200  
San Rafael, California, 94903  
Telephone: (415) 785-2025 ext. 2006  
Attention: Rob Schmidt (email: Rob@NHAadvisors.com)

(the, “**Co-Municipal Advisors**”), provided, however, that failure of any bidder to receive such supplemental notice shall not affect the sufficiency of any such notice or the legality of the sale. See “TERMS OF SALE - Postponement or Cancellation of Sale.”

The City reserves the right to modify or amend this Official Notice of Sale in any respect, including, without limitation, increasing or decreasing the principal amount of any serial maturity or sinking account installment prepayment for the Certificates and adding or deleting serial or term maturity and sinking account installment prepayment dates, along with corresponding principal amounts with respect thereto; provided, that any such modification or amendment will be communicated to potential bidders through the News Services and/or Parity not later than 1:00 p.m., California time, on the business day preceding the date for receiving bids. Failure of any potential bidder to receive notice of any modification or amendment will not affect the sufficiency of any such notice or the legality of the sale. Bidders are required to bid upon the Certificates as so modified or amended. See “TERMS OF SALE - Right to Modify or Amend.”

Bidders are referred to the Preliminary Official Statement for additional information regarding the City, the Certificates, the security for the Certificates and other matters. See “CLOSING PROCEDURES AND DOCUMENTS - Official Statement.” Capitalized terms used and not defined in this Official Notice of Sale shall have the meanings ascribed to them in the Preliminary Official Statement.

This Official Notice of Sale will be submitted for posting to Parity (as described in “TERMS OF SALE - Form of Bids; Delivery of Bids” below). In the event the summary of the terms of sale of the Certificates posted on Parity conflicts with this Official Notice of Sale in any respect, the terms of this Official Notice of Sale shall control, unless a notice of an amendment is given as described herein.

## **TERMS RELATING TO THE CERTIFICATES**

**THE AUTHORITY FOR EXECUTION AND DELIVERY, PURPOSES, PAYMENT OF PRINCIPAL AND INTEREST, PREPAYMENT, DEFEASANCE, SOURCES AND USES OF FUNDS, SECURITY AND SOURCES OF PAYMENT, FORM OF LEGAL OPINIONS OF CO-SPECIAL COUNSEL AND OTHER INFORMATION REGARDING THE CERTIFICATES ARE PRESENTED IN THE PRELIMINARY OFFICIAL STATEMENT, WHICH EACH BIDDER IS DEEMED TO HAVE OBTAINED AND REVIEWED PRIOR TO BIDDING FOR THE CERTIFICATES. THIS OFFICIAL**

**NOTICE OF SALE GOVERNS ONLY THE TERMS OF SALE, BIDDING, AWARD AND CLOSING PROCEDURES FOR THE CERTIFICATES. THE DESCRIPTION OF THE CERTIFICATES CONTAINED IN THIS OFFICIAL NOTICE OF SALE IS QUALIFIED IN ALL RESPECTS BY THE DESCRIPTION OF THE CERTIFICATES CONTAINED IN THE PRELIMINARY OFFICIAL STATEMENT.**

Issue. The Certificates will be executed and delivered as fully registered certificates without coupons in book-entry form in denominations of \$5,000 or any integral multiple of that amount, as designated by the winning bidder of the Certificates (the “**Purchaser**”), all dated the date of delivery, which is expected to be \_\_\_\_\_, 2023\*. If the sale is postponed, notice of the new date of the sale will also set forth the new expected date of delivery of the Certificates.

Book-Entry Only. The Certificates will be registered in the name of a nominee of The Depository Trust Company (“**DTC**”), New York, New York. DTC will act as securities depository for the Certificates. Individual purchases of the Certificates will be made in book-entry form only, and the Purchaser will not receive certificates representing its interest in the Certificates purchased. As of the date of award of the Certificates, the Purchaser must either participate in DTC or must clear through or maintain a custodial relationship with an entity that participates in DTC.

