

File No. 211154

Committee Item No. 8

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

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Committee: Budget and Finance Committee Date November 17, 2021

Board of Supervisors Meeting Date \_\_\_\_\_

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- \_\_\_\_\_
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Completed by: Brent Jalipa Date November 12, 2021

Completed by: Brent Jalipa Date \_\_\_\_\_

1 [San Francisco Unified School District General Obligation Bonds - Not to Exceed  
2 \$284,250,000]

3 **Resolution authorizing the issuance and sale of bonds of the San Francisco Unified**  
4 **School District; prescribing the terms of sale of not to exceed \$284,250,000 of said**  
5 **general obligation bonds, Election of 2016, Series C, by a negotiated sale; approving**  
6 **the form of bond purchase agreement; approving the forms of one or more paying**  
7 **agent agreements; and authorizing the execution of necessary documents and**  
8 **certificates relating to such bonds, as defined herein.**

9  
10 WHEREAS, An election was duly and regularly held in the San Francisco Unified  
11 School District (the "District") on November 8, 2016, in accordance with Section 1(b)(3) of  
12 Article XIII A of the California Constitution, for the purpose of submitting a bond measure  
13 (Proposition A) to the qualified electors of the District, authorizing the issuance of general  
14 obligation bonds in the aggregate principal amount of \$744,250,000 (the "Election of 2016  
15 Bonds"), and more than 55% of the votes cast were in favor of the issuance of the Election of  
16 2016 Bonds; and

17 WHEREAS, The District has heretofore issued the "San Francisco Unified School  
18 District General Obligation Bonds, Election of 2016, Series A" (the "Series A Bonds") in the  
19 original principal amount of \$180,000,000 for authorized school purposes; and

20 WHEREAS, The District has heretofore issued, pursuant to Resolution No. 350-20,  
21 adopted by this Board of Supervisors on July 21, 2020, and signed by the Mayor (the "Mayor")  
22 on July 31, 2020, the "San Francisco Unified School District General Obligation Bonds,  
23 Election of 2016, Series B" (the "Series B Bonds") in the original principal amount of  
24 \$280,000,000 for authorized school purposes; and

25 //

1           WHEREAS, Pursuant to Section 15140(a) et seq. of the Education Code of the State of  
2 California (the "Education Code"), the District has requested this Board of Supervisors to  
3 issue an additional portion of said bonds, designated the "San Francisco Unified School  
4 District General Obligation Bonds, Election of 2016, Series C" (the "Bonds") with such  
5 additional or other series or subseries designations as may be approved as herein provided,  
6 in an aggregate principal amount not exceeding \$284,250,000 and to authorize the sale of the  
7 Bonds by a negotiated sale to an underwriter or underwriters to be named therein  
8 (collectively, the "Underwriters"), to be selected by the District, pursuant to one or more Bond  
9 Purchase Agreements (each, a "Bond Purchase Agreement"), a form of which has been  
10 submitted to and is on file with the Clerk of the Board of Supervisors or designee thereof (the  
11 "Clerk of the Board of Supervisors"), all according to the terms and in the manner set forth in a  
12 resolution duly adopted on October 12, 2021 (the "District Resolution"), by the Board of  
13 Education of the District (the "District Board"), a certified copy of which has been filed with the  
14 Clerk of the Board of Supervisors; and

15           WHEREAS, The Bonds shall be issued pursuant to a paying agent agreement (the  
16 "New Money Paying Agent Agreement") to be entered into by the District and the Treasurer  
17 and Tax Collector of the City (the "City Treasurer"), as paying agent (the "Paying Agent"), the  
18 form of which has been submitted to and is on file with the Clerk of the Board of Supervisors;  
19 and

20           WHEREAS, Concurrently with the issuance of the Bonds, the District shall issue bonds  
21 designated as the "San Francisco Unified School District 2021 General Obligation Refunding  
22 Bonds" (the "Refunding Bonds") with such additional or other series or subseries designated  
23 as provided in the authorizing resolution of the District duly adopted on October 12, 2021 (the  
24 "Refunding District Resolution"), in an aggregate principal amount not to exceed  
25

1 \$145,000,000 for the purpose of refunding outstanding prior issuances of general obligations  
2 of the District as set forth in the Refunding District Resolution; and

3 WHEREAS, The Refunding Bonds shall be issued pursuant to a paying agent  
4 agreement (the "Refunding Paying Agent Agreement") to be entered into by the District and  
5 the City Treasurer, as Paying Agent, the form of which has been submitted to and is on file  
6 with the Clerk of the Board of Supervisors; and

7 WHEREAS, This Board of Supervisors accepts the representation of the District Board  
8 that it is necessary and desirable that the Bonds be issued and sold by a negotiated sale on  
9 the terms and conditions set forth in the District Resolution; now, therefore, be it

10 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as  
11 follows:

12 Section 1. Recitals. All of the recitals in this Resolution are true and correct.

13 Section 2. Documents. The documents presented to the Board of Supervisors and  
14 on file with the Clerk of the Board of Supervisors are contained in File No. 211154

15 Section 3. Authorization and Designation of Bonds. Pursuant to Section 15140 et  
16 seq. of the Education Code, this Board of Supervisors hereby authorizes on behalf of the  
17 District, the issuance and sale of not to exceed \$284,250,000 aggregate principal amount of  
18 bonds of the District and designates said bonds to be issued and sold as the "San Francisco  
19 Unified School District General Obligation Bonds, Election of 2016, Series C." The Bonds  
20 shall be issued, as provided in Section 4 hereof.

21 Section 4. Sale of Bonds; Bond Purchase Agreement. The form of a Bond  
22 Purchase Agreement among the City, the District Board and the Underwriters, as presented to  
23 this Board, a copy of which is on file with the Clerk of the Board of Supervisors, is hereby  
24 approved. The Controller of the City (the "Controller") or the Director of the Controller's Office  
25 of Public Finance (the "Director of Public Finance") or designees thereof (each an "Authorized

1 City Officer”) are each hereby authorized to execute and deliver the Bond Purchase  
2 Agreement in the form hereby approved, with such changes, additions and modifications as  
3 such Authorized City Officer may make or approve in accordance with Section 8 hereof;  
4 provided, that: (i) the purchase price of the Bonds shall not be less than 100% of the principal  
5 amount of the Bonds (taking into account the purchase price and principal amount of any  
6 Bonds sold on the same date pursuant to any other Bond Purchase Agreement); (ii) the true  
7 interest cost for the Bonds shall not be in excess of 4.0% per annum (taking into account the  
8 true interest cost of any Bonds sold on the same date pursuant to any other Bond Purchase  
9 Agreement); (iii) the maximum interest rate on the Bonds shall not be in excess of 8.0% per  
10 annum; (iv) the Underwriter’s discount shall not exceed 0.4% of the aggregate principal  
11 amount of the Bonds sold thereunder (excluding any costs of issuance the Underwriter agrees  
12 to pay pursuant to the Bond Purchase Agreement); (v) the Bonds shall otherwise conform to  
13 the limitations specified in the District Resolution and (vi) no bond shall mature later than the  
14 date which is 21 years from the date of the Bonds, such date to be determined as set forth in  
15 Section 3(c) of the District Resolution.

16 The terms of each Bond Purchase Agreement shall recite the aggregate principal  
17 amount of the covered Bonds, the date thereof, the maturity dates, principal amounts and  
18 annual rates of interest of each maturity thereof, the initial and semiannual interest payment  
19 dates thereof, and the terms of optional and mandatory sinking fund redemption thereof.  
20 Each Bond Purchase Agreement for one or more series of Bonds, together with this  
21 Resolution, shall constitute the order of this Board of Supervisors for purposes of Section  
22 15230 of the Education Code.

23 Section 5. Paying Agent for the Bonds and the Refunding Bonds; Paying Agent  
24 Agreements. The City, through the office of the City Treasurer, shall be appointed as the  
25 initial Paying Agent for the Bonds pursuant to the New Money Paying Agent Agreement. The

1 form of a New Money Paying Agent Agreement between the City and the District Board, as  
2 presented to this Board, a copy of which is on file with the Clerk of the Board of Supervisors,  
3 is hereby approved. The City Treasurer or any Authorized City Officer is hereby authorized to  
4 execute and deliver the New Money Paying Agent Agreement in the form hereby approved,  
5 with such changes, additions and modifications as such Authorized City Officer may make or  
6 approve in accordance with Section 8 hereof.

7 The City shall also be appointed as the initial Paying Agent for the Refunding Bonds  
8 pursuant to the Refunding Paying Agent Agreement. The form of a Refunding Paying Agent  
9 Agreement between the City and the District Board, as presented to this Board, a copy of  
10 which is on file with the Clerk of the Board of Supervisors, is hereby approved. The City  
11 Treasurer or any Authorized City Officer is hereby authorized to execute and deliver the  
12 Refunding Paying Agent Agreement in the form hereby approved, with such changes,  
13 additions and modifications as such Authorized City Officer may make or approve in  
14 accordance with Section 8 hereof.

15 Section 6. District Responsibilities. The District shall provide notice to the City,  
16 through the Controller's office of Public Finance, of its intent to sell or issue any future series  
17 of Bonds not less than forty-five (45) days prior to the anticipate sale or issuance of any such  
18 Bonds, which notice shall be acknowledged in writing by the Controller's Office of Public  
19 Finance within fifteen (15) days of receipt of such notice. Furthermore, the City, through the  
20 Controller's Office of Public Finance, shall receive (i) a copy of the certified resolution of the  
21 District Board of Education approving the issuance of any future series of Bonds; (ii) a copy of  
22 the debt service schedule within fifteen (15) days of the issuance of any future series of  
23 Bonds; and (iii) all minutes approved by the independent citizens' oversight committee formed  
24 pursuant to the Education Code when such minutes are available. Failure of the City or the  
25 District to provide any such notice, acknowledgement, resolution, debt service schedule or

1 minutes required by this Resolution shall not affect the validity of any Bonds issued or sold by  
2 the District, or the requirement of the City to levy the tax pursuant to Section 15252 of the  
3 Education Code.

4 Section 7. City Responsibilities.

5 (a) The City, including the officers thereof and this Board of Supervisors, takes no  
6 responsibility for any act or omission that is in any way related to the validity of the Bonds, or  
7 any disclosure issues related to the Bonds, except as set forth in subsection (e) hereof.

8 (b) The City shall levy and collect taxes, pay principal and interest on the Bonds  
9 when due, and hold and invest the bond proceeds and tax funds for the Bonds duly issued  
10 and sold by the District pursuant to the authority granted by this Resolution, and as otherwise  
11 required by law. The Bonds shall not constitute a debt of the City and the City shall have no  
12 obligations regarding the use or application of the proceeds of the Bonds.

13 (c) The City, including the officers, officials and employees thereof and this Board of  
14 Supervisors, takes no responsibility for establishing a tax rate for any new issue of bonds in  
15 any year in which the information required by Section 6 hereof to be delivered to the City  
16 officers is delivered later than the deadline established by such officers in order to permit  
17 compliance with Section 29100 et seq. of the Government Code.

18 (d) Except as otherwise provided by this Resolution and by law, none of the City,  
19 this Board or any officers, nor officials or employees of the City shall have any liability  
20 hereunder or by reason hereof or in connection with the transactions contemplated hereby  
21 and the Bonds shall be payable solely from tax proceeds and any other moneys of the District  
22 available therefor as set forth in this Section 7.

23 (e) Neither this Board of Supervisors nor any officer of the City has prepared or  
24 reviewed the official statement of the District describing the Bonds (the "Official Statement"),  
25 and this Board of Supervisors and the various officers of the City take no responsibility for the

1 contents or distribution thereof, provided, however, that solely with respect to a section  
2 contained or to be contained therein describing the City's investment policy, current portfolio  
3 holdings, and valuation procedures, as they may relate to funds of the District held by the City  
4 Treasurer, the City Treasurer is hereby authorized and directed to prepare and review such  
5 information for inclusion in the Official Statement and in a preliminary form of the Official  
6 Statement, and to certify in writing to the District prior to or upon the issuance of the Bonds  
7 that the copies of each of the investment policy, portfolio holdings, and valuation procedures  
8 are true, correct, and complete reproductions of each respective document.

9 Section 8. Modifications, Changes and Additions. The City Treasurer and any  
10 Authorized City Official is hereby authorized to make such modifications, changes and  
11 additions to the documents and agreements approved hereby, upon consultation with the City  
12 Attorney, as may be necessary or desirable and in the interests of the City, and which  
13 changes do not materially increase the City's obligations or reduce its rights thereunder or  
14 hereunder. The respective official's approval of such modifications, changes and additions  
15 shall be conclusively evidenced by the execution and delivery by such official of the applicable  
16 Bond Purchase Agreement, Paying Agent Agreement or any of the other documents  
17 approved in this Resolution. Any such actions are solely intended to further the purposes of  
18 this Resolution and are subject in all respects to the terms of this Resolution. No such actions  
19 shall increase the risk to the City or require the City to spend any resources not otherwise  
20 granted herein. Final versions of any such documents shall be provided to the Clerk for  
21 inclusion in the official file within 30 days (or as soon thereafter as final documents are  
22 available) of execution by all parties.

23 Section 9. Other Actions. Officers, officials and staff of the City are hereby  
24 authorized and directed, jointly and severally, to do any and all things and to execute and  
25 deliver any and all documents that they may deem necessary or advisable in order to



1 accomplish the transactions authorized herein, and otherwise carry out, give effect to and  
2 comply with the terms and intent of this Resolution. Such actions heretofore taken by such  
3 officers, officials and staff consistent with the documents presented herein and as  
4 contemplated by this Resolution are hereby ratified, confirmed and approved.

5 Section 10. Continuing Disclosure. The City acknowledges and relies upon the fact  
6 that the District has represented that it shall execute a Continuing Disclosure Certificate  
7 containing such covenants of the District as shall be necessary to allow the Underwriters to  
8 comply with the requirements of Securities and Exchange Commission Rule 15c2-12. The  
9 City acknowledges and relies upon the fact that the District has covenanted to comply with  
10 and carry out all of the provisions of such Continuing Disclosure Certificate.

11 Section 11. Delivery of Resolution. The Clerk of the Board of Supervisors is hereby  
12 directed to deliver a copy of this Resolution to the Superintendent of the District.

13 Section 12. Effective Date. This Resolution shall take effect from and after its  
14 adoption.

15  
16 APPROVED AS TO FORM:  
17 DENNIS J. HERRERA, City Attorney

18 By: /s/ Kenneth D. Roux  
19 Kenneth D. Roux  
20 Deputy City Attorney

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23  
24  
25

<b>Item 8</b> <b>File 21-1154</b>	<b>Department:</b> Controller’s Office of Public Finance
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**EXECUTIVE SUMMARY**

**Legislative Objectives**

- The proposed resolution authorizes the San Francisco Unified School District to issue, and for the City to sell on behalf of the District, the Series C School District General Obligation Bonds in an aggregate principal amount not to exceed \$284,250,000. The proposed resolution also approves a form of Bond Purchase Agreement, authorizes the execution and delivery of the Bond Purchase Agreement by the City’s Director of Public Finance, and authorizes various City officers, to conduct the sale of the School District bonds.

**Key Points**

- The School District has issued two series of bonds totaling \$460 million under Proposition A. The District issued \$180 million in Series A bonds in April 2017 and \$280 million in Series B bonds in August 2020. The proposed resolution would authorize an additional \$284.25 million in Series C bonds. The District also plans to issue up to \$145 million of refunding bonds to reduce the debt service of the District’s outstanding general obligation bonds.
- The City will not be liable for the School District debt. The role of the City will be to issue the general obligation bonds, set property taxes rates sufficient to cover the debt service, collect those taxes, and pay debt service from such taxes on the bonds

**Fiscal Impact**

- The expected debt service on the proposed Series C bonds is \$275.6 million over 20 years. The proposed refunding bonds are expected to reduce debt service by \$14.3 million, reducing the total incremental increase in the School District’s debt service from \$275.6 million to \$261.3 million.
- The FY 2021-22 property tax rate includes collections sufficient for debt service on the proposed bonds.

**Policy Consideration**

- The School District’s most recent interim budget report, approved in March 2021, was submitted with a qualified certification because the School District was still in the process of balancing its budget for FY 2022-23. More recently, the State’s examination of the District’s budget has triggered additional State oversight. In addition, the District’s bonds have been subject to various negative rating actions in recent years. As noted above, the City will issue the bonds, and set property tax rates, collect taxes, and pay debt service from such taxes on the bonds on behalf of the District but is not liable for the School District debt.