Interest Rates. Interest on the Certificates will be payable on [October] 1, 202[\_\_\_], and semi-annually thereafter on April 1 and October 1 of each year (each an “**Interest Payment Date**”). Interest shall be calculated on the basis of a 360-day year, comprised of twelve 30-day months from the dated date of the Certificates. Bidders may specify any number of separate rates, and the same rate or rates may be repeated as often as desired, provided:

- (i) each interest rate specified in any bid for the Certificates must be a multiple of one-eighth or one-twentieth of one percent (1/8 or 1/20 of 1%) per annum;
- (ii) the maximum interest rate bid for any maturity shall not exceed \_\_\_% per annum;
- (iii) the minimum interest rate bid for any Certificate maturing on or after \_\_\_\_\_, 20[\_\_\_] shall be \_\_\_% per annum;
- (iv) no Certificate shall bear a zero rate of interest;
- (v) each Certificate shall bear interest from its dated date to its stated maturity date at the single rate of interest specified in the bid; and
- (vi) all Certificates maturing at any one time shall bear the same rate of interest.

See the Preliminary Official Statement – “THE CERTIFICATES - Payment of Principal and Interest.”

Principal Payments of the Certificates. The Certificates shall be serial and/or term Certificates, as specified by each bidder. Principal shall be payable on [April] 1 of each year, commencing on [April] 1, 20[\_\_\_], as shown below. Subject to the City’s right to modify or amend

---

\* Preliminary, subject to change.

this Official Notice of Sale (see “TERMS OF SALE - Right to Modify or Amend”), the final maturity of the Certificates shall be [April] 1, 20[\_\_\_]. The principal amount of the Certificates maturing or subject to sinking account installment prepayment in any year shall be in integral multiples of \$5,000. For any term Certificates specified, the principal amount for a given year may be allocated only to a single term Certificate and must be part of an uninterrupted annual sequence from the first sinking account installment prepayment to the term Certificate maturity. The principal amounts of the serial maturities or sinking account installment prepayments for the Certificates are shown below for information purposes only. **Bidders for the Certificates will provide bids for all of the Principal Amounts.**

Subject to the City’s right to modify or amend this Official Notice of Sale (see “TERMS OF SALE - Right to Modify or Amend”), and to adjustment as provided in this Official Notice of Sale (see “–Adjustment of Principal Payments”), the principal amount of the serial maturity or sinking account installment prepayment for the Certificates in each year is as follows:

[Remainder of page intentionally left blank.]

## Certificates of Participation

Certificate Payment Date (___ 1)	Principal Amount*
--	-------------------

---

TOTAL

Adjustment of Principal Payments. The principal amounts set forth in this Official Notice of Sale reflect certain estimates of the City with respect to the likely interest rates of the winning bid and the premium contained in the winning bid. **The City reserves the right to change the principal payment schedule set forth above for the Certificates after the determination of the winning bidder, by adjusting one or more of the principal payments of the Certificates, in increments of \$5,000, as determined in the sole discretion of the City. Any such adjustment will not change the average per Certificate dollar amount of the underwriter’s discount. Any such adjustment will be communicated to the winning bidder within 24 hours after receipt of such bid by the City. In the event of any such adjustment, no rebidding or recalculation of the bids submitted will be required or permitted and no winning bid may be withdrawn.**

See also “TERMS OF SALE - Right to Modify or Amend” regarding the City’s right to modify or amend this Official Notice of Sale in any respect including, without limitation, increasing or decreasing the principal amount of any serial maturity or sinking account installment prepayment for the Certificates and adding or deleting serial or term maturity

---

\* Preliminary, subject to change.

and sinking account installment prepayment dates, along with corresponding principal amounts with respect thereto.

**A BIDDER AWARDED THE CERTIFICATES BY THE CITY WILL NOT BE PERMITTED TO WITHDRAW ITS BID, CHANGE THE INTEREST RATES IN ITS BID OR THE REOFFERING PRICES IN ITS REOFFERING PRICE CERTIFICATE FOR ANY REASON, INCLUDING AS A RESULT OF ANY CHANGES MADE TO THE PRINCIPAL PAYMENTS OF THE CERTIFICATES IN ACCORDANCE WITH THIS OFFICIAL NOTICE OF SALE.**

Prepayment.

(i) Optional Prepayment of the Certificates. The Certificates with a Certificate Payment Date on or before [April] 1, 20[ ] will not be subject to optional prepayment prior to their respective stated Certificate Payment Dates. The Certificates with a Certificate Payment Date on or after [April] 1, 20[ ], are subject to prepayment prior to their respective stated Certificate Payment Dates, in whole or in part, on any date on or after [April] 1, 20[ ] at the option of the City, in the event the City exercises its option under the Project Lease to prepay the principal component of the Base Rental payments at a prepayment price equal to 100% of the principal amount represented by the Certificates to be prepaid, plus accrued interest to the date fixed for prepayment, without premium. See the Preliminary Official Statement – “THE CERTIFICATES – Prepayment of the Certificates - *Optional Prepayment.*”

(ii) Special Mandatory Prepayment. The Certificates will be subject to mandatory prepayment prior to their respective Certificate Payment Dates, in whole or in part on any date, at a Prepayment Price equal to the principal amount thereof (plus accrued but unpaid interest to the prepayment date), without premium, from amounts deposited in the Base Rental Fund pursuant to the Trust Agreement following an event of damage, destruction or condemnation of the Leased Property or any portion thereof or loss of the use or possession of the Leased Property or any portion thereof due to a title defect. Such mandatory prepayment of Base Rental will be applied pro rata among all certificates of participation outstanding under the Trust Agreement, including the Certificates. See the Preliminary Official Statement – “THE CERTIFICATES – Prepayment of the Certificates – *Special Mandatory Prepayment.*”

(iii) Mandatory Sinking Account Installment Prepayment. The Certificates with a Certificate Payment Date of [April] 1, 20\_\_ are subject to sinking account installment prepayment prior to their stated final Certificate Payment Date, in part, by lot, from scheduled payments of the principal component of Base Rental payments, at the principal amount thereof, plus accrued interest to the prepayment date, without premium, on [April] 1 in each of the years and in the amounts set forth below:

Sinking Account Payment Date ([April] 1)	Sinking Account Installment Amount
_____	_____

†

---

† Certificate Payment Date.

See the Preliminary Official Statement – “THE CERTIFICATES – Prepayment of the Certificates – *Mandatory Sinking Account Installment Prepayment.*”

Legal Opinions and Tax Matters. Upon delivery of the Certificates, Squire Patton Boggs (US) LLP and Husch Blackwell LLP, Co-Special Counsel to the City (“**Co-Special Counsel**”), will deliver their separate legal opinions as to the validity, enforceability and tax status of the Certificates.

The proposed form of the opinions of Co-Special Counsel is set forth in Appendix F to the Preliminary Official Statement. Copies of the opinions of Co-Special Counsel will be furnished to the Purchaser upon delivery of the Certificates.

See the Preliminary Official Statement – “TAX MATTERS.”

## TERMS OF SALE

Par and Premium Bids; No Net Discount Bids. All bids for the Certificates shall be for par or more; no net discount bids for the Certificates will be accepted. No bid submitted at a price less than the aggregate par value of the Certificates will be considered. Individual maturities of Certificates may be reoffered at par, a premium or a discount.

Form of Bids; Delivery of Bids. Each bid for the Certificates must be: (1) for not less than all of the Certificates offered for sale; (2) unconditional; and (3) submitted via Parity by not later than \_\_\_\_ a.m., California time, on the sale date. Bids must be delivered by electronic transmission and conform to the procedures established by Parity. The submission of a bid electronically via Parity shall constitute and be deemed the bidder’s signature on the bid for the purchase of the Certificates. All bids must be in accordance with the terms and conditions set forth in this Official Notice of Sale, together with any adjustments made by the City pursuant hereto. All bids shall be deemed to incorporate all of the terms of this Official Notice of Sale.

**If the sale of the Certificates is canceled or postponed, all bids received prior to such cancellation or postponement shall be rejected. No bid submitted to the City shall be subject to withdrawal or modification by the bidder. No bid will be accepted after the time for receiving bids. The City retains absolute discretion to determine whether any bidder is a responsible bidder and whether any bid is timely, legible and complete and conforms to this Official Notice of Sale. The City takes no responsibility for informing any bidder prior to the time for receiving bids that its bid is incomplete, illegible or nonconforming with this Official Notice of Sale or has not been received.**

Bids will be received exclusively through Parity in accordance with this Official Notice of Sale. For further information about Parity, potential bidders may contact the Co-Municipal Advisors at the number provided above or Parity at: (212) 404-8107.