**Recommendations**

- Amend the proposed resolution to request the School District to present the annual Proposition A performance audit of the Bond Program to the Government Audit & Oversight Committee upon request of the Committee Chair.
- Approve the proposed resolution as amended.

**MANDATE STATEMENT**

California Education Code Section 15140(a) provides that bonds of a school district shall be offered for sale by the board of supervisors as soon as possible following the receipt of a duly adopted by the governing board of such school district.

**BACKGROUND**

Proposition 39, approved by California voters in 2000, allows voters to approve general obligation bonds for schools with a 55 percent majority rather than the two-thirds majority required for other general obligation bonds. In 2016, San Francisco voters approved Proposition A authorizing \$744.25 million of general obligation bonds for San Francisco Unified School District (SFUSD) with 79.8 percent majority.

The School District originally intended to use the bonds to fund seismic upgrades, accessibility projects, repairs to damaged properties and removal of hazardous materials, repairs or replacement of major building systems, modification of building interiors and exteriors, renovation of administrative and other buildings, expansion of classrooms, construction of new classrooms and new schools, technology upgrades, and replacement of temporary classrooms with permanent structures. Proposition A provided for the District to use up to \$100 million for classroom, rehearsal, and performance spaces for the District Arts Center, and up to \$5 million to construct below market rate housing for teachers and other school staff. The District was to create an independent citizens' oversight committee to report on use of bond funds, and the Board of Education was to conduct annual independent audits.

The \$744.25 million in general obligation bonds are currently allocated to the following programs:

**Table 1: Bond Funded Programs (\$ millions)**

Modernization Program	
<i>Modernization projects</i>	
Bond administration and operation	\$30.00
Bond construction contingency	20
Bond program management	9.75
Bond planning	1.5
Sustainability	5
Green schoolyard	5
School modernization projects	<u>349.5</u>
<i>Modernization projects subtotal</i>	<i>\$420.75</i>
Teacher's housing	3.5
New schools	100
Ruth Asawa School of the Arts	<u>100</u>
Modernization Program Subtotal	\$624.25
Technology Improvements	100
Kitchen and Dining Facilities	<u>20</u>
<b>Total</b>	<b>\$744.25</b>

Source: Proposition A (2016)

## DETAILS OF PROPOSED LEGISLATION

The proposed resolution authorizes the San Francisco Unified School District to issue, and for the City and County of San Francisco to sell on behalf of the District, the San Francisco Unified School District General Obligation Bonds, Election of 2016, Series C in an aggregate principal amount not to exceed \$284,250,000. The proposed resolution also approves a form of Bond Purchase Agreement, authorizes the execution and delivery of the Bond Purchase Agreement by the Director of Public Finance, and authorizes various City officers, including the Director of Public Finance, to conduct the sale of the School District bonds.

### *District Responsibilities*

According to the proposed resolution, the District will provide notice to the Controller's Office of Public Finance of its intent to issue bonds at least 45 days prior to the planned issuance of the bond as well as a copy of the debt service schedule, and all minutes approved by the independent citizens' oversight committee.

### *City Responsibilities*

The City is responsible for issuing the proposed bonds on behalf of the School District, setting the property tax rate to cover debt service on the bonds, levying and collecting property taxes, and paying principal and interest on the bonds from the collected property taxes. Although the City is the paying agent for the proposed bonds, the bonds are not considered a debt of the City and

the City is not responsible for the use of bond proceeds. The proposed resolution states that the City has not reviewed information pertaining to the School District in the Official Statement for the proposed bonds.

**Bond Issuances**

The School District has issued two series of bonds totaling \$460 million under Proposition A (2016). The District issued \$180 million in Series A bonds in April 2017 and \$280 million in Series B bonds in August 2020. The proposed resolution would authorize an additional \$284.25 million in Series C bonds, totaling \$744.25 million in general obligation bonds, as authorized by the voters.

The District also plans to issue up to \$145 million of refunding bonds to reduce the debt service of the District’s general obligation bonds (Proposition A, Election of 2011), Series B (2014), as approved by the Board of Education in October 2021.

Finally, the proposed resolution allows for the bonds to be sold through a negotiated process. The School District is pursuing a negotiated rather than competitive sale because of the complexity of the proposed new money and refunding bonds.

**Bond Program Spending**

The Bond Program consists of general obligation bond proceeds and other funds. According to a School District October 2021 presentation to the Board of Education, the Bond Program has spent or encumbered \$409.54 million of \$466.85 million in bond proceeds, with a balance of \$57.31 million, as shown in Exhibit 2 below.

**Exhibit 2: Bond Program Spending as of October 2021 (\$ millions)**

<b>Program</b>	<b>Budget</b>	<b>Proceeds</b>	<b>Spent/Encum.</b>	<b>Balance of Issued Funds</b>	<b>Remaining Budget</b>
Bond Administration	40.50	28.68	21.68	7.01	11.82
Modernization Program	378.75	310.20	296.00	14.21	68.54
Educator Housing	5.00	0.08	0.00	0.08	4.90
135 Arts Center	100.00	0.00	0.00	0.00	100.00
New Schools	100.00	15.00	5.12	9.88	85.00
Department of Technology	100.00	92.88	74.49	18.39	7.11
Student Nutrition Services	20.00	20.00	12.25	7.74	0.00
<b>Total</b>	<b>744.25</b>	<b>466.85</b>	<b>409.54</b>	<b>57.31</b>	<b>277.37</b>

Source: SFUSD Staff Presentation to October 6, 2021 Board of Education Budget & Business Services Committee

The proceeds from proposed new money bonds would be allocated to the remaining budgets for the programs noted above. The \$466.84 million of proceeds of previously issued bonds exceeds the \$460 million amount previously approved by the Board of Supervisors because of \$6.85 million in interest earnings on those proceeds.

**FISCAL IMPACT****Change in Bond Debt Service**

According to SFUSD Municipal Advisor, expected annual debt service on the proposed Series C bonds is \$13.8 million and total debt service is \$275.6 million over 20 years based on an estimated market interest rate of up to 3.5 percent. These figures assume a \$200 million issuance, which is less than the requested not to exceed amount of \$284.25 million. We requested information on the bond projects that would not be fully funded by the proposed issuances but did not receive information. The proposed refunding bonds are expected to reduce debt service by \$14.3 million, reducing the total incremental increase in the School District's debt service from \$275.6 million to \$261.3 million.

As noted above, the City is responsible for paying principal and interest on the bonds from property tax revenues. The School District's general obligation bond debt does not count against the City Charter's general obligation bond debt limit of 3 percent of assessed valuation.

While the City's Capital Plan constrains the increase in property taxes from issuance of general obligation bond debt to \$0.1201 per \$100 of assessed value, the property tax constraint does not apply to general obligation bonds issued by SFUSD.

The FY 2021-22 property tax rate includes collections sufficient for debt service on the proposed bonds.

Appendix I shows the change in debt service.

**POLICY CONSIDERATION****Interim Report**

When the Board of Supervisors approved the second issuance of general obligation bonds in July 2020 (File 20-0707), it did so under Education Code Section 15140(b), which authorizes a county board of supervisors to allow school districts to issue and sell general obligation bonds directly if the school district has not received a qualified or negative certification in its most recent interim budget report.<sup>1</sup> However, the School District's most recent interim budget report, approved in March 2021, was submitted with a qualified certification because the School District was still in

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<sup>1</sup> Education Code Section 42130 requires that the superintendent of each school district submit two interim budget reports to the school district's governing body each year. The State Department of Education certifies SFUSD's interim reports as follows: (1) a positive certification when the District will be able to meet its financial obligations for the current and two subsequent fiscal years; (2) a qualified certification when the District may not be able to meet its financial obligations for the current or two subsequent fiscal years; or, (3) a negative certification when the District will not be able to meet its financial obligations for the remainder of the current year or for the subsequent fiscal year.

the process of balancing its budget for FY 2022-23. More recently, the State's examination of the District's budget has triggered additional State oversight. Therefore, the proposed debt issuance relies on Education Code Section 15140(a), which provides for the Board of Supervisors to issue bonds on behalf of the School District. Such a sale requires the City to authorize the District's debt issuance as it would one of the City's own debt issuances, governed by the Bond Purchase Agreements described above.

As noted above, the City will not be liable for the School District debt. The role of the City will be to issue the general obligation bonds, set property taxes rates sufficient to cover the debt service, collect those taxes, and pay debt service from such taxes on the bonds.

### **Credit Rating**

Due largely to financial performance issues, the District's bonds have been subject to various negative rating actions in recent years. Moody's has downgraded the District's bonds and placed the rating on negative outlook. S&P Global Ratings has placed the District's rating on negative outlook. Fitch Ratings has downgraded the District's bonds. The proposed issues will be sold with ratings of "Aa3" from Moody's and "AA-" from S&P both with negative outlook. According to the School District's municipal debt advisors, the credit rating downgrades may require the interest rate on the proposed bonds to be 0.05% higher than they would have otherwise been. On a \$200 million bond issue with an exactly 20-year term and level debt service that would translate into an additional \$1,250,000 in interest costs over time (\$925,000 in present value).

### **Board of Supervisors Oversight**

Because the proposed general obligation bond issuance is consistent with Proposition A, the Budget and Legislative Analyst recommends approval of the proposed resolution. We recommend amending the proposed resolution to request the School District to present the annual Proposition A performance audit of the Bond Program to the Government Audit & Oversight Committee upon request of the Committee Chair.

## **RECOMMENDATIONS**

1. Amend the proposed resolution to request the School District to present the annual Proposition A performance audit of the Bond Program to the Government Audit & Oversight Committee upon request of the Committee Chair.
2. Approve the proposed resolution as amended.

**Appendix I: Change in SFUSD General Obligation Bond Debt Service**

<b>Year Ending</b>	<b>Current Debt Service</b>	<b>Series C Debt Service</b>	<b>Refunding Debt Service Savings</b>	<b>New Debt Service</b>
6/15/22	124,308,589	15,406,667	0	139,715,256
6/15/23	115,646,039	15,447,350	(1,300,000)	129,793,389
6/15/24	115,937,689	13,597,250	(1,300,000)	128,234,939
6/15/25	100,103,034	13,596,050	(1,300,000)	112,399,084
6/15/26	91,707,495	13,595,925	(1,300,000)	104,003,420
6/15/27	88,758,281	13,596,525	(1,300,000)	101,054,806
6/15/28	80,277,126	13,597,500	(1,300,000)	92,574,626
6/15/29	79,627,899	13,598,500	(1,300,000)	91,926,399
6/15/30	79,366,370	13,599,175	(1,300,000)	91,665,545
6/15/31	65,418,700	13,599,175	(1,300,000)	77,717,875
6/15/32	65,407,650	13,598,150	(1,300,000)	77,705,800
6/15/33	59,345,913	13,595,750	(1,300,000)	71,641,663
6/15/34	45,690,150	13,596,625	0	59,286,775
6/15/35	45,644,750	13,600,250	0	59,245,000
6/15/36	28,969,600	13,596,100	0	42,565,700
6/15/37	28,988,200	13,599,000	0	42,587,200
6/15/38	15,992,050	13,598,250	0	29,590,300
6/15/39	15,993,000	13,598,500	0	29,591,500
6/15/40	15,990,750	13,599,225	0	29,589,975
6/15/41	0	13,599,900	0	13,599,900
<b>Total</b>	<b>1,263,173,283</b>	<b>275,615,867</b>	<b>(14,300,000)</b>	<b>1,524,489,150</b>

Source: SFUSD Municipal Advisor

Note: The above figures assume a \$200 million general obligation bond issuance.



**BOND PURCHASE AGREEMENT**

**[\$Par Amount]  
SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
(City and County of San Francisco, State of California)  
GENERAL OBLIGATION BONDS,  
ELECTION OF 2016, SERIES C**

[Sale Date]

City and County of San Francisco  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Board of Education  
San Francisco Unified School District  
555 Franklin Street  
San Francisco, CA 94102

Ladies and Gentlemen:

The undersigned [Representative] (the “Representative”) on behalf of itself and on behalf of [Underwriters] (collectively, the “Underwriters”) hereby offers to enter into this Bond Purchase Agreement (the “Purchase Contract”) with the Board of Education of the San Francisco Unified School District (the “District”), acting through its Superintendent or another Authorized District Representative, and the City and County of San Francisco, California (the “City”), acting through the Office of the Director of Public Finance. The offer made hereby is subject to acceptance by each of the District and the City by execution and delivery of this Purchase Contract to the Underwriters at or prior to 11:59 p.m., California time, on the date hereof, but it shall be irrevocable until such time as it is sooner accepted or rejected by the District and the City. Upon acceptance of this offer by the District and the City in accordance with the terms hereof, this Purchase Contract will be binding upon the District, the City and the Underwriters. If the Underwriters withdraw this offer, or the Underwriters’ obligation to purchase the Bonds is otherwise terminated pursuant to Section 8(b) hereof, then and in such case the City shall be without any further obligation to the Underwriters, including the payment of any costs set forth under Section 11(b) hereof, and the City shall be free to sell the Bonds to any other party. Capitalized terms used herein but not defined shall have the definition ascribed thereto in the Paying Agent Agreement.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, covenants and agreements hereinafter set forth, the Underwriters hereby agree to purchase from the City, on behalf of the District, for offering to the public, and the City, on behalf of the District, hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the [\$Par Amount] aggregate principal amount of the San Francisco Unified School District General Obligation Bonds, Election of 2016, Series C (the “Bonds”), at the purchase price of [\$Purchase Price] (the “Purchase Price”), which has been computed as the aggregate principal

amount of the Bonds (\$[Par Amount]) plus [net] original issue premium thereon (\$[Premium]) and less Underwriters' discount (\$[Underwriter's Discount]).

The District acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the District and the Underwriters, (ii) in connection therewith and with the discussion, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and not as agents or fiduciaries of or municipal advisors to the District, (iii) the Underwriters have not assumed (individually or collectively) an advisory or fiduciary responsibility in favor of the District with respect to (a) the offering of the Bonds or the process leading thereto (whether or not the Underwriters have advised or are currently advising the District on other matters) or (b) any other obligation to the District except the obligations expressly set forth in this Purchase Contract and (iv) the District has consulted with its own legal, financial and other professional advisors to the extent it has deemed appropriate in connection with the offering of the Bonds. The District and the City acknowledge that each has previously received from the Representative a letter regarding Municipal Securities Rulemaking Board ("MSRB") Rule G-17 Disclosures, and that it has provided the Underwriters acknowledgement of such letter.

2. The Bonds. The Bonds shall be issued pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act") and other applicable law, in accordance with Resolution No. [\_\_\_\_\_] of the Board of Supervisors of the City, adopted on [November \_\_], 2021 (the "City Resolution"), Resolution No. [\_\_\_\_\_] of the Board of Education of the District, adopted on October 12, 2021 (the "District Resolution"), and pursuant to the terms of that certain Paying Agent Agreement, dated as of December 1, 2021 (the "Paying Agent Agreement"), to be entered into between the District and the Treasurer and Tax Collector the City and County of San Francisco, as paying agent (the "Treasurer" or the "Paying Agent") with respect to the Bonds. The Bonds shall conform in all respects to the terms and provisions set forth in the District Resolution, the City Resolution the Paying Agent Agreement, and in Appendix A to this Purchase Contract. To the extent of any conflict between the District Resolution and the City Resolution, the provisions of the District Resolution shall prevail.

As used herein, the "Tax-Exempt Bonds" are the Bonds maturing on and after June 15, 2022, and the "Taxable Bonds" are the Bonds maturing on [\_\_\_\_\_] 15, 2022].

The Bonds shall be dated the date of delivery, and shall mature on June 15 in each of the years, in the principal amounts, and pay interest at the rates shown in Appendix A. Interest on the Taxable Bonds shall be payable on [\_\_\_\_\_] 15, 2022], and interest on the Tax-Exempt Bonds shall be payable on [June 15, 2022], and thereafter on June 15 and December 15 in each year until maturity.

[The Bonds shall be subject to optional and mandatory sinking fund redemption on the terms and at the times shown in Appendix A.]

The Bonds shall be issued in full book-entry form and otherwise be as described in the preliminary Official Statement of the District with respect thereto, dated [POS Date] (the "Preliminary Official Statement").