**Warnings Regarding Electronic Bids.** None of the City, the City Attorney, the Co-Municipal Advisors or Co-Special Counsel assumes any responsibility for any error contained in any bid submitted electronically or for failure of any bid to be transmitted, received or opened by the time for receiving bids, and each bidder expressly assumes the risk of any incomplete, illegible, untimely or nonconforming bid submitted by electronic transmission by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telecommunications lines, or any other cause arising from submission by electronic transmission.

When a bidder submits an electronic bid for the Certificates through Parity, such bidder thereby agrees to the following terms and conditions: (1) if any provision in this Official Notice of Sale with respect to the Certificates conflicts with information or terms provided or required by Parity, this Official Notice of Sale, including any amendments or modifications issued through Parity and/or the News Services, will control; (2) each bidder will be solely responsible for making necessary arrangements to access Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale; (3) the City will not have any duty or obligation to provide or assure access to Parity to any bidder, and the City will not be responsible for proper operation of, or have any liability for, any delays, interruptions or damages caused by use of Parity or any incomplete, inaccurate or untimely bid submitted by any bidder through Parity; (4) the City is permitting use of Parity as a communication mechanism, and not as an agent of the City, to facilitate the submission of electronic bids for the Certificates; Parity is acting as an independent contractor, and is not acting for or on behalf of the City; (5) the City is not responsible for ensuring or verifying bidder compliance with any procedures established by Parity; and (6) the City may regard the electronic transmission of a bid through Parity (including information regarding the purchase price for the Certificates or the interest rates for any maturity of the Certificates) as though the information were submitted and executed on the bidder's behalf by a duly authorized signatory.

Process of Award. The City will take final action awarding the Certificates or rejecting all bids for the Certificates not later than thirty (30) hours after the time for receipt of bids, unless such time period is waived by the winning bidder.

The following five (5) steps constitute the City's process for a final award of the Certificates:

(1) The Co-Municipal Advisors, on behalf of the City, will give a verbal notice of award of the Certificates to the apparent winning bidder (the "**Apparent Winning Bidder**") to be determined as described below under "Basis of Award;"

(2) Such Apparent Winning Bidder shall, promptly after such verbal award, but no later than one hour after the City has given notice of such verbal award, fax or email to the City (in c/o its Co-Municipal Advisors and to the City's Director of Public Finance at email addresses provided for such purpose) a signed copy of their bid;

(3) The Apparent Winning Bidder shall provide the Good Faith Deposit, as described under "Good Faith Deposit;"

(4) The Co-Municipal Advisors will email to the Apparent Winning Bidder confirmation of the final principal amortization schedule and purchase price for the Certificates, after adjustments, if any, are made, as described under “TERMS RELATING TO THE CERTIFICATES - Adjustment of Principal Payments;” and

(5) The City will email to the Apparent Winning Bidder its written final award (the “**Certificate of Award**”).

Upon completion of the steps described above, the Apparent Winning Bidder will be deemed the Purchaser of the Certificates and will be contractually bound by the terms of this Official Notice of Sale to purchase the Certificates, which contract shall consist of: (a) this Official Notice of Sale; (b) the information that is transmitted electronically by the bidder through Parity; and (c) any adjustments to the final principal amortization schedule and purchase price made as described under “TERMS RELATED TO THE CERTIFICATES - Adjustment of Principal Payments.”

Basis of Award. Unless all bids are rejected, the Certificates will be awarded to the responsible bidder who submits a conforming bid that represents the lowest true interest cost to the City. The true interest cost will be that nominal interest rate that, when compounded semiannually and applied to discount all payments of principal and interest payable on the Certificates to the dated date of the Certificates, results in an amount equal to the principal amount of the Certificates plus the amount of any net premium. For the purpose of calculating the true interest cost, sinking account installment prepayments for any term Certificates specified by a bidder will be treated as Certificates maturing on the dates of such sinking account installment prepayments. In the event that two or more bidders offer bids for the Certificates at the same true interest cost, the City will determine by lot which bidder will be awarded the Certificates. Bid evaluations or rankings made by Parity are not binding on the City.

Estimate of True Interest Cost. Each bidder is requested, but not required, to supply an estimate of the true interest cost based upon its bid, which will be considered as informative only and not binding on either the bidder or the City.

Multiple Bids. In the event multiple bids with respect to the Certificates are received from a single bidder by any means or combination thereof, the City shall be entitled to accept the bid representing the lowest true interest cost to the City, and each bidder agrees by submitting multiple bids to be bound by the bid representing the lowest true interest cost to the City.

Good Faith Deposit. To secure the City from any loss resulting from the failure of the Apparent Winning Bidder to comply with the terms of its bid, the Apparent Winning Bidder for the Certificates must provide to the City a good faith deposit in the amount of [\$ \_\_\_\_\_] (the “**Good Faith Deposit**”).

Upon the determination by the City of the Apparent Winning Bidder of the Certificates, the Co-Municipal Advisors will (i) provide to the Apparent Winning Bidder the wire transfer information and (ii) request the Apparent Winning Bidder to immediately wire the Good Faith Deposit to the City. No later than ninety (90) minutes after the time the Co-Municipal Advisors request the Apparent Winning Bidder to wire the Good Faith Deposit to the City, the Apparent

Winning Bidder must wire the Good Faith Deposit to the City and provide the Federal wire reference number of such Good Faith Deposit to the Co-Municipal Advisors. In the event that the Apparent Winning Bidder does not wire the Good Faith Deposit to the City or does not provide the Federal wire reference number of such Good Faith Deposit to the Co-Municipal Advisors within the time specified above, the City may reject the bid of the Apparent Winning Bidder and award the Certificates to a responsible bidder that submitted a conforming bid that represents the next lowest true interest cost to the City.

No interest will be paid upon the Good Faith Deposit made by any bidder. The Good Faith Deposit will immediately become the property of the City. The Good Faith Deposit will be held and invested for the exclusive benefit of the City. The Good Faith Deposit, without interest thereon, will be credited against the purchase price of the Certificates purchased by the Purchaser at the time of delivery thereof.

If the purchase price is not paid in full upon tender of the Certificates, the City shall retain the Good Faith Deposit and the Purchaser will have no right in or to the Certificates or to the recovery of its Good Faith Deposit, or to any allowance or credit by reason of such deposit, unless it shall appear that the Certificates would not be validly delivered to the Purchaser in the form and manner proposed, except pursuant to a right of cancellation. See “CLOSING PROCEDURES AND DOCUMENTS - Right of Cancellation.” In the event of nonpayment for the Certificates by the winning bidder, the City reserves any and all rights granted by law to recover the full purchase price of the Certificates and, in addition, any damages suffered by the City.

Right of Rejection and Waiver of Irregularity. The City reserves the right, in its sole discretion, to reject any and all bids and to waive any irregularity or informality in any bid which does not materially affect such bid or change the ranking of the bids.

Right to Modify or Amend. Other than with respect to postponement or cancellation as described in this Official Notice of Sale, and in addition to the City’s right to adjust the payment amounts of the Certificates as provided in “TERMS RELATING TO THE CERTIFICATES - Adjustment of Principal Payments,” the City reserves the right to modify or amend this Official Notice of Sale in any respect including, without limitation, increasing or decreasing the principal amount of any serial maturity or sinking account installment prepayment for the Certificates and adding or deleting serial or term maturity and sinking account installment prepayment dates, along with corresponding principal amounts with respect thereto; provided, that, subject to the terms of this Official Notice of Sale (see “TERMS RELATING TO THE CERTIFICATES - Adjustment of Principal Payments”) any such modification or amendment will be communicated to potential bidders through Parity and/or the News Services not later than 1:00 p.m., California time, on the business day preceding the date for receiving bids. Failure of any potential bidder to receive notice of any modification or amendment will not affect the sufficiency of any such notice or the legality of the sale.

Postponement or Cancellation of Sale. The City may postpone or cancel the sale of the Certificates at or prior to the time for receiving bids. Notice of such postponement or cancellation shall be given through Parity and/or the News Services as soon as practicable following such postponement or cancellation. If a sale is postponed, notice of a new sale date will be given through Parity and/or the News Services as soon as practicable following a postponement and no

later than 1:00 p.m., California time, on the business day preceding the new date for receiving bids. Failure of any potential bidder to receive notice of postponement or cancellation will not affect the sufficiency of any such notice.

Prompt Award. The Controller’s Office of Public Finance will take official action awarding the Certificates or rejecting all bids with respect to the Certificates not later than 30 hours after the time for receipt of bids for the Certificates, unless such time period is waived by the Purchaser.