One fully registered certificate for each maturity of the Bonds will be prepared and delivered as described in Section 9 hereof, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, NY (“DTC”), and will be made available to the Underwriters for inspection at such place as may be mutually agreed to by the Representative, the City and the District, not less than one business day prior to the Closing Date (defined herein), as defined in Section 9 hereof. The Underwriters shall order CUSIP identification numbers and the District shall cause such CUSIP identification numbers to be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for the Bonds in accordance with the terms of this Purchase Contract.

3. Offering. The Representative on behalf of the Underwriters hereby certifies that they have made a bona fide public offering of all the Bonds as of the date hereof at the prices or yields shown in the table attached to Appendix A hereto. On or prior to the Closing Date, the Underwriters shall provide the District with information regarding the prices or yields at which a representative portion (at least 10%) of each maturity of the Tax-Exempt Bonds were sold to the public, in such form as the District may reasonably request, for purposes of determining the yield on the Tax-Exempt Bonds. Subsequent to such initial public offering, the Underwriters reserve the right to change such initial public offering prices or yields as they deem necessary in connection with the marketing of the Bonds; provided that the Underwriters shall not change the interest rates on the Bonds set forth in Appendix A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

The District hereby ratifies, approves and confirms the distribution of this Purchase Contract, the District Resolution, the Paying Agent Agreement, the Continuing Disclosure Certificate (as defined herein) and the Preliminary Official Statement of the District with respect to the Bonds, in connection with the public offering and sale of the Bonds by the Underwriters.

The Underwriters hereby represent that they have received and reviewed the Preliminary Official Statement, and hereby agree that they will provide, consistent with the requirements of MSRB Rule G-32, for the delivery of a copy of the final Official Statement describing the Bonds, dated the date hereof (the “Official Statement”), to each customer who purchases any Bonds during the underwriting period (as such term is defined in MSRB Rule G-11), and to deliver a copy of the Official Statement to the MSRB on or before the Closing Date (as defined herein), and otherwise to comply with all applicable statutes and regulations in connection with the offering and sale of the Bonds, including, without limitation, MSRB Rule G-32 and 17 CFR Section 240.15c2-12, promulgated by the Securities and Exchange Commission (“Rule 15c2-12”).

The District represents that it has duly authorized and caused the preparation of the Preliminary Official Statement. Delivery of the Official Statement to the Underwriters shall be construed as a representation of the District that the District has reviewed and approved such Official Statement and authorizes the distribution thereof in electronic form.

The Underwriters hereby agree that prior to the time the Official Statement is available, the Underwriters will send to any potential purchaser of the Bonds, upon request, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be

sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

The District will deliver a copy of the Official Statement by electronic means to the Underwriters within seven business days from the date hereof, signed by an Authorized District Representative, substantially in the form of the Preliminary Official Statement with such changes thereto as shall be approved by the Underwriters, which approval shall not be unreasonably withheld.

4. Representations and Agreements of the District. The District represents to and agrees with the City and the Underwriters that, as of the date hereof and as of the date of the Closing:

(a) The District is a unified school district duly organized and validly existing under the Constitution and general laws of the State of California (the “State”), with the power to issue the Bonds and request the City to sell the Bonds on behalf of the District pursuant to the laws of the State.

(b) The District has full legal right, power and authority to enter into this Purchase Contract, to adopt the District Resolution, to enter into the Paying Agent Agreement, and the Continuing Disclosure Certificate, and to observe and perform the District’s covenants and agreements contained herein and therein.

(c) The District has duly adopted the District Resolution in accordance with the laws of the State; the District Resolution is in full force and effect and has not been amended, modified or rescinded, and all representations of the District set forth in the District Resolution are true and correct; the District has duly authorized and approved the execution and delivery of, and the observance and performance by the District of its covenants and agreements contained in the Bonds, the Paying Agent Agreement and this Purchase Contract; and the District has complied, and will at the Closing be in compliance in all respects, with its obligations in connection with the issuance of the Bonds contained in this Purchase Contract, the District Resolution, the Paying Agent Agreement and the Bonds.

(d) The District represents to the Underwriters that the Preliminary Official Statement has been “deemed final” by the District as of its date within the meaning of paragraph (a)(2) of Rule 15c2-12, except for the omission of some or all of such information the omission of which is permitted under Rule 15c2-12.

(e) The Preliminary Official Statement as of its date does not, and the Official Statement as of its date and as of the Closing Date will not, and if supplemented or amended, as of the date of any such supplement or amendment, will not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; excluding in each case any information contained therein relating to DTC or its book-entry only system; CUSIP numbers of the Bonds; information contained therein describing the investment policy of the City and County of San Francisco, its current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer); and information provided by the Underwriters regarding the

prices or yields at which the Bonds were re-offered to the public, as to all of which the District expresses no view.

(f) The District agrees that, for a period of 25 days after the end of the “underwriting period” (as defined in Rule 15c2-12), if any event of which it has actual knowledge occurs which might cause the information in the Official Statement as then in existence to contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading, the District shall promptly notify the Underwriters in writing of the circumstances and details of such event. If, as a result of such event or any other event, it is necessary, in the reasonable opinion of the Representative on behalf of the Underwriters, to amend or supplement the Official Statement so that the Official Statement does not contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading, and if the Representative shall have so advised the District, the District shall forthwith cooperate with the Underwriters in the prompt preparation and furnishing to the Underwriters, at the expense of the District, of a reasonable number of copies of an amendment of or a supplement to the Official Statement, in form and substance satisfactory to the Representative, which will so amend or supplement the Official Statement so that, as amended or supplemented, it will not contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading. The District shall promptly advise the Underwriters of the commencement of any action, suit, proceeding, inquiry or investigation seeking to prohibit, restrain or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Bonds. Unless the Representative otherwise advises the District that the end of the underwriting period shall be another specified date, the end of the underwriting period shall be the Closing Date.

(g) The District will undertake, pursuant to the Paying Agent Agreement and a Continuing Disclosure Certificate, dated the Closing Date (the “Continuing Disclosure Certificate”) to provide certain annual financial information and notices of the occurrence of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. Except as disclosed in the Official Statement, in the preceding five years, the District has not failed to comply in all material respects with any previous undertakings pursuant to Rule 15c2-12.

(h) The District has, and has had, no financial advisory relationship with the Underwriters with respect to the Bonds, nor with any investment firm controlling, controlled by or under common control with the Underwriters.

(i) Between the date hereof and the Closing Date, without prior written notice to the Underwriters, the District will not have issued or caused to be issued any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(j) The District hereby agrees to take any and all actions as may be required by the City and County of San Francisco or otherwise necessary in order to arrange for the levy and

collection of taxes, payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the Superintendent of Schools, the Auditor of the City and County of San Francisco and the Treasurer a copy of the District Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Bonds.

(k) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for the authorization by the City Board of Supervisors that has been obtained and except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriters may reasonably request, or which have not been taken or obtained; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(l) To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of the District Resolution, the Paying Agent Agreement, this Purchase Contract and the Bonds, and the compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(m) As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices or of the titles of the officials of the District to such offices; or (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of any of the Bonds, or the application of the proceeds of the sale of the Bonds, or the collection or levy of taxes contemplated by the District Resolution and available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the District Resolution, the Paying Agent Agreement or this Purchase Contract or contesting the powers of the District or its authority with respect to the Bonds, the District Resolution, the Paying Agent Agreement or this Purchase Contract or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (iii) in which a final adverse decision could (A) materially adversely affect the operations of the District or the consummation of the transactions contemplated by the District Resolution, the Paying Agent Agreement or this Purchase Contract, (B) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (C) adversely affect the exclusion of the interest paid on the Tax-Exempt Bonds from gross income for federal income tax purposes and the exemption of interest paid on the Bonds from California personal income taxation.

(n) Any certificates signed by any officer of the District and delivered to the Underwriters shall be deemed a representation and warranty by the District to the Underwriters, but not by the person signing the same, as to the statements made therein.

(o) The financial statements of the District contained in the Preliminary Official Statement and Official Statement fairly present the financial position and results of operations of the District as of the dates and for the periods therein set forth.

5. Representations and Agreements of the City. The City hereby represents, warrants and agrees with the District and the Underwriters that:

(a) The City is a political subdivision duly organized and validly existing under the laws of the State of California, with the power to sell the Bonds on behalf of the District pursuant to the laws of the State.

(b) The City has full legal right, power and authority to enter into this Purchase Contract, to adopt the City Resolution, to enter into the Paying Agent Agreement, and to observe and perform the City's covenants and agreements contained herein and therein.

(c) The City has duly adopted the City Resolution in accordance with the laws of the State; the City Resolution is in full force and effect and has not been amended, modified or rescinded, and all representations of the City set forth in the City Resolution are true and correct; the City has duly authorized and approved the execution and delivery of, and the observance and performance by the City of its covenants and agreements contained in the Paying Agent Agreement and this Purchase Contract; and the City has complied, and will at the Closing be in compliance in all respects, with its obligations in connection with the issuance of the Bonds contained in this Purchase Contract, the City Resolution, the Paying Agent Agreement and the Bonds.

(d) The City has, and has had, no financial advisory relationship with the Underwriters with respect to the Bonds.

(e) Between the date hereof and the Closing Date, without prior written notice to the Underwriters, the City will not have issued, on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(f) No additional consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriters may reasonably request, or which have not been taken or obtained; provided, however, that the City shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(g) To the best knowledge of the City, the issuance of the Bonds, and the execution, delivery and performance of the City Resolution, the Paying Agent Agreement, this Purchase Contract and the Bonds, and the compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the City a violation of or default under, the Constitution

of the State or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the City is a party or by which it is bound or to which it is subject.

(h) As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the City, threatened against the City: (i) in any way affecting the existence of the City or in any way challenging the respective powers of the several offices or of the titles of the officials of the City to such offices; or (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of any of the Bonds, or the application of the proceeds of the sale of the Bonds, or the collection or levy of taxes contemplated by the District Resolution and available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the City Resolution, the Paying Agent Agreement or this Purchase Contract or contesting the powers of the City or its authority with respect to the Bonds, the City Resolution, the Paying Agent Agreement or this Purchase Contract; or (iii) in which a final adverse decision could (A) materially adversely affect the operations of the City or the consummation of the transactions contemplated by the City Resolution, the Paying Agent Agreement or this Purchase Contract, (B) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (C) adversely affect the exclusion of the interest paid on the Tax-Exempt Bonds from gross income for federal income tax purposes and the exemption of interest paid on the Bonds from California personal income taxation.

(i) Any certificates signed by any officer of the City and delivered to the Underwriters shall be deemed a representation and warranty by the City to the Underwriters, but not by the person signing the same, as to the statements made therein.

(j) The section of the Preliminary Official Statement entitled APPENDIX F – “CITY AND COUNTY OF SAN FRANCISCO INVESTMENT POLICY AND INVESTMENT REPORT,” at the date thereof and at all times up to the date of this Purchase Contract, did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. At the date hereof and on the Closing Date, the section of the final Official Statement entitled APPENDIX F – “CITY AND COUNTY OF SAN FRANCISCO INVESTMENT POLICY AND INVESTMENT REPORT,” did not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

6. Representations and Agreements of the Underwriters. The Underwriters represent to and agree with the District and the City that, as of the date hereof and as of the date of the Closing:

(a) The Representative is duly authorized to execute this Purchase Contract and to take any action under this Purchase Contract required to be taken by it, and the undersigned officer of the Representative is duly authorized to sign this Purchase Contract and to bind itself hereby.



(b) The Underwriters are in compliance with MSRB Rule G-37 with respect to the District, and are not prohibited thereby from acting as underwriters with respect to securities of the District.

(c) The Underwriters have, and have had, no financial advisory relationship with the District or the City with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriters has or has had any such financial advisory relationship.

7. Conditions to Closing. (a) At or before Closing, and contemporaneously with the acceptance of delivery of the Bonds, the District will provide to the Underwriters:

(1) a certificate, signed by an official of the District, confirming to the Underwriters that the Preliminary Official Statement as of its date did not, and the Official Statement as of its date and at the time of Closing did not and does not, to the best of the knowledge of said official, 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, and that there has been no material adverse change in the financial condition or affairs of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds; excluding in each case any information contained therein relating to DTC or its book-entry only system; CUSIP numbers of the Bonds; information contained therein describing the investment policy of the City and County of San Francisco, its current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer); and information provided by the Underwriters regarding the prices or yields at which the Bonds were re-offered to the public, as to all of which the District expresses no view.

(2) a certificate, signed by an official of the City and County of San Francisco, confirming to the Underwriters that the Preliminary Official Statement as of its date did not, and the Official Statement as of its date and at the time of Closing did not and does not, to the best of the knowledge of said official, solely with respect to the information contained therein describing the City and County of San Francisco's investment policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer), 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.

(3) a certificate signed by an appropriate official of the District in form and substance satisfactory to the Underwriters to the effect that (i) the official signing this Purchase Contract on behalf of the District is authorized to do so (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has complied with all the terms of the District Resolution, the Paying Agent Agreement and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect as of the Closing Date, and (iv) the Bonds being delivered on the Closing

Date to the Underwriters under this Purchase Contract conform to the descriptions thereof contained in the Paying Agent Agreement in all material respects.

(4) a certificate, signed by an official of the District (or an opinion of counsel to the District), confirming to the Underwriters that, as of the date of this Purchase Contract and at the time of Closing, there is no litigation pending, with service of process completed, or, to the best of the knowledge of said person, threatened, concerning the validity of the Bonds, the levy of taxes to repay the Bonds or the application of tax proceeds to that purpose, the corporate existence of the District, or the entitlement of the officers of the District who have signed the various certificates and agreements of the District relating to the issuance and sale of Bonds, to their respective offices.

(5) a certificate signed by an appropriate official of the City in form and substance satisfactory to the Underwriters to the effect that (i) such official is authorized to execute this Purchase Contract, (ii) the representations, agreements and warranties of the City herein are true and correct in all material respects as of the date of Closing, (iii) the City has complied with all the terms of the City Resolution, the Paying Agent Agreement and this Purchase Contract to be complied with by the City prior to or concurrently with the Closing and such documents are in full force and effect, (iv) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the Paying Agent Agreement;

(6) the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel with respect to the issuance of the Bonds (“Bond Counsel”), addressed to the District, approving the validity of the Bonds, substantially in the form set forth as Appendix D to the Official Statement.

(7) a supplemental opinion of Bond Counsel in a form acceptable to the Underwriters, substantially in the form set forth as Appendix B herein.

(8) an opinion of [Underwriters’ Counsel], counsel for the Underwriters (“Underwriters’ Counsel”), dated the date of Closing and addressed to the Underwriters, satisfactory in form and substance to the Underwriters.

(9) the duly executed Tax Certificate of the District, dated the date of Closing, in form satisfactory to Bond Counsel.

(10) the receipt of the District or its agent confirming payment by the Underwriters of the Purchase Price of the Bonds.

(11) the duly executed Continuing Disclosure Certificate of the District, in substantially the form attached as Appendix E to the Preliminary Official Statement.

(12) a certified copy of the adopted District Resolution.

(13) an executed copy of the Paying Agent Agreement.

(14) a certificate signed by an Authorized District Representative evidencing his or her determination with respect to the Preliminary Official Statement in accordance with the Rule.

(15) an executed copy of this Purchase Contract.

(16) an executed copy of the Official Statement.

(17) the letter of Moody's Investors Service ("Moody's") and S&P Global Ratings ("S&P"), to the effect that such rating agencies have rated the Bonds "[ ]" and "[ ]," respectively (or such other equivalent rating as such rating agency may give), and that such ratings have not been revoked or downgraded.

(18) a certificate signed by a District official setting forth a projection evidencing that tax rates with respect to the Bonds are projected not to exceed \$60.00 per \$100,000 of assessed value during the term of the Bonds, and a certificate signed by an official of the City and County of San Francisco confirming that the District is in compliance with applicable bonding capacity limitations.

(19) such additional opinions, certificates, and documents as Bond Counsel, or the Underwriters or Underwriters' Counsel may reasonably request to evidence the truth and correctness, as of the Closing Date, of the representations of the parties contained herein, and of the District contained in the Official Statement, and the due performance or satisfaction by the parties at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

(b) At or before Closing, and contemporaneously with the acceptance of delivery of the Bonds and the payment of the Purchase Price thereof, the Underwriters will provide to the District:

(1) the receipt of the Underwriters, in form satisfactory to the District and signed by an authorized officer of the Representative, confirming delivery of the Bonds to the Underwriters and acknowledging the receipt or waiver of the documents, certificates and opinions required under the Purchase Contract, and confirming to the District that as of the Closing Date all of the representations of the Underwriters contained in this Purchase Contract are true, complete and correct in all material respects.

(2) the certifications of the Underwriters, in form satisfactory to Bond Counsel, regarding the prices at which the Bonds have been reoffered to the public, as described in Section 10 hereof.

8. Termination. (a) *By District.* In the event of the District's failure to deliver the Bonds at the Closing, or inability of the District or the City to satisfy the conditions to the obligations of the Underwriters contained herein (unless waived by the Representative on behalf of the Underwriters), or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate.

(b) *By Underwriters.*

(1) *Excused.* The Underwriters may terminate this Purchase Contract, without any liability of the Underwriters therefor, by notification to the District if on or prior to the Closing Date any of the following shall have had a material adverse effect on the marketability or market price of the Bonds, in the reasonable opinion of the Representative, upon consultation with the District:

(A) There shall have occurred and be continuing the declaration of a general banking moratorium by any authority of the United States or the State of New York or the State of California;

(B) A general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction;

(C) Legislation shall have been enacted by the Congress of the United States, or passed by and still pending before either House of the Congress, or recommended or endorsed to the Congress for passage by the President of the United States, or favorably reported for passage to and still pending before either House of the Congress by any committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States, or the United States Tax Court, or a ruling or regulation shall have been issued by the U.S. Treasury, with respect to federal taxation of interest received on securities of the general character of the Tax-Exempt Bonds, or legislation shall have been enacted by the State of California which renders interest on the Bonds not exempt from State of California personal income taxes, which in the reasonable opinion of the Representative materially adversely affects the marketability or market price of the Bonds;

(D) Legislation shall have been enacted, or a decision of a court of the United States shall have been rendered or any action shall have been taken by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction in the subject matter which, in the opinion of Bond Counsel, has the effect of requiring the contemplated distribution of the Bonds to be registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or the District Resolution or the Paying Agent Agreement to be qualified under the Trust Indenture Act of 1939, as amended;

(E) The New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose and there shall be in effect, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect

to the extension of credit by, or the charges to the net capital requirements of, underwriters;

(F) There shall have occurred (i) an outbreak or escalation of military hostilities or the declaration by the United States of a national emergency or war or (ii) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

(G) There shall have occurred or any notice shall have been given of any intended downgrade, suspension, withdrawal or negative change in credit watch status by any national credit agency currently rating the Bonds;

(H) Any fact or event shall exist or have existed that, in the reasonable judgment of the Representative, requires or has required an amendment of or supplement to the Official Statement; and

(I) Any event occurring, or information becoming known which, in the reasonable judgment of the Representative, makes untrue in any material adverse respect any statement or information set forth in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits 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; or

(J) There shall have occurred any materially adverse change in the affairs or financial condition of the District.

(2) *Unexcused.* In the event the Underwriters shall fail (other than for a reason permitted by this Purchase Contract) to pay for the Bonds upon tender of the Bonds at the Closing, the Underwriters shall have no right in or to the Bonds.

9. Closing. At or before 9:00 a.m., California time, on [Closing Date], or at such other date and time as shall have been mutually agreed upon by the District and the Representative, the District will deliver or cause to be delivered to the Underwriters the Bonds in book-entry form duly executed by the District, together with the other documents described in Section 7(a) hereof; and the Underwriters will accept such delivery and pay the Purchase Price of the Bonds as set forth in Section 1 hereof in immediately available funds by federal funds wire, in an aggregate amount equal to such Purchase Price, plus accrued interest, if any, on the Bonds from the date thereof to the date of such payment, and shall deliver to the District the other documents described in Section 7(b) hereof, as well as any other documents or certificates Bond Counsel and the Representative shall reasonably require.

Payment for the delivery of the Bonds as described herein shall be made to the Paying Agent on behalf of the District in San Francisco, California or at such other place as shall have been mutually agreed upon by the District and the Underwriters. The Bonds will be delivered through the facilities of DTC in New York, New York, or at such other place as shall have been mutually agreed upon by the District and the Underwriters. All other documents to be delivered in connection with the delivery of the Bonds shall be delivered at the offices of Orrick, Herrington

& Sutcliffe LLP, San Francisco, California. Such payment and delivery is herein called the “Closing” and the date thereof the “Closing Date.”

10. Establishment of Issue Price.

(a) The Representative, on behalf of the Underwriters, agrees to assist the District in establishing the issue price of the Tax-Exempt Bonds and shall execute and deliver to the District at Closing (as defined herein) an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix C, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Tax-Exempt Bonds. All actions to be taken by the District under this Section to establish the issue price of the Tax-Exempt Bonds may be taken on behalf of the District by Backstrom McCarley Berry & Co. LLC, the District’s municipal advisor, and any notice or report to be provided to the District may be provided to the District’s municipal advisor.

(b) [Except as otherwise set forth in Appendix A hereto,] the District will treat the first price (meaning single) at which 10% of each maturity of the Tax-Exempt Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriters shall report to the District the price or prices at which the Underwriters have sold to the public each maturity of the Tax-Exempt Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Tax-Exempt Bonds, the Underwriters agree to promptly report to the District the prices at which the Underwriters sell the unsold Tax-Exempt Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriters have sold all Tax-Exempt Bonds of that maturity or (ii) the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity, provided that, the Underwriters’ reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the District or Bond Counsel. For purposes of this Section, if Tax-Exempt Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Tax-Exempt Bonds.

(c) The Representative confirms that the Underwriters have offered the Tax-Exempt Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Appendix A attached hereto, except as otherwise set forth therein. Appendix A also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Tax-Exempt Bonds for which the Underwriters represent that (A) the 10% test has been satisfied (assuming orders are confirmed by the end of the day immediately following the day of execution of this Purchase Contract) and (B) the 10% test has not been satisfied and for which the District and the Underwriters agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Tax-Exempt Bonds, the Underwriters will neither offer nor sell unsold Tax-Exempt Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriters will advise the District promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriters confirms that:

(i) any selling group agreement and any third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) (1) to report the prices at which they sell to the public the unsold Tax-Exempt Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Tax-Exempt Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, and (2) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative,

(B) to promptly notify the Underwriters of any sales of Tax-Exempt Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Tax-Exempt Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriters shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) Any selling group agreement relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Tax-Exempt Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Tax-Exempt Bonds of that maturity allocated to it have been sold or it is notified by the Representative or the dealer that the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity, provided that, the reporting obligation after the Closing Date may

be at reasonable periodic intervals or otherwise upon request of the Representative or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative or the dealer and as set forth in the related pricing wires. The District further acknowledges that the Underwriters shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Tax-Exempt Bonds.

(e) The District acknowledges that, in making the representations set forth in this Section, the Representative will rely on (i) in the event a selling group has been created in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Tax-Exempt Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Tax-Exempt Bonds, as set forth in the third-party distribution agreement and the related pricing wires.

(f) The Underwriters acknowledge that sales of any Tax-Exempt Bonds to any person that is a related party to an underwriter participating in the initial sale of the Tax-Exempt Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

(i) “public” means any person other than an underwriter or a related party;

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the District on behalf of the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Tax-Exempt Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Tax-Exempt Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Tax-Exempt Bonds to the public);

(iii) a purchaser of any of the Tax-Exempt Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital



interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(iv) “sale date” means the date of execution of this Purchase Contract by all parties.

11. Expenses. (a) Except for the costs identified in paragraph (b) below, the District shall pay costs of issuance of the Bonds, which expenses include, but are not limited to: (i) the cost of the preparation and reproduction of the District Resolution, the City Resolution and the Paying Agent Agreement; (ii) the fees and disbursements of the District’s municipal advisor with respect to the Bonds; (iii) the fees and disbursements of Bond Counsel and Disclosure Counsel; (iv) the costs of the preparation, printing and delivery of the Bonds; (v) the costs of the preparation, printing and delivery of the Preliminary Official Statement, the Official Statement, and any amendment or supplement thereto in the quantity requested by the Underwriters in accordance herewith; (vi) initial rating fee of Moody’s and S&P; (vii) fees and expenses of the Paying Agent for the Bonds; and (viii) expenses for travel, lodging and meals relating to meetings connected to the authorization, sale, issuance and distribution of the Bonds including, without limitation, rating agency visits. The District acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

(b) All other costs and expenses incurred by the Underwriters as a result of or in connection with the purchase of the Bonds and their public offering and distribution shall be borne by the Underwriters, including, but not limited to (i) clearing house fees; (ii) DTC fees; (iii) CUSIP fees; (iv) fees required to be paid to the California Debt and Investment Advisory Commission (“CDIAC”); and (v) fees of counsel to the Underwriters, including costs or fees of qualifying the Bonds for offer and sale in various states chosen by the Underwriters and the costs or fees of preparing Blue Sky or legal investment memoranda to be used in connection therewith.

12. Notices. Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the introductory paragraph hereof) may be given to the District by delivering the same in writing to the District at the address given below, may be given to the City by delivering the same in writing to the City at the address given below, and may be given to the Underwriters by delivering the same in writing to the addresses of the Underwriters set forth below, or such other address as the District, the City or the Underwriters may designate by notice to the other parties.

To the District: San Francisco Unified School District  
135 Van Ness Avenue  
San Francisco, CA 94102  
Attn: Chief Financial Officer

To the City: City and County of San Francisco  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102  
Attn: Treasurer and Tax Collector

To the Representative: [Representative  
Address Line 1  
Address Line 2  
Attention: \_\_\_\_\_]

To the Underwriters: [Underwriter  
Address Line 1  
Address Line 2  
Attention: \_\_\_\_\_]

[Underwriter  
Address Line 1  
Address Line 2  
Attention: \_\_\_\_\_]

13. Governing Law. The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of California.

14. Mandatory City Contracting Provisions. The City Contracting Requirements set forth in Appendix D, attached hereto, are incorporated herein by this reference.

15. Parties in Interest. This Purchase Contract when accepted by the District and the City in writing as heretofore specified shall constitute the entire agreement between the District, the City and the Underwriters, and is solely for the benefit of the District, the City and the Underwriters (including the successors or assigns thereof). No other person shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements in this Purchase Contract of each of the parties hereto shall remain operative and in full force and effect, regardless of (a) delivery of and payment for the Bonds hereunder or (b) any termination of this Purchase Contract.

16. Headings. The headings of the paragraphs and Sections of this Purchase Contract are inserted for convenience of reference only and shall not be deemed to be a part hereof.

17. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof by the Authorized District Representative and the Treasurer, and shall be valid and enforceable at the time of such acceptance.

18. Counterparts. This Purchase Contract, for the purchase and sale of the San Francisco Unified School District General Obligation Bonds, Election of 2016, Series C, may be executed in several counterparts, which together shall constitute one and the same instrument.

Respectfully submitted,

[REPRESENTATIVE], as Representative  
on behalf of itself and on behalf of  
[UNDERWRITERS]

By: \_\_\_\_\_  
Authorized Representative

Accepted: [Sale Date]

Time: \_\_\_\_\_ p.m. California time

CITY AND COUNTY OF SAN FRANCISCO

By: \_\_\_\_\_  
Director of the Office of Public Finance

SAN FRANCISCO UNIFIED SCHOOL  
DISTRICT

By: \_\_\_\_\_  
Chief Financial Officer

APPENDIX A

BOND TERMS

**[\$[Par Amount]**  
**SAN FRANCISCO UNIFIED SCHOOL DISTRICT**  
**(City and County of San Francisco, State of California)**  
**GENERAL OBLIGATION BONDS,**  
**ELECTION OF 2016, SERIES C**

**Interest Rates:**

See attached Pricing Report from Underwriters as Schedule A.

**Principal Payments:**

See attached Pricing Report from Underwriters as Schedule A.

**Terms of Redemption:**

Optional Redemption. The Bonds maturing on or before June 15, 20\_\_, are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on and after June 15, 20\_\_, shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after June 15, 20\_\_, at a redemption price equal to 100% of the principal amount of Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

[Mandatory Sinking Fund Redemption. The \$\_\_\_\_\_ Term Bond maturing on June 15, 20\_\_, is also subject to mandatory sinking fund redemption on each Mandatory Sinking Fund Redemption Date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, together with interest accrued thereon to the date fixed for redemption:

Mandatory Sinking Fund Redemption Date (June 15)	Principal Amount to be Redeemed
_____	_____
	\$

†

\_\_\_\_\_† Maturity.

The principal amount to be redeemed in each year shown in the table above will be reduced at the option of the District, in integral multiples of \$5,000, by the amount of such Term Bond optionally redeemed prior to the mandatory sinking fund redemption date.]

**SCHEDULE A**

**Bond Pricing**

**\$(PAR AMOUNT)  
SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
(City and County of San Francisco, State of California)  
GENERAL OBLIGATION BONDS,  
ELECTION OF 2016, SERIES C**

[To come]

**APPENDIX B**

**PROPOSED FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL**

[To come]

## APPENDIX C

### ISSUE PRICE CERTIFICATE

**[\$Par Amount]  
SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
(City and County of San Francisco, State of California)  
GENERAL OBLIGATION BONDS,  
ELECTION OF 2016, SERIES C**

The undersigned, on behalf of [Representative] (the “Purchaser”) [Underwriters] (collectively, the “Underwriter”), based on information available to it, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations maturing on June 15, 20\_\_ through June 15, 20\_\_ (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the price listed on the inside cover of the Official Statement published in connection with the issuance of the Bonds.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. If there is a Hold-the-Offering Price Maturity, a copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, the Underwriter has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “Hold-the-Offering-Price Rule”), and (b) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds that are not “Hold-the-Offering-Price Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day

after the Sale Date ([Sale Date]), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at one or more prices, each of which is no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the San Francisco Unified School District.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of each maturity of the Bonds is [Sale Date].

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law. The representations set forth in this certificate are limited to factual matters only. Accordingly, the Purchaser makes no representation as to the legal sufficiency of the factual matters set forth herein. Nothing in this certificate represents the Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose.



[REPRESENTATIVE]

By: \_\_\_\_\_  
Authorized Representative

Dated: \_\_\_\_\_, 2021.

**SCHEDULE A**  
**INITIAL OFFERING PRICES OF THE BONDS**  
*(Attached.)*

**SCHEDULE B**

**PRICING WIRE OR EQUIVALENT COMMUNICATION**

*(Attached.)*

## APPENDIX D

### CITY CONTRACTING REQUIREMENTS

Each of [Underwriters] (collectively, the “Underwriters”) shall comply with the following provisions set forth below, attached to the Bond Purchase Agreement, dated [Sale Date] (the “Purchase Contract”), by and among [Representative], as representative on behalf of itself and the Underwriters, the San Francisco Unified School District (the “District”), and the City and County of San Francisco (the “City”) as if set forth in the text thereof. Capitalized terms used but not defined in this appendix shall have the meanings given in the Purchase Contract.

1. Nondiscrimination; Penalties.

(a) *Non Discrimination in Contracts.* Each Underwriter shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Each Underwriter shall incorporate by reference in any subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require any subcontractors to comply with such provisions. Each Underwriter is subject to the enforcement and penalty provisions in Chapters 12B and 12C.

(b) *Nondiscrimination in the Provision of Employee Benefits.* *San Francisco Administrative Code 12B.2.* Each Underwriter does not as of the date of the Purchase Contract, and will not during the term of the Purchase Contract, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.

(c) *Condition to Contract.* As a condition to the Purchase Contract, each Underwriter shall 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.

2. MacBride Principles—Northern Ireland. The provisions of San Francisco Administrative Code Section 12F are incorporated by this reference and made part of the Purchase Contract. By entering into the Purchase Contract, each Underwriter confirms that it has read and understood that the City urges companies doing business in Northern Ireland to resolve employment inequities and to abide by the MacBride Principles, and urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

3. Tropical Hardwood and Virgin Redwood Ban. Under San Francisco Environment Code Section 804(b), the City urges each Underwriter not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

4. Alcohol and Drug-Free Workplace. The City reserves the right to deny access to, or require each Underwriter to remove from, City facilities personnel of such Underwriter who the City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs the City's ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. The City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

5. Compliance with Americans with Disabilities Act. Each Underwriter shall provide the services specified in the Purchase Contract in a manner that complies with the Americans with Disabilities Act (ADA), including but not limited to Title II's program access requirements, and all other applicable federal, state and local disability rights legislation.

6. Sunshine Ordinance. Each Underwriter acknowledges that this Purchase Contract and all records related to its formation, such Underwriter's performance of services provided under the Purchase Contract, and the City's payment are subject to the California Public Records Act, (California Government Code Section 6250 et. seq.), and the San Francisco Sunshine Ordinance, (San Francisco Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state or local law.

7. Limitations on Contributions. By executing the Purchase Contract, each Underwriter acknowledges its obligations under Section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of 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 for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (1) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves, (2) a candidate for that City elective office held by such individual, or (3) a committee controlled by such elected official or a candidate for that office, at any time from the submission or a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of each Underwriter's board of directors; each Underwriter's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10 percent in such Underwriter; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by such Underwriter. Each Underwriter certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for such contract and has provided the names of the persons required to be informed to the City department with whom it is contracting.

8. Requiring Minimum Compensation for Covered Employees. Each Underwriter shall pay covered employees no less than the minimum compensation required by San Francisco

Administrative Code Chapter 12P. Each Underwriter is subject to the enforcement and penalty provisions in Chapter 12P. By entering into the Purchase Contract, each Underwriter certifies that it is in compliance with Chapter 12P.

9. Requiring Health Benefits for Covered Employees. Each Underwriter shall comply with San Francisco Administrative Code Chapter 12Q. Each Underwriter shall choose and perform one of the Health Care Accountability options set forth in San Francisco Administrative Code Chapter 12Q.3. Each Underwriter is subject to the enforcement and penalty provisions in Chapter 12Q.

10. Prohibition on Political Activity with City Funds. In performing the services provided under the Purchase Contract, each Underwriter shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for the Purchase Contract from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Each Underwriter is subject to the enforcement and penalty provisions in Chapter 12G.

11. Nondisclosure of Private, Proprietary or Confidential Information. If the Purchase Contract requires the City to disclose “Private Information” to an Underwriter within the meaning of San Francisco Administrative Code Chapter 12M, each Underwriter shall use such information consistent with the restrictions stated in Chapter 12M and in the Purchase Contract and only as necessary in performing the services provided under the Purchase Contract. Each Underwriter is subject to the enforcement and penalty provisions in Chapter 12M.

In the performance of services provided under the Purchase Contract, each Underwriter may have access to the City’s proprietary or confidential information, the disclosure of which to third parties may damage the City. If the City discloses proprietary or confidential information to an Underwriter, such information must be held by such Underwriter in confidence and used only in performing the Purchase Contract. Each Underwriter shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or confidential information.

12. Consideration of Criminal History in Hiring and Employment Decisions. Each Underwriter agrees to comply fully with and be bound by all of the provisions of Chapter 12T, “City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions,” of the San Francisco Administrative Code (“Chapter 12T”), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of the Purchase Contract. The text of Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. A partial listing of some of the Underwriters’ obligations under Chapter 12T is set forth in this Section. Each Underwriter is required to comply with all of the applicable provisions of Chapter 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in the Purchase Contract shall have the meanings assigned to such terms in Chapter 12T.

The requirements of Chapter 12T shall only apply to an Underwriter’s operations to the extent those operations are in furtherance of the performance of the Purchase Contract, shall apply

only to applicants and employees who would be or are performing work in furtherance of the Purchase Contract, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

13. Submitting False Claims; Monetary Penalties. The full text of San Francisco Administrative Code Section 21.35, including the enforcement and penalty provisions, is incorporated into the Purchase Contract. Under San Francisco Administrative Code Section 21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, 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.

14. Conflict of Interest. By entering into the Purchase Contract, each Underwriter certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 et seq.), or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 et seq.), and further agrees promptly to notify the City if it becomes aware of any such fact during the term of the Purchase Contract.

15. Assignment. The services provided under the Purchase Contract to be performed by each Underwriter are personal in character and neither the Purchase Contract nor any duties or obligations may be assigned or delegated by an Underwriter unless first approved by the City by written instrument executed and approved in the same manner as the Purchase Contract. Any purported assignment made in violation of this provision shall be null and void.

16. Food Service Waste Reduction Requirements. Each Underwriter shall comply with the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including but not limited to the provided remedies for noncompliance.

17. Cooperative Drafting. The Purchase Contract has been drafted through a cooperative effort of the City and the Underwriters, and all parties have had an opportunity to have the Purchase Contract reviewed and revised by legal counsel. No party shall be considered the drafter of the Purchase Contract, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of the Purchase Contract.

18. Sugar-Sweetened Beverage Prohibition. Each Underwriter agrees that it will not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of the Purchase Contract.

19. First Source Hiring Program. Each Underwriter must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that apply to the Purchase Contract, and each Underwriter is subject to the enforcement and penalty provisions in Chapter 83.

20. Laws Incorporated by Reference. The full text of the laws listed in this Appendix D, including enforcement and penalty provisions, are incorporated into the Purchase Contract by reference. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Appendix D are available at [www.sfgov.org](http://www.sfgov.org) under “Open Gov.”

21. Prevailing Wages. Services to be performed by the Underwriter under this Agreement may involve the performance of trade work covered by the provisions of Section 6.22(e) of the Administrative Code or Section 21C (collectively, “Covered Services”). The provisions of Section 6.22(e) and 21C of the Administrative Code are incorporated as provisions of this Agreement as if fully set forth herein and will apply to any Covered Services performed by each Underwriter.



PAYING AGENT AGREEMENT

between the

SAN FRANCISCO UNIFIED SCHOOL DISTRICT,  
City and County of San Francisco, California

and

CITY AND COUNTY OF SAN FRANCISCO,  
as Paying Agent

Dated as of December 1, 2021

Relating to the

SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
(CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA)  
GENERAL OBLIGATION BONDS,  
ELECTION OF 2016, SERIES C

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## PAYING AGENT AGREEMENT

This PAYING AGENT AGREEMENT, made and entered into as of December 1, 2021, by and between the SAN FRANCISCO UNIFIED SCHOOL DISTRICT, a school district duly formed and existing under and by virtue of the Constitution and Laws of the State of California (the “District”), and the CITY AND COUNTY OF SAN FRANCISCO, as paying agent (the “Paying Agent”),

### WITNESSETH:

WHEREAS, an election was duly called and regularly held in the District on November 8, 2016, pursuant to Section 15100 and 15264 et seq. of the Education Code of the State of California (the “State”), at which a bond proposition (Proposition A) summarized as follows was submitted to the electors of the District:

*“To repair and rehabilitate San Francisco Unified School District facilities to current accessibility, health, safety, seismic and instructional standards, replace worn-out plumbing, electrical, HVAC, and major building systems, renovate outdated classrooms and training facilities, construct school facilities and replace aging modular classrooms, improve information technology systems and food service preparation systems, shall the San Francisco Unified School District issue bonds in an amount not to exceed \$744,250,000 at legal rates, with annual audits, and citizen’s oversight?”; and*

WHEREAS, passage of said proposition required a 55% affirmative vote of the votes cast therein, and at least 55% of the votes cast on said proposition were in favor of issuing said bonds; and

WHEREAS, the District has issued its “San Francisco Unified School District General Obligation Bonds, Election of 2016, Series A” in the aggregate principal amount of \$180,000,000; and

WHEREAS, the District has issued its “San Francisco Unified School District General Obligation Bonds, Election of 2016, Series B” in the aggregate principal amount of \$280,000,000; and

WHEREAS, the Superintendent of Schools of the City has jurisdiction over the District; and

WHEREAS, by its resolution duly adopted on October 12, 2021, the Board of Education of the District has authorized the issuance of a portion of said bonds in one or more series in an aggregate principal amount not exceeding \$200,000,000, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (the

“Government Code”), and other applicable provisions of law, including applicable provisions of the Education Code of the State (the “Education Code”); and

WHEREAS, the District has received a qualified certification in its most recent interim report and thereby requested the City and County of San Francisco to sell the Bonds on its behalf as required by Section 15140 of the Education Code; and

WHEREAS, the District has found and determined, and by execution hereof so represents, that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Paying Agent Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Paying Agent Agreement;

NOW, THEREFORE, in order to provide for the payment of the Bonds and the performance and observance by the District of all the covenants, agreements and conditions herein and in the Bonds contained; to secure the acknowledgement and consent of the Treasurer and Tax Collector of the City to the payment arrangements provided for herein; and in consideration of the mutual covenants and agreements contained herein, and for other valuable consideration to both parties, the District and the Paying Agent hereby agree as follows:

## ARTICLE I

### DEFINITIONS

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes hereof and of any amendment hereof or supplement hereto and of the Bonds and of any certificate, opinion, request or other document mentioned herein or therein, have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

“Authorized District Representative” shall mean the Superintendent of the District, the Chief Financial Officer of the District, the Chief Facilities Officer of the District or such other officer of the District designated for the purpose.

“Board of Education” shall mean the Board of Education of the District.

“Bondowner” or “Owner” shall mean the person in whose name any Bond shall be registered.

“Bonds” shall mean all of the San Francisco Unified School District General Obligation Bonds, Election of 2016, Series C issued hereunder, without regard to subseries name or number, interest payment mechanism, or tax treatment of interest thereon.

“Business Day” shall mean any day of the week other than a Saturday or a Sunday on which the Paying Agent is not required or authorized to remain closed, and on which the New York Stock Exchange is open for business.

“City” shall mean the City and County of San Francisco, State of California.

“Code” shall mean the Internal Revenue Code of 1986, as the same shall be hereafter amended, and any regulations heretofore issued or which shall be hereafter issued by the United States Department of the Treasury thereunder.

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed and delivered by the District, dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“District” shall mean the San Francisco Unified School District, located in the City.

“Interest and Sinking Fund” shall mean the Interest and Sinking Fund of the District administered by the Treasurer, established pursuant to State law.

“Interest Payment Date” shall mean, with respect to the Tax-Exempt Bonds, June 15 and December 15 of each year. The first Interest Payment Date shall be [June 15, 2022], and with respect to the Taxable Bonds, [\_\_\_\_\_ 15, 2022].

“Law” shall mean Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State, and Chapter 1 of Part 10 of Division 1 of Title 1 of the Education Code of the State, and other applicable provisions of law.

“Opinion of Counsel” shall mean a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the District.

“Owner.” See “Bondowner” defined herein.

“Paying Agent” shall mean the Treasurer and Tax Collector of the City and County of San Francisco, as initial paying agent, registrar and transfer agent with respect to the Bonds, its successors and assigns and any other corporation or association which may at any time be substituted in its place as provided in Section 6.02 hereof.

“Paying Agent Agreement” shall mean this agreement, between the District and the Paying Agent.

“Record Date” shall mean (i) the 1st day of the month preceding any Interest Payment Date with respect to the Tax-Exempt Bonds and (ii) the 15<sup>th</sup> day of the month preceding any Interest Payment Date with respect to the Taxable Bonds. The first Record Date shall be [June 1, 2022] with respect to the Tax-Exempt Bonds and [\_\_\_\_\_ 1, 2022] with respect to the Taxable Bonds.

“State” shall mean the State of California.

“Tax Certificate” shall mean any of the several Tax Certificates concerning certain matters pertaining to the use of proceeds of the Bonds, executed and delivered by the District on the date of issuance of the Bonds, including all exhibits attached thereto, as such certificate may from time to time be modified or supplemented in accordance with the terms thereof. Separate tax certificates may be delivered by the District pertaining to Bonds the interest on which is intended to be exempt from federal income tax under the Code.

“Taxable Bonds” shall mean those Bonds maturing on [\_\_\_\_\_] 15, 2022.

“Tax-Exempt Bonds” shall mean the Bonds, except for the Taxable Bonds.

“Treasurer” shall mean the Treasurer and Tax Collector of the City in San Francisco, California.

“Written Order of the District” or “Written Request of the District” shall mean an instrument in writing, signed by the Superintendent of the District, the Chief Financial Officer of the District, the Chief Facilities Officer of the District or by any other officer of the District authorized in writing for the purpose by either of said officers or by the Board of Education of the District.

## ARTICLE II

### THE BONDS

Section 2.01. Authorization and Designation. The Bonds are issued for, and the proceeds of sale thereof shall be used exclusively for, the purposes approved by the voters of the District on November 8, 2016, in the bond measure known locally as “Proposition A,” as authorized by Resolution No. \_\_\_\_\_, adopted by the Board of Education of the District on October 12, 2021. The Bonds shall be issued in fully registered form, without coupons.

Section 2.02. Bonds; Terms. Bonds in the aggregate principal amount of \$[Par Amount] are issued under this Paying Agent Agreement, upon terms further described in this section. The Bonds shall be named the “San Francisco Unified School District General Obligation Bonds, Election of 2016, Series C” (the “Bonds”), for the purposes described in Section 2.01.

(a) Date of Bonds. The Bonds shall be dated as of the date of issuance thereof, [Closing Date].

(b) Denominations. The Bonds shall be issued in the denomination of \$5,000 principal amount or any integral multiple thereof. No Bond shall mature on more than one maturity date.

(c) Payment of Principal. The Taxable Bonds shall mature on [\_\_\_\_\_] 15, 2022] and the Tax-Exempt Bonds shall mature on June 15 in each of the years and principal amounts and bear interest at the annual rates of interest shown below:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

The principal and any redemption premium of the Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the office of the Paying Agent designated for the purpose pursuant to Section 6.01(b), on or after the maturity date thereof or upon redemption prior to maturity.

(d) Payment of Interest. The Bonds shall bear interest at the respective rates shown in the table in subdivision (c) above, payable on (i) [\_\_\_\_\_ 15, 2022] with respect to the Taxable Bonds and (ii) June 15 and December 15 of each year, commencing [June 15, 2022], with respect to the Tax-Exempt Bonds, until payment of the principal amount thereof. Each Bond authenticated and registered on any date prior to the close of business on the first Record Date shall bear interest from the date of said Bond. Each Bond authenticated during the period between any Record Date and the close of business on its corresponding Interest Payment Date shall bear interest from such Interest Payment Date. Any other Bond shall bear interest from the Interest Payment Date immediately preceding the date of its authentication. If, at the time of authentication of any Bond, interest is in default on outstanding Bonds, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Bonds. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The interest on the Bonds shall be payable in lawful money to the person whose



name appears on the bond registration books of the Paying Agent as the Owner thereof as of the close of business on the applicable Record Date for each Interest Payment Date, whether or not such day is a Business Day. Payment of the interest on any Bond shall be made by check or draft mailed by first class mail on each Interest Payment Date (or on the following Business Day, if the Interest Payment Date does not fall on a Business Day) to such Owner at such Owner's address as it appears on such registration books or at such address as the Owner may have filed with the Paying Agent for that purpose; or upon written request of the Owner of Bonds aggregating not less than \$1,000,000 in principal amount, given no later than the Record Date immediately preceding the applicable Interest Payment Date, by wire transfer in immediately available funds to an account maintained in the United States at such wire address as such Owner shall specify in its written notice. So long as Cede & Co. or its registered assigns shall be the registered owner of any of the Bonds, payment shall be made thereto by wire transfer as provided in Section 2.05(d) hereof.

Section 2.03. Form and Registration of Bonds. (a) The Bonds, the Paying Agent's certificate of authentication and registration, and the form of assignment to appear thereon shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions as permitted or required by this Paying Agent Agreement (provided that if a portion of the text of any Bond is printed on the reverse of the bond, the following legend shall be printed on the bond: "THE PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE HEREOF AND SUCH CONTINUED PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.").

(b) The Bonds when issued shall be registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, New York, New York, and shall be initially issued as one bond for each of the maturities of the Bonds, in the principal amounts set forth in the table in Section 2.02. The Depository Trust Company is hereby appointed depository for the Bonds and registered ownership of the Bonds may not thereafter be transferred except as provided in Sections 2.05 and 2.06 hereof.

Section 2.04. Execution and Authentication of Bonds. The Bonds shall be signed by the manual or facsimile signatures of the Chair and Clerk of the Board of Supervisors of the City and the Treasurer, or the deputy or designee of either. Each Bond shall be authenticated by a manual signature of a duly authorized officer of the Paying Agent. Only such of the Bonds as shall bear thereon a certificate of authentication and registration in the form given in Exhibit A hereto, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Paying Agent Agreement, and such certificate of the Paying Agent shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Paying Agent Agreement.

Section 2.05. Book-Entry System. (a) The Bonds shall be initially issued and registered as provided in Section 2.03 hereof. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a “substitute depository”); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the Treasurer, upon (1) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Treasurer to substitute another depository for The Depository Trust Company (or its successor) because The Depository Trust Company or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of The Depository Trust Company or its successor (or substitute depository or its successor) from its functions as depository, or (2) a determination by the Treasurer to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) hereof, upon receipt of the outstanding Bonds by the Paying Agent, together with a Written Request of the District, a new Bond for each series and maturity shall be executed and delivered pursuant to the procedures described in Section 2.04 hereof in the aggregate principal amount of the Bonds then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Written Request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) hereof, upon receipt of the outstanding Bonds by the Paying Agent together with a Written Request of the District, new Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent and registered in the names of such persons as are requested in such Written Request of the District, subject to the limitations of Sections 2.03 and 2.04, and the receipt of such a Written Request of the District, and thereafter, the Bonds shall be transferred pursuant to the provisions set forth in Section 2.06 of this Paying Agent Agreement; provided, that the Paying Agent shall not be required to deliver such new Bonds within a period of fewer than 60 days.

(c) The Treasurer, the District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof, notwithstanding any notice to the contrary received by the Treasurer, the District or the Paying Agent, and the Treasurer, the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Bonds. Neither the Treasurer, the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except as the owner of any Bonds.

(d) So long as the outstanding Bonds are registered in the name of Cede & Co. or its registered assigns, the Treasurer, the District and the Paying Agent shall cooperate with Cede & Co., as sole Owner, or its registered assigns, in effecting payment of the principal of and interest on the Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available (e.g., by wire transfer) on the date they are due.

Section 2.06. Transfer of Bonds upon Termination of Book-Entry System. In the event that at any time the Bonds shall no longer be registered in the name of Cede & Co. as a result of the operation of Section 2.07 hereof, then the procedures contained in this Section 2.06 shall apply.

Any Bond may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 2.08 hereof by the person in whose name it is registered, in person or by the duly authorized attorney of such person, upon surrender of such Bond to the Paying Agent for cancellation at the office of the Paying Agent designated for that purpose, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Bond or Bonds shall be surrendered for transfer, the designated District officials shall execute (as provided in Section 2.04 hereof) and the Paying Agent shall authenticate and deliver a new Bond or Bonds of the same series and maturity, for a like aggregate principal amount and bearing the same rate or rates of interest. The Paying Agent shall require the payment by the Bondowner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of Bonds shall be required to be made by the Paying Agent during the period from the close of business on the Record Date next preceding any Interest Payment Date or the date fixed for redemption to and including such Interest Payment Date or date fixed for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the office of the Paying Agent designated for that purpose, for a like aggregate principal amount of Bonds of other authorized denominations of the same series and maturity and interest rate. The Paying Agent shall require the payment by the Bondowner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. No exchange of Bonds shall be required to be made by the Paying Agent during the period from the close of business on the Record Date next preceding any Interest Payment Date or date fixed for redemption to and including such Interest Payment Date or date fixed for redemption.

Section 2.08. Bond Register. (a) The Paying Agent will keep or cause to be kept, at the place it shall designate for the purpose, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Treasurer and the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as hereinbefore provided.

(b) The Paying Agent shall assign each Bond authenticated and registered by it a distinctive letter or number, or letter and number.

### ARTICLE III

#### ISSUANCE OF THE BONDS

Section 3.01. Delivery of Bonds. The Paying Agent is hereby authorized to authenticate and deliver the Bonds to or upon the Written Request of the District.

Section 3.02. Application of Proceeds of Sale of Bonds. (a) Upon the delivery of the Bonds to the underwriter thereof, and the payment by the underwriter by wire transfer of (i) \$[COI Deposit] to the Costs of Issuance Custodian for payment of the costs of issuance pursuant to a Costs of Issuance Custodian Agreement, and (ii) \$[Net Purchase Price] to the Treasurer, for payment of the net purchase price of the Bonds.

Section 3.03. Deposit of Proceeds. The Treasurer shall deposit the proceeds from the sale of the Bonds, as follows:

- (i) \$[Building Fund Deposit] into the Building Fund of the District; and
- (ii) \$[Interest and Sinking Fund Deposit] into the Interest and Sinking Fund of the District within the City treasury.

Section 3.04. Investment of Funds. The proceeds of sale of the Bonds, exclusive of any premium and accrued interest received, shall be deposited in the City treasury to the credit of the Building Fund of the District. Any premium and accrued interest shall be deposited upon receipt in the Interest and Sinking Fund of the District within the City treasury. The Treasurer shall invest the proceeds of the sale of the Bonds and all proceeds of taxes for payment of the Bonds at the Treasurer's discretion pursuant to law and the investment policy of the City. Investment earnings on the money in the building fund shall be deposited in the building fund. Investment earnings on the money in the interest and sinking fund shall be deposited in the interest and sinking fund.

### ARTICLE IV

#### REDEMPTION OF THE BONDS

Section 4.01. Terms of Redemption. The Bonds are not subject to optional redemption prior to maturity except as otherwise provided in this Article.

Section 4.02. Redemption of Bonds. (a) Optional Redemption. The Bonds maturing on or before June 15, 20\_\_, are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on and after June 15, 20\_\_ shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after June 15, 20\_\_ at a redemption price equal to 100% of the Principal Amount of the Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

(b) Mandatory Sinking Fund Redemption. (i) The \$ \_\_\_\_\_ Term Bond maturing on June 15, 20\_\_, is also subject to mandatory sinking fund redemption on each Mandatory Sinking Fund Redemption Date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

Mandatory Sinking Fund Redemption Date (June 15)	Principal Amount to be Redeemed
--	------------------------------------

\*

\*Maturity

The principal amount to be redeemed in each year shown in the table above will be reduced at the option of the District, in integral multiples of \$5,000, by the amount of such Term Bond optionally redeemed prior to the mandatory sinking fund redemption date.

(c) Selection of Bonds for Redemption. If less than all of the Bonds are called for redemption, such bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District. If less than all of the Bonds of any given maturity are called for redemption, the portions of such bonds of a given maturity to be redeemed shall be determined by lot. For purposes of such selection, each Bond shall be deemed to consist of individual Bonds of denominations of \$5,000 principal amount each, which may be separately redeemed.

Section 4.03. Notice of Redemption. (a) Notice of redemption of the Bonds will be mailed by the Paying Agent, upon written request of the District, postage prepaid not less than 20 nor more than 60 days prior to the date fixed for redemption (i) by first class mail to the respective Owners of Bonds at the addresses appearing on the bond registration books of the Paying Agent, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall contain all of the following information: (i) the date of such notice; (ii) the name of the affected Bonds and the date of issue of the Bonds; (iii) the date fixed for redemption; (iv) the redemption price, if available; (v) the dates of maturity of the Bonds to be redeemed; (vi) if less than all of the Bonds are to be redeemed, the distinctive numbers of the Bonds of each maturity to be redeemed; (vii) in the case of Bonds redeemed in part only, the respective maturities or portions of the principal amount of the Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Bonds to be redeemed; and (ix) a statement that such Bonds must be surrendered by the Owners at the office of the Paying Agent designated by the Paying Agent for such purpose.

The actual receipt by any Owner of any Bond of notice of such redemption will

not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, will not affect the validity of the proceedings for the redemption of such Bonds.

When notice of redemption has been given, substantially as described above, and when the amount necessary for the payment of the redemption price, if any, is set aside for such purpose, the Bonds designated for redemption will become due and payable on the date fixed for redemption thereof, and upon presentation and surrender of said Bonds at the place specified in the notice of redemption, such Bonds will be redeemed and paid at the redemption price thereof out of the money provided therefor.

(b) Rescission of Notice of Redemption. The District may rescind any redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Bonds so called for redemption. Notice of rescission of redemption will be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Bond of notice of such rescission will not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice will not affect the validity of the rescission.

(c) Conditional Notice. Any notice of optional redemption delivered hereunder may be conditioned on any fact or circumstance stated therein, and if such condition shall not have been satisfied on or prior to the date fixed for redemption stated in such notice, said notice shall be of no force and effect on and as of the stated date fixed for redemption, the redemption shall be cancelled, and the District shall not be required to redeem the Bonds that were the subject of the notice. The Paying Agent shall give notice of such cancellation and the reason therefor in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Bond of notice of such cancellation shall not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice shall not affect the validity of the cancellation.

Section 4.04. Defeasance of Bonds. The District may pay and discharge any or all of the Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money or non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available moneys then on deposit in the Interest and Sinking Fund, be fully sufficient in the opinion of a certified public accountant licensed to practice in the State to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

If at any time the District pays or causes to be paid or there is otherwise paid to the owners of any or all outstanding Bonds all of the principal, interest and premium, if any, represented by such Bonds when due, or as described above, or as otherwise provided by law, then such Owners shall cease to be entitled to the obligation of the City to levy and collect taxes to pay the Bonds as described in Section 5.01 hereof, and such obligation and all agreements and covenants of the District to such Owners hereunder shall thereupon be satisfied and discharged and shall terminate, except only that the District will remain liable for payment of all principal, interest and premium, if any, represented by such Bonds, but only out of moneys on deposit in

the Interest and Sinking Fund or otherwise held in trust for such payment, provided, that the unclaimed moneys provisions described in Section 6.07 hereof will apply in all events.

## ARTICLE V

### OTHER COVENANTS

Section 5.01. Payment of Principal and Interest. On or prior to the date any payment is due in respect of the Bonds, the Treasurer will deposit with the Paying Agent moneys sufficient to pay the principal and the interest (and premium, if any) to become due in respect of all Bonds outstanding on such Interest Payment Date, but only as required by the Law. When and as paid in full, and following surrender thereof to the Paying Agent, all Bonds shall be cancelled by the Paying Agent, and thereafter they shall be destroyed. Moneys for the payment of principal, redemption premium, if any, and interest with respect to the Bonds shall be raised by taxation upon all taxable property in the District and the City shall provide for the levy and collection of such taxes in the manner provided by the Law.

Section 5.02. Further Assurances. The District and the Treasurer will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other actions as may be necessary or reasonably required in order to further and more fully vest in the Bondowners all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Paying Agent Agreement.

Section 5.03. Tax Covenants. (a) The District shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue, if such action or inaction would adversely affect the exclusion from gross income of the interest payable on Tax-Exempt Bonds under Section 103 of the Code. Without limiting the generality of the forgoing, the District shall comply with the instructions and requirements of each Tax Certificate. This covenant shall survive payment in full of the Tax-Exempt Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Paying Agent under this Paying Agent Agreement, the District shall take such action as is necessary to effect such restriction or limitation.

(c) Notwithstanding any provisions of this Section, if the District shall provide to the Paying Agent an opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required in order to maintain the exclusion from federal income tax of interest on Tax-Exempt Bonds under Section 103 of the Code, the Paying Agent may conclusively rely on such opinion in complying with the requirements of this Section, and the covenants hereunder shall be deemed to be modified to that extent.

Section 5.04. Validity of Bonds. The recital contained in the Bonds that the same are regularly issued pursuant to the Law and that the total amount of indebtedness of the

District, including the amount of the Bonds, is within the limit provided by law, shall be conclusive evidence of their validity and of compliance with the provisions of the Law in their issuance.

## ARTICLE VI

### THE PAYING AGENT

Section 6.01. Duties and Liabilities of Paying Agent. (a) The Paying Agent shall be the paying agent, registrar and transfer agent for the Bonds and shall perform such functions in accordance with the provisions hereof. The Paying Agent shall perform such duties and only such duties as are expressly and specifically set forth in this Paying Agent Agreement.

(b) The District may, by an instrument in writing, remove the Paying Agent initially a party hereto and any successor thereto, and shall remove the Paying Agent initially a party hereto and any successor thereto if at any time (i) requested to do so by an instrument or concurrent instruments in writing signed by the Owners of a majority of the aggregate Principal Amount of the Bonds at the time Outstanding (or their attorneys duly authorized in writing), or (ii) the Paying Agent shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Paying Agent or its property shall be appointed, or any public officer shall take control or charge of the Paying Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Paying Agent and thereupon shall appoint a successor Paying Agent by an instrument in writing.

(c) The Paying Agent may at any time resign by giving written notice of such resignation by first class mail, postage prepaid, to the District, and to the Owners at the respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the District shall promptly appoint a successor Paying Agent by an instrument in writing.

(d) Any removal or resignation of the Paying Agent and appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent; provided, however, that under any circumstances the successor Paying Agent shall be qualified as provided in subsection (e) of this Section. If no qualified successor Paying Agent shall have been appointed and have accepted appointment within 45 days following giving notice of removal or notice of resignation as aforesaid, the resigning Paying Agent or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction for the appointment of a successor Paying Agent, and such court may thereupon, after such notice, if any, as it may deem proper, appoint such successor Paying Agent. Any successor Paying Agent appointed under this Paying Agent Agreement shall signify its acceptance of such appointment by executing and delivering to the District and to its predecessor Paying Agent a written acceptance thereof, and thereupon such successor Paying Agent, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Paying Agent, with like effect as if originally named Paying Agent herein; but, nevertheless at the written request of the District or the successor Paying Agent, such predecessor Paying Agent shall execute and deliver any and all



instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Paying Agent all the right, title and interest of such predecessor Paying Agent in and to any property held by it under this Paying Agent Agreement and shall pay over, transfer, assign and deliver to the successor Paying Agent any money or other property subject to the conditions herein set forth. Upon acceptance of appointment by a successor Paying Agent as provided in this subsection, the District shall mail or cause the successor Paying Agent to mail, by first class mail postage prepaid, a notice of the succession of such Paying Agent hereunder to the Owners at the addresses shown on the Registration Books. If the District fails to mail such notice within 15 days after acceptance of appointment by the successor Paying Agent, the successor Paying Agent shall cause such notice to be mailed at the expense of the District.

(e) The Paying Agent, if not the Treasurer, shall be a bank, national banking association or trust company having trust powers incorporated or organized under the laws of the United States of America or any state thereof, having (or if such bank, national banking association or trust company is a member of a bank holding company system, its parent bank holding company shall have) a combined capital and surplus of at least \$75,000,000, in good standing and subject to supervision or examination by federal or state agency. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining agency above referred to, then for the purpose of this subsection the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

In case at any time the Paying Agent shall cease to be eligible in accordance with the provisions of this subsection (e), the Paying Agent shall resign immediately in the manner and with the effect specified in this Section.

Section 6.02. Merger or Consolidation. Any bank, national banking association or trust company into which a successor Paying Agent may be merged or converted or with which it may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under Section 6.01(e) shall be the successor to such Paying Agent, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Paying Agent. (a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the District, and the Paying Agent shall not assume responsibility for the correctness of the same, or make any representations as to the validity or sufficiency of this Paying Agent Agreement or of the Bonds or shall incur any responsibility in respect thereof, other than as expressly stated herein in connection with the respective duties or obligations herein or in the Bonds assigned to or imposed upon it. The Paying Agent shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Paying Agent makes no representations as to the validity or

sufficiency of this Paying Agent Agreement or of any Bonds, or in respect of the security afforded by this Paying Agent Agreement and the Paying Agent shall incur no responsibility in respect thereof. The Paying Agent shall be under no responsibility or duty with respect to (i) the issuance of the Bonds for value, (ii) the application of the proceeds thereof except to the extent that such proceeds are received by it in its capacity as Paying Agent, or (iii) the application of any moneys paid to the District or others in accordance with this Paying Agent Agreement except as the application of any moneys paid to it in its capacity as Paying Agent. The Paying Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Paying Agent shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Paying Agent Agreement. The Paying Agent and its officers and employees may become the Owner of Bonds with the same rights it would have if it were not Paying Agent, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bond Owners, whether or not such committee shall represent the Owners of a majority in aggregate Principal Amount of the Bonds then Outstanding.

(b) The Paying Agent shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Paying Agent was negligent in ascertaining the pertinent facts.

(c) No provision of this Paying Agent Agreement shall require the Paying Agent to risk or expend its own funds in the performance of its rights and duties hereunder.

(d) The immunities and protections extended to the Paying Agent also extend to its directors, officers, employees and agents.

(e) The Paying Agent may execute any of its powers or duties hereunder through attorneys, agents or receivers and shall not be answerable for the actions of such attorneys, agents or receivers if selected by it with due care.

Section 6.04. Right to Rely on Documents. The Paying Agent shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bonds or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may be counsel to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith; provided, however, the Paying Agent shall in no event delay any payment with respect to the Bonds in anticipation of any such opinion.

Whenever in the administration of the duties imposed upon it by this Paying Agent Agreement the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the District, and such Written Certificate shall be full warrant to the Paying Agent for any action taken or suffered in good faith under the provisions of

this Paying Agent Agreement in reliance upon such Written Certificate, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

Section 6.05. Accounting Records and Reports; Preservation and Inspection of Documents. The Paying Agent shall keep or cause to be kept proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocation and application of all money on deposit in the accounts and funds established hereunder, which such books shall be available for inspection by the District at reasonable hours and under reasonable conditions.

All documents received by the Paying Agent under the provisions of this Paying Agent Agreement shall be retained in its possession and shall be subject during business hours and upon reasonable notice to the inspection of the District, the Owners and their agents and representatives duly authorized in writing.

Section 6.06. Compensation and Indemnification. The District shall pay to the Paying Agent from time to time all reasonable compensation pursuant to a pre-approved fee letter for all services rendered under this Paying Agent Agreement, and also all reasonable expenses, charges, legal and consulting fees pursuant to a pre-approved fee letter and other disbursements pursuant to a pre-approved fee letter and those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Paying Agent Agreement. The District further agrees, to the extent permitted by law, to indemnify, defend and save the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or its willful misconduct. The duty of the District to indemnify and compensate the Paying Agent shall survive the termination and discharge of this Paying Agent Agreement and the resignation or removal of the Paying Agent.

Section 6.07. Unclaimed Moneys. Any money held in any fund created pursuant to this Paying Agent Agreement or by the Paying Agent in trust for the payment of the principal of, redemption premium, if any, or interest on the Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable (whether by maturity or upon prior redemption) will be transferred to the Interest and Sinking Fund for payment of any outstanding bonds of the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys will be transferred to the general fund of the District as provided and permitted by law.

## ARTICLE VII

### MISCELLANEOUS

Section 7.01. Counterparts. This Paying Agent Agreement may be signed in several counterparts, each of which will constitute an original, but all of which shall constitute one and the same instrument.

Section 7.02. Continuing Disclosure. The District hereby covenants and agrees that it shall comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Paying Agent Agreement, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an event of default hereunder; provided that any Owner or Beneficial Owner (as defined below) may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. For purposes of this Section, “Beneficial Owner” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

Section 7.03. Notices. Unless otherwise specified herein, all notices, statements, orders, requests or other communications hereunder by any party to another shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, or if given by fax, electronically, or other means of written communication and confirmed by mail:

If to the District:	San Francisco Unified School District 135 Van Ness Avenue San Francisco, CA 94102 Attn: Chief Financial Officer
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If to the City:	City and County of San Francisco 1 Dr. Carlton B. Goodlett Place City Hall, Room 140 San Francisco, CA 94102 Attn: Treasurer and Tax Collector
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Section 7.04. Governing Law. This Paying Agent Agreement shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have caused this Paying Agent Agreement, relating to the SAN FRANCISCO UNIFIED SCHOOL DISTRICT (CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES C to be duly executed by their officers duly authorized as of the date first written above.

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

By \_\_\_\_\_  
Chief Financial Officer

CITY AND COUNTY OF SAN FRANCISCO

By \_\_\_\_\_  
Treasurer

EXHIBIT A  
[FORM OF BOND]

Number	UNITED STATES OF AMERICA	Amount
R- _____	STATE OF CALIFORNIA	\$ _____
	CITY AND COUNTY OF SAN FRANCISCO	

SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
(CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA)  
GENERAL OBLIGATION BONDS,  
ELECTION OF 2016, SERIES C

Dated as of [Closing Date]	Interest Rate _____ %	Maturity Date June 15, 20__	CUSIP NO. 79771T ____
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Registered Owner: CEDE & CO.

Principal Sum: \_\_\_\_\_ DOLLARS

San Francisco Unified School District, City and County of San Francisco, State of California (herein called the "District"), acknowledges itself obligated to and promises to cause to be paid to the registered owner identified above or registered assigns, but only from taxes collected by the City and County of San Francisco (the "City") for such purpose pursuant to Section 15250 of the Education Code of the State of California, on the maturity date set forth above or upon redemption prior thereto, the principal sum specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money at the interest rate per annum stated above, computed on the basis of a 360-day year of twelve 30-day months, payable on [\_\_\_\_\_ 15, 2022][June 15 and December 15 in each year, commencing June 15, 2022, until payment of said principal sum]. If this bond is authenticated and registered on any date prior to the close of business on [\_\_\_\_\_ 15, 2022][June 1, 2022], it shall bear interest from the date hereof. If authenticated during the period between any Record Date (defined as the 1<sup>st</sup> day of the month preceding an interest payment date) and the close of business on its corresponding interest payment date, it shall bear interest from such interest payment date. Otherwise, this bond shall bear interest from the interest payment date immediately preceding the date of its authentication.

The principal hereof is payable to the registered owner hereof upon the surrender hereof at the place or places designated for the purpose by the paying agent/registrar and transfer agent of the District (herein called the "Paying Agent"), initially the Treasurer and Tax Collector of the City and County of San Francisco. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the registered owner hereof as of the close of business on the Record Date preceding each interest payment date, whether or not such day is a business day, such interest to be paid by check mailed to such registered owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date

immediately preceding an interest payment date, of the owner of Bonds (hereinafter defined) aggregating at least \$1,000,000 in principal amount, interest will be paid by wire transfer to an account maintained in the United States as specified by the owner in such request. So long as Cede & Co. or its registered assigns shall be the registered owner of this bond, payment shall be made by wire transfer as provided in the Paying Agent Agreement hereinafter described.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest payment modes, interest rates, maturities and redemption provisions), amounting in the aggregate to \$[Par Amount], and designated as “San Francisco Unified School District General Obligation Bonds, Election of 2016, Series C” (the “Bonds”). The Bonds were authorized by a vote of at least 55% of the voters voting at an election duly and legally called, held and conducted in the District on November 8, 2016. The Bonds were authorized by a resolution approved by the Board of Education of the District on October 12, 2021 (the “District Resolution”), a resolution of the Board of Supervisors of the City adopted on [October \_\_, 2021] (the “City Resolution” and, together with the District Resolution, the “Resolutions”) and are issued by the Board of Education of the District and executed and sold by the City pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, the District Resolution, the City Resolution and a Paying Agent Agreement (the “Paying Agent Agreement”), dated as of December 1, 2021, between the District and the Paying Agent. Reference is made to the District Resolution, the City Resolution, the Paying Agent Agreement for a description of the terms on which the Bonds are issued, for the rights of the owners of the Bonds, for the provisions for the payment of the Bonds and all of the terms of the District Resolution, the City Resolution and the Paying Agent Agreement are hereby incorporated herein and constitute a contract between the District and the owner of this Bond, to all the provisions of which the owner of this Bond, by acceptance hereof, agrees and consents. Capitalized undefined terms used herein have the meanings ascribed thereto in the Paying Agent Agreement.

The Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof, provided that no Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Paying Agent Agreement, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same series, maturity, interest payment mode and interest rate of other authorized denominations.

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at said office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Paying Agent Agreement, and upon surrender and cancellation of this bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations for the same series, maturity, interest payment mode and interest rate, and same aggregate principal amount will be issued to the transferee in exchange herefor.

The District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, and the District and the Paying Agent shall not be affected by any notice to the contrary.

[The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Paying Agent Agreement. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.]

The Bonds represent an obligation of the District payable out of the interest and sinking fund of the District, and the money for the redemption of this bond, and the payment of principal of and interest thereon, shall be raised by taxation upon the taxable property of the District.

This Bond shall not be entitled to any benefit under the Paying Agent Agreement, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF the Board of Supervisors of the City and County of San Francisco, State of California, has caused this SAN FRANCISCO UNIFIED SCHOOL DISTRICT (CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES C, to be executed by the manual or facsimile signature of its of its Chair and by the Treasurer and Tax Collector of the City, and to be countersigned by the manual or facsimile signature of the Deputy Clerk of said Board, as of the date set forth above.

By: \_\_\_\_\_  
Chair of the Board of Supervisors  
City and County of San Francisco

By: \_\_\_\_\_  
Treasurer-Tax Collector  
City and County of San Francisco

Countersigned:

\_\_\_\_\_  
Deputy Clerk of the Board of Supervisors



PAYING AGENT'S CERTIFICATE OF AUTHENTICATION  
AND REGISTRATION

This is one of the SAN FRANCISCO UNIFIED SCHOOL DISTRICT (CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES C described in the within-mentioned Paying Agent Agreement and authenticated and registered on \_\_\_\_\_, 2021.

TREASURER OF THE CITY AND COUNTY OF  
SAN FRANCISCO, as Paying Agent/Registrar and  
Transfer Agent

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

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto \_\_\_\_\_ the within-mentioned Registered Bond and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_ attorney, to transfer the same on the books of the Paying Agent/Registrar and Transfer Agent with full power of substitution in the premises.

\_\_\_\_\_  
I.D. Number

\_\_\_\_\_  
NOTE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Registered Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: \_\_\_\_\_

Signature Guarantee: \_\_\_\_\_

Notice: Signature must be guaranteed by an eligible guarantor institution.

PAYING AGENT AGREEMENT

between the

SAN FRANCISCO UNIFIED SCHOOL DISTRICT,  
City and County of San Francisco, California

and

CITY AND COUNTY OF SAN FRANCISCO,  
as Paying Agent

Dated as of March 1, 2022

Relating to the

SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
(CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA)  
2022 GENERAL OBLIGATION REFUNDING BONDS  
(FORWARD DELIVERY)

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## PAYING AGENT AGREEMENT

This PAYING AGENT AGREEMENT, made and entered into as of March 1, 2022, by and between the SAN FRANCISCO UNIFIED SCHOOL DISTRICT, a school district duly formed and existing under and by virtue of the Constitution and Laws of the State of California (the “District”), and the CITY AND COUNTY OF SAN FRANCISCO, as paying agent (the “Paying Agent”),

### W I T N E S S E T H:

WHEREAS, the Board of Education of the District (the “Board of Education”) has heretofore issued or caused to be issued \$205,000,000 aggregate principal amount of San Francisco Unified School District General Obligation Bonds (Proposition A, Election of 2011), Series B (2014), \$143,850,000 of which are outstanding (the “Outstanding Bonds”); and

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Government Code”) and other applicable law, the District is authorized to issue refunding bonds to refund all or a portion of the Outstanding Bonds; and

WHEREAS, the Board of Education has determined, and does hereby declare, that it is necessary and desirable and that the prudent management of the fiscal affairs of the District requires that all or a portion of the Outstanding Bonds now be refunded (such bonds to be refunded referred to herein as the “Prior Bonds”); and

WHEREAS, the Board of Education has determined, by its Resolution No. [\_\_\_\_\_], adopted on October 12, 2021 (the “Resolution”), that it is necessary and desirable that the Prior Bonds now be refunded, and has authorized by said Resolution the issuance of its “San Francisco Unified School District 2022 General Obligation Refunding Bonds (Forward Delivery)” (the “Refunding Bonds”) to refund the Prior Bonds and the execution and delivery of this Paying Agent Agreement on behalf of the District; and

WHEREAS, the District has found and determined, and by execution hereof so represents, that the issuance of the Refunding Bonds and the defeasance or refunding of the Prior Bonds will result in a net savings in the total interest cost to maturity of the Prior Bonds, including costs of issuance of the Refunding Bonds, pursuant to Section 53552 and 53556 of the Government Code, and that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Paying Agent Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Paying Agent Agreement;

NOW, THEREFORE, in order to provide for the payment of the Refunding Bonds and the performance and observance by the District of all the covenants, agreements and conditions herein and in the Refunding Bonds contained; to secure the acknowledgement and consent of the Treasurer and Tax Collector of the City to the payment arrangements provided for herein; and in consideration of the mutual covenants and agreements contained herein, and for

other valuable consideration to both parties, the District and the Paying Agent hereby agree as follows:

## ARTICLE I

### DEFINITIONS

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes hereof and of any amendment hereof or supplement hereto and of the Refunding Bonds and of any certificate, opinion, request or other document mentioned herein or therein, have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

“Authorized District Representative” shall mean the Superintendent of the District, the Chief Financial Officer of the District, the Chief Facilities Officer of the District or such other officer of the District designated for the purpose.

“Board of Education” shall mean the Board of Education of the District.

“Bondowner” or “Owner” shall mean the person in whose name any Refunding Bond shall be registered.

“Business Day” shall mean any day of the week other than a Saturday or a Sunday on which the Paying Agent is not required or authorized to remain closed, and on which the New York Stock Exchange is open for business.

“City” shall mean the City and County of San Francisco, State of California.

“Code” shall mean the Internal Revenue Code of 1986, as the same shall be hereafter amended, and any regulations heretofore issued or which shall be hereafter issued by the United States Department of the Treasury thereunder.

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed and delivered by the District, dated the date of issuance and delivery of the Refunding Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“District” shall mean the San Francisco Unified School District, located in the City.

“Escrow Agent” shall mean U.S. Bank National Association, as initial escrow agent under the Escrow Agreement, its successors and assigns, and any other corporation or association which may at any time be substituted in its place in accordance with the Escrow Agreement.

“Escrow Agreement” shall mean that certain agreement dated as of March 1, 2022, by and between the District and the Escrow Agent, regarding the Prior Bonds.

“Escrow Fund” shall mean that certain fund created and maintained by the Escrow Agent pursuant to the Escrow Agreement to provide for the payment of all amounts due with respect to the Prior Bonds.

“Interest and Sinking Fund” shall mean the Interest and Sinking Fund of the District administered by the Treasurer, established pursuant to State law.

“Interest Payment Date” shall mean June 15 and December 15 of each year. The first Interest Payment Date shall be [June 15, 2022].

“Law” shall mean Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State, and other applicable provisions of law.

“Opinion of Counsel” shall mean a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the District.

“Owner.” See “Bondowner” defined herein.

“Paying Agent” shall mean the Treasurer and Tax Collector of the City and County of San Francisco, as initial paying agent, registrar and transfer agent with respect to the Refunding Bonds, its successors and assigns and any other corporation or association which may at any time be substituted in its place as provided in Section 6.02 hereof.

“Paying Agent Agreement” shall mean this agreement, between the District and the Paying Agent.

“Prior Bonds” shall mean all or a portion of the San Francisco Unified School District General Obligation Bonds (Proposition A, Election of 2011), Series B (2014), to be refunded.

“Record Date” shall mean the 1st day of the month preceding any Interest Payment Date. The first Record Date shall be [June 1, 2022].

“Refunding Bonds” shall mean all of the San Francisco Unified School District 2022 General Obligation Refunding Bonds (Forward Delivery) issued hereunder, without regard to subseries name or number, interest payment mechanism, or tax treatment of interest thereon.

“State” shall mean the State of California.

“Tax Certificate” shall mean any of the several Tax Certificates concerning certain matters pertaining to the use of proceeds of the Refunding Bonds, executed and delivered by the District on the date of issuance of the Refunding Bonds, including all exhibits attached thereto, as such certificate may from time to time be modified or supplemented in accordance with the terms thereof. Separate tax certificates may be delivered by the District pertaining to Bonds the interest on which is intended to be exempt from federal income tax under the Code.

“Treasurer” shall mean the Treasurer and Tax Collector of the City in San



Francisco, California.

“Written Order of the District” or “Written Request of the District” shall mean an instrument in writing, signed by the Superintendent of the District, the Chief Financial Officer of the District, the Chief Facilities Officer of the District or by any other officer of the District authorized in writing for the purpose by either of said officers or by the Board of Education of the District.

## ARTICLE II

### THE REFUNDING BONDS

Section 2.01. Authorization and Designation. The Refunding Bonds shall be issued for the purpose of providing funds to pay and redeem the Prior Bonds, and to pay costs incurred in connection with the issuance, sale and delivery of the Refunding Bonds. The Refunding Bonds shall be issued by the District under and subject to the terms of the Resolution, this Paying Agent Agreement and the Law. The Refunding Bonds shall be issued in fully registered form, without coupons.

Section 2.02. Refunding Bonds; Terms. Refunding Bonds in the aggregate principal amount of \$[Par Amount] are issued under this Paying Agent Agreement, upon terms further described in this section. The Refunding Bonds shall be named the “San Francisco Unified School District 2022 General Obligation Refunding Bonds (Forward Delivery)” (the “Refunding Bonds”), for the purposes described in Section 2.01.

(a) Date of Refunding Bonds. The Refunding Bonds shall be dated as of the date of issuance thereof, [Settlement Date].

(b) Denominations. The Refunding Bonds shall be issued in the denomination of \$5,000 principal amount or any integral multiple thereof. No Bond shall mature on more than one maturity date.

(c) Payment of Principal. The Refunding Bonds shall mature on June 15 in each of the years and principal amounts and bear interest at the annual rates of interest shown below:

<u>Maturity Date (June 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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The principal and any redemption premium of the Refunding Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the office of the Paying Agent designated for the purpose pursuant to Section 6.01(b), on or after the maturity date thereof or upon redemption prior to maturity.

(d) Payment of Interest. The Refunding Bonds shall bear interest at the respective rates shown in the table in subdivision (c) above, payable on June 15 and December 15 of each year, commencing [June 15, 2022], until payment of the principal amount thereof. Each Refunding Bond authenticated and registered on any date prior to the close of business on the first Record Date shall bear interest from the date of said Refunding Bond. Each Refunding Bond authenticated during the period between any Record Date and the close of business on its corresponding Interest Payment Date shall bear interest from such Interest Payment Date. Any other Refunding Bond shall bear interest from the Interest Payment Date immediately preceding the date of its authentication. If, at the time of authentication of any Refunding Bond, interest is in default on any outstanding Refunding Bonds, such Refunding Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Refunding Bonds. Interest on the Refunding Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The interest on the Refunding Bonds shall be payable in lawful money to the person whose name appears on the bond registration books of the Paying Agent as the Owner thereof as of the close of business on the applicable Record Date for each Interest Payment Date, whether or not such day is a Business Day. Payment of the interest on any Refunding Bond shall be made by check or draft mailed by first class mail on each Interest Payment Date (or on the following Business Day, if the Interest Payment Date does not fall on a Business Day) to such Owner at such Owner's address as it appears on such registration books or at such address as the Owner may have filed with the Paying Agent for that purpose; or upon written request of the Owner of Bonds aggregating not less than \$1,000,000 in principal amount, given no later than the Record Date immediately preceding the applicable Interest Payment Date, by wire transfer in immediately available funds to an account maintained in the United States at such wire address as such Owner shall specify in its written notice. So long as Cede & Co. or its registered assigns shall be the registered owner of any of the Refunding Bonds, payment shall be made thereto by wire transfer as provided in Section 2.05(d) hereof.

Section 2.03. Form and Registration of Refunding Bonds. (a) The Refunding Bonds, the Paying Agent's certificate of authentication and registration, and the form of assignment to appear thereon shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions as permitted or required by this Paying Agent Agreement (provided that if a portion of the text of any Refunding Bond is printed on the reverse of the bond, the following legend shall be printed on the bond: "THE PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE HEREOF AND

SUCH CONTINUED PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.”).

(b) The Refunding Bonds when issued shall be registered in the name of “Cede & Co.,” as nominee of The Depository Trust Company, New York, New York, and shall be initially issued as one bond for each of the maturities of the Refunding Bonds, in the principal amounts set forth in the table in Section 2.02. The Depository Trust Company is hereby appointed depository for the Refunding Bonds and registered ownership of the Refunding Bonds may not thereafter be transferred except as provided in Sections 2.05 and 2.06 hereof.

Section 2.04. Execution and Authentication of Refunding Bonds. The Refunding Bonds shall be signed by the manual or facsimile signatures of the President of the Board of Education and countersigned by the manual or facsimile signature of the Secretary or the Clerk of the Board of Education. Each Refunding Bond shall be authenticated by a manual signature of a duly authorized officer of the Paying Agent. Only such of the Refunding Bonds as shall bear thereon a certificate of authentication and registration in the form given in Exhibit A hereto, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Paying Agent Agreement, and such certificate of the Paying Agent shall be conclusive evidence that the Refunding Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Paying Agent Agreement.

Section 2.05. Book-Entry System. (a) The Refunding Bonds shall be initially issued and registered as provided in Section 2.03 hereof. Registered ownership of the Refunding Bonds, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a “substitute depository”); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the Treasurer, upon (1) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Treasurer to substitute another depository for The Depository Trust Company (or its successor) because The Depository Trust Company or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of The Depository Trust Company or its successor (or substitute depository or its successor) from its functions as depository, or (2) a determination by the Treasurer to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) hereof, upon receipt of the outstanding Refunding Bonds by the Paying Agent, together with a Written Request of the District, a new Refunding Bond for each series and maturity shall be executed and delivered pursuant to the procedures described in Section 2.04 hereof in the aggregate principal amount of the Refunding Bonds then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Written Request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) hereof, upon receipt of the outstanding Refunding Bonds by the Paying Agent together with a Written Request of the District, new Refunding Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent and registered in the names of such persons as are requested in such Written Request of the District, subject to the limitations of Sections 2.03 and 2.04, and the receipt of such a Written Request of the District, and thereafter, the Refunding Bonds shall be transferred pursuant to the provisions set forth in Section 2.06 of this Paying Agent Agreement; provided, that the Paying Agent shall not be required to deliver such new Refunding Bonds within a period of fewer than 60 days.

(c) The Treasurer, the District and the Paying Agent shall be entitled to treat the person in whose name any Refunding Bond is registered as the Owner thereof, notwithstanding any notice to the contrary received by the Treasurer, the District or the Paying Agent, and the Treasurer, the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Refunding Bonds. Neither the Treasurer, the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except as the owner of any Refunding Bonds.

(d) So long as the outstanding Refunding Bonds are registered in the name of Cede & Co. or its registered assigns, the Treasurer, the District and the Paying Agent shall cooperate with Cede & Co., as sole Owner, or its registered assigns, in effecting payment of the principal of and interest on the Refunding Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available (e.g., by wire transfer) on the date they are due.

Section 2.06. Transfer of Refunding Bonds upon Termination of Book-Entry System. In the event that at any time the Refunding Bonds shall no longer be registered in the name of Cede & Co. as a result of the operation of Section 2.07 hereof, then the procedures contained in this Section 2.06 shall apply.

Any Refunding Bond may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 2.08 hereof by the person in whose name it is registered, in person or by the duly authorized attorney of such person, upon surrender of such Refunding Bond to the Paying Agent for cancellation at the office of the Paying Agent designated for that purpose, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for

transfer, the designated District officials shall execute (as provided in Section 2.04 hereof) and the Paying Agent shall authenticate and deliver a new Refunding Bond or Refunding Bonds of the same series and maturity, for a like aggregate principal amount and bearing the same rate or rates of interest. The Paying Agent shall require the payment by the Bondowner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of Refunding Bonds shall be required to be made by the Paying Agent during the period from the close of business on the Record Date next preceding any Interest Payment Date or the date fixed for redemption to and including such Interest Payment Date or date fixed for redemption.

Section 2.07. Exchange of Refunding Bonds. Refunding Bonds may be exchanged at the office of the Paying Agent designated for that purpose, for a like aggregate principal amount of Refunding Bonds of other authorized denominations of the same series and maturity and interest rate. The Paying Agent shall require the payment by the Bondowner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. No exchange of Refunding Bonds shall be required to be made by the Paying Agent during the period from the close of business on the Record Date next preceding any Interest Payment Date or date fixed for redemption to and including such Interest Payment Date or the date fixed for redemption.

Section 2.08. Bond Register. (a) The Paying Agent will keep or cause to be kept, at the place it shall designate for the purpose, sufficient books for the registration and transfer of the Refunding Bonds, which shall at all times be open to inspection by the Treasurer and the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Refunding Bonds as hereinbefore provided.

(b) The Paying Agent shall assign each Refunding Bond authenticated and registered by it a distinctive letter or number, or letter and number.

### ARTICLE III

#### ISSUANCE OF THE REFUNDING BONDS

Section 3.01. Delivery of Refunding Bonds. The Paying Agent is hereby authorized to authenticate and deliver the Refunding Bonds to or upon the Written Request of the District.

Section 3.02. Application of Proceeds of Sale of Refunding Bonds. (a) Upon the delivery of the Refunding Bonds to the initial purchaser thereof, and the payment by the initial purchaser by wire transfer of (i) \$[COI Deposit] to the Costs of Issuance Custodian for payment of the costs of issuance pursuant to a Costs of Issuance Custodian Agreement, and (ii) \$[Net Purchase Price] to the Escrow Agent, for payment of the net purchase price of the Refunding Bonds.

ARTICLE IV

REDEMPTION OF THE REFUNDING BONDS

Section 4.01. Terms of Redemption. The Refunding Bonds are not subject to optional redemption prior to maturity except as otherwise provided in this Article.

Section 4.02. Redemption of Refunding Bonds. (a) Optional Redemption. The Refunding Bonds maturing on or before June 15, 20\_\_, are not subject to redemption prior to their respective stated maturity dates. The Refunding Bonds maturing on and after June 15, 20\_\_ shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after June 15, 20\_\_ at a redemption price equal to 100% of the Principal Amount of the Refunding Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

(b) Mandatory Sinking Fund Redemption. The \$\_\_\_\_\_ Term Refunding Bond maturing on June 15, 20\_\_, is also subject to mandatory sinking fund redemption on each Mandatory Sinking Fund Redemption Date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, together with interest accrued thereon to the date fixed for redemption:

Mandatory Sinking Fund Redemption Date (June 15)	Principal Amount to be Redeemed
	\$

†

† Maturity.

The principal amount to be redeemed in each year shown in the table above will be reduced at the option of the District, in integral multiples of \$5,000, by the amount of such Term Refunding Bond optionally redeemed prior to the mandatory sinking fund redemption date.

(c) Selection of Bonds for Redemption. If less than all of the Refunding Bonds are called for redemption, such bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District. If less than all of the Refunding Bonds of any given maturity are called for redemption, the portions of such bonds of a given maturity to be redeemed shall be determined by lot. For purposes of such selection, each Refunding Bond shall be deemed to consist of individual Bonds of denominations of \$5,000 principal amount each, which may be separately redeemed.

Section 4.03. Notice of Redemption. (a) Notice of redemption of the Refunding Bonds will be mailed by the Paying Agent, upon written request of the District, postage prepaid

not less than 20 nor more than 60 days prior to the date fixed for redemption (i) by first class mail to the respective Owners of Bonds at the addresses appearing on the bond registration books of the Paying Agent, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall contain all of the following information: (i) the date of such notice; (ii) the name of the affected Bonds and the date of issue of the Refunding Bonds; (iii) the date fixed for redemption; (iv) the redemption price, if available; (v) the dates of maturity of the Refunding Bonds to be redeemed; (vi) if less than all of the Refunding Bonds are to be redeemed, the distinctive numbers of the Refunding Bonds of each maturity to be redeemed; (vii) in the case of Bonds redeemed in part only, the respective maturities or portions of the principal amount of the Refunding Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Bonds to be redeemed; and (ix) a statement that such Refunding Bonds must be surrendered by the Owners at the office of the Paying Agent designated by the Paying Agent for such purpose.

The actual receipt by any Owner of any Refunding Bond of notice of such redemption will not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, will not affect the validity of the proceedings for the redemption of such Refunding Bonds.

When notice of redemption has been given, substantially as described above, and when the amount necessary for the payment of the redemption price, if any, is set aside for such purpose, the Refunding Bonds designated for redemption will become due and payable on the date fixed for redemption thereof, and upon presentation and surrender of said Refunding Bonds at the place specified in the notice of redemption, such Refunding Bonds will be redeemed and paid at the redemption price thereof out of the money provided therefor.

(b) Rescission of Notice of Redemption. The District may rescind any redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Refunding Bonds so called for redemption. Notice of rescission of redemption will be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Refunding Bond of notice of such rescission will not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice will not affect the validity of the rescission.

(c) Conditional Notice. Any notice of optional redemption delivered hereunder may be conditioned on any fact or circumstance stated therein, and if such condition shall not have been satisfied on or prior to the date fixed for redemption stated in such notice, said notice shall be of no force and effect on and as of the stated date fixed for redemption, the redemption shall be cancelled, and the District shall not be required to redeem the Refunding Bonds that were the subject of the notice. The Paying Agent shall give notice of such cancellation and the reason therefor in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Refunding Bond of notice of such cancellation shall not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice shall not affect the validity of the cancellation.

Section 4.04. Defeasance of Refunding Bonds. The District may pay and discharge any or all of the Refunding Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money or non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available moneys then on deposit in the Interest and Sinking Fund, be fully sufficient in the opinion of a certified public accountant licensed to practice in the State to pay and discharge the indebtedness on such Refunding Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

If at any time the District pays or causes to be paid or there is otherwise paid to the owners of any or all outstanding Refunding Bonds all of the principal, interest and premium, if any, represented by such Refunding Bonds when due, or as described above, or as otherwise provided by law, then such Owners shall cease to be entitled to the obligation of the City to levy and collect taxes to pay the Refunding Bonds as described in Section 5.01 hereof, and such obligation and all agreements and covenants of the District to such Owners hereunder shall thereupon be satisfied and discharged and shall terminate, except only that the District will remain liable for payment of all principal, interest and premium, if any, represented by such Refunding Bonds, but only out of moneys on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment, provided, that the unclaimed moneys provisions described in Section 6.07 hereof will apply in all events.

## ARTICLE V

### OTHER COVENANTS

Section 5.01. Payment of Principal and Interest. On or prior to the date any payment is due in respect of the Refunding Bonds, the Treasurer will deposit with the Paying Agent moneys sufficient to pay the principal and the interest (and premium, if any) to become due in respect of all Refunding Bonds outstanding on such Interest Payment Date, but only as required by the Law. When and as paid in full, and following surrender thereof to the Paying Agent, all Refunding Bonds shall be cancelled by the Paying Agent, and thereafter they shall be destroyed. Moneys for the payment of principal, redemption premium, if any, and interest with respect to the Refunding Bonds shall be raised by taxation upon all taxable property in the District and the City shall provide for the levy and collection of such taxes in the manner provided by the Law.

Section 5.02. Further Assurances. The District and the Treasurer will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other actions as may be necessary or reasonably required in order to further and more fully vest in the Bondowners all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Paying Agent Agreement.

Section 5.03. Tax Covenants. (a) The District shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or



permit any circumstances within its control to arise or continue, if such action or inaction would adversely affect the exclusion from gross income of the interest payable on Refunding Bonds under Section 103 of the Code. Without limiting the generality of the forgoing, the District shall comply with the instructions and requirements of each Tax Certificate. This covenant shall survive payment in full of the Refunding Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Paying Agent under this Paying Agent Agreement, the District shall take such action as is necessary to effect such restriction or limitation.

(c) Notwithstanding any provisions of this Section, if the District shall provide to the Paying Agent an opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required in order to maintain the exclusion from federal income tax of interest on Refunding Bonds under Section 103 of the Code, the Paying Agent may conclusively rely on such opinion in complying with the requirements of this Section, and the covenants hereunder shall be deemed to be modified to that extent.

Section 5.04. Validity of Refunding Bonds. The recital contained in the Refunding Bonds that the same are regularly issued pursuant to the Law and that the total amount of indebtedness of the District, including the amount of the Refunding Bonds, is within the limit provided by law, shall be conclusive evidence of their validity and of compliance with the provisions of the Law in their issuance.

## ARTICLE VI

### THE PAYING AGENT

Section 6.01. Duties and Liabilities of Paying Agent. (a) The Paying Agent shall be the paying agent, registrar and transfer agent for the Refunding Bonds and shall perform such functions in accordance with the provisions hereof. The Paying Agent shall perform such duties and only such duties as are expressly and specifically set forth in this Paying Agent Agreement.

(b) The District may, by an instrument in writing, remove the Paying Agent initially a party hereto and any successor thereto, and shall remove the Paying Agent initially a party hereto and any successor thereto if at any time (i) requested to do so by an instrument or concurrent instruments in writing signed by the Owners of a majority of the aggregate Principal Amount of the Refunding Bonds at the time Outstanding (or their attorneys duly authorized in writing), or (ii) the Paying Agent shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Paying Agent or its property shall be appointed, or any public officer shall take control or charge of the Paying Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Paying Agent and thereupon shall appoint a successor Paying Agent by an instrument in writing.

(c) The Paying Agent may at any time resign by giving written notice of such resignation by first class mail, postage prepaid, to the District, and to the Owners at the respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the District shall promptly appoint a successor Paying Agent by an instrument in writing.

(d) Any removal or resignation of the Paying Agent and appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent; provided, however, that under any circumstances the successor Paying Agent shall be qualified as provided in subsection (e) of this Section. If no qualified successor Paying Agent shall