Equal Opportunity. Pursuant to the spirit and intent of the City’s Local Business Enterprise (“LBE”) Ordinance, Chapter 14B of the Administrative Code of the City, the City strongly encourages the inclusion of Local Business Enterprises certified by the San Francisco Human Rights Commission in prospective bidding syndicates. A list of certified LBEs may be obtained from the San Francisco Human Rights Commission, 25 Van Ness Avenue, Room 800, San Francisco, California 94102; telephone: (415) 252-2500.

Sales Outside of the United States. The Purchaser must undertake responsibility for compliance with any laws or regulations of any foreign jurisdiction in connection with any sale of the Certificates to persons outside the United States.

Insurance. No bids with municipal bond insurance will be accepted.

## **CLOSING PROCEDURES AND DOCUMENTS**

Delivery and Payment. **Delivery of the Certificates will be made through the facilities of DTC in New York, New York, and is presently expected to take place on or about \_\_\_\_\_, 2023\*.** Payment for the delivery of the Certificates shall be coordinated at the offices of Squire Patton Boggs (US) LLP, in San Francisco, California, or at such other place as may be mutually agreed upon by the City and the Purchaser. Such payment and delivery is called the “Closing.” Payment for the Certificates (including any premium) must be made at the time of delivery in immediately available funds to the City Treasurer. Any expense for making payment in immediately available funds shall be borne by the Purchaser. The City will deliver to the Purchaser, dated as of the delivery date, the legal opinions with respect to the Certificates purchased, described in APPENDIX F – “PROPOSED FORM OF OPINIONS OF CO-SPECIAL COUNSEL” to the Preliminary Official Statement.

Qualification for Sale. The City will furnish such information and take such action not inconsistent with law as the Purchaser may request and the City may deem necessary or appropriate to qualify the Certificates for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the Purchaser; provided, that the City will not execute a general or special consent to service of process or qualify to do business in connection with such qualification or determination in any jurisdiction. By submitting its bid for the Certificates, the Purchaser assumes all responsibility for qualifying the Certificates for offer and sale under the Blue Sky or other securities laws and regulations of the states and jurisdictions in which the Purchaser offers or sells the Certificates, including the payment of fees for such qualification. Under no circumstances may

---

\* Preliminary; subject to change.

the Certificates be sold or offered for sale or any solicitation of an offer to buy the Certificates be made in any jurisdiction in which such sale, offer or solicitation would be unlawful under the securities laws of the jurisdiction.

No Litigation. The City will deliver a certificate stating that no litigation of any nature is pending, or to the knowledge of the officer of the City executing such certificate, threatened, restraining or enjoining the sale, execution or delivery of the Certificates or any part thereof, or the entering into or performance by the City under the Trust Agreement, Property Lease or Project Lease, contesting the ability of the City to actually appropriate for and pay the Rental Payments as required by the Project Lease, or concerning the validity of the Certificates or the corporate existence or the boundaries of the City, or the entitlement of any officers of the City who will execute the Certificates to their respective offices.

Right of Cancellation. The Purchaser will have the right, at its option, to cancel this contract if the City fails to execute the purchased Certificates and tender the same for delivery within 30 days from the sale date, and in such event the Purchaser will be entitled only to the return of the Good Faith Deposit, without interest thereon.

CUSIP Numbers. The Co-Municipal Advisors will timely apply for CUSIP numbers with respect to the Certificates as required by Municipal Securities Rulemaking Board's Rule G-34. The Purchaser will be responsible for the cost of assignment of such CUSIP numbers and any CUSIP Service Bureau charges related to the Certificates awarded to such Purchaser. The Purchaser shall also notify the CUSIP Service Bureau as to the final structure of the Certificates awarded to such Purchaser.

It is anticipated that CUSIP numbers will be printed on the Certificates, but neither the failure to print such numbers on any Certificate nor any error with respect thereto will constitute cause for a failure or refusal by the Purchaser of the Certificates to accept delivery of and pay for the Certificates in accordance with the terms of this Official Notice of Sale.

CUSIP is a registered trademark of American Bankers Association. CUSIP data is provided by CUSIP Global Services which is managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. CUSIP data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. CUSIP numbers are provided for convenience of reference only. The City takes no responsibility for the accuracy of such CUSIP numbers. CUSIP numbers are provided only for the convenience of the Purchaser of the Certificates.

Expenses of the Purchaser. CUSIP Service Bureau charges, California Debt and Investment Advisory Commission fees (under California Government Code Section 8856), Depository Trust Company charges and all other expenses of the winning bidder will be the responsibility of the Purchaser. Pursuant to Section 8856 of the California Government Code, the Purchaser must pay to the California Debt and Investment Advisory Commission, within sixty (60) days from the sale date, the statutory fee for the Certificates purchased.

Official Statement. Copies of the Preliminary Official Statement with respect to the Certificates will be electronically transmitted to any potential bidder through [ImageMaster at

www.munios.com] or upon request to the Co-Municipal Advisors. (The contact information for the Co-Municipal Advisors is set forth above in this Official Notice of Sale.) In accordance with Rule 15c2-12 of the Securities and Exchange Commission, as amended (“**Rule 15c2-12**”), the City deems the Preliminary Official Statement final as of its date, except for the omission of certain information permitted by Rule 15c2-12. Within seven business days after the date of award of the Certificates, the Purchaser of the Certificates will be furnished with a reasonable number of copies (not to exceed 20) of the final Official Statement, without charge, for distribution in connection with the resale of the Certificates. The Purchaser of the Certificates must notify the City in writing within two (2) business days of the sale of the Certificates if the Purchaser requires additional copies of the final Official Statement to comply with applicable regulations. The cost for such additional copies will be paid by the Purchaser requesting such copies.

By submitting a bid for the Certificates, the Purchaser of the Certificates agrees to: (1) disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any supplements; (2) promptly file a copy of the final Official Statement, including any supplements, with the Municipal Securities Rulemaking Board; and (3) take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Certificates to the Purchaser, including, without limitation, the delivery of a final Official Statement, including any supplements, to each investor who purchases the Certificates.

The form and content of the final Official Statement is within the sole discretion of the City. The name of the Purchaser of the Certificates will not appear on the cover of the final Official Statement.

Certificate Regarding Official Statement. At the time of delivery of the Certificates, the Purchaser will receive a certificate, signed by an authorized representative of the City, confirming to the Purchaser that (i) such authorized representative has determined that, to the best of such authorized representative’s knowledge and belief, the final Official Statement (excluding reoffering information, information relating to The Depository Trust Company and its book-entry system, as to which no view will be expressed) did not as of its date, and does not as of the date of Closing, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, (ii) such authorized representative knows of no material adverse change in the condition or affairs of the City that would make it unreasonable for such Purchaser to rely upon the final Official Statement in connection with the resale of the Certificates, and (iii) the City authorizes the Purchaser to distribute copies of the final Official Statement in connection with the resale of the Certificates.

Purchaser Certificate Concerning Official Statement. As a condition of delivery of the Certificates, the Purchaser of the Certificates will be required to execute and deliver to the City, prior to the date of Closing, a certificate to the following effect:

- (i) The Purchaser has provided to the City the initial reoffering prices or yields on the Certificates as printed in the final Official Statement, and the Purchaser has made a bona fide offering of the Certificates to the public at the prices and yields so shown.

- (ii) Although the Purchaser has not undertaken any responsibility for the contents of the final Official Statement, the Purchaser, in accordance with and as part of its responsibilities under the federal securities laws, has reviewed the information in the final Official Statement and has not notified the City of the need to modify or supplement the final Official Statement.
- (iii) The foregoing statements will be true and correct as of the date of closing.

Continuing Disclosure. In order to assist the Purchaser in complying with Rule 15c2-12, the City will undertake, pursuant to a Continuing Disclosure Certificate, to provide certain annual financial information, operating data and notices of the occurrence of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Except as otherwise disclosed in the Official Statement under the heading “CONTINUING DISCLOSURE,” for the past five years, the City has been in compliance in all material respects with its continuing disclosure obligations under Rule 15c2-12.

Additional Information. Prospective bidders should read the entire Preliminary Official Statement, copies of which may be obtained in electronic form at [ImageMaster at [www.munios.com](http://www.munios.com)] or electronically from the Co-Municipal Advisors.

Dated: \_\_\_\_\_ 2023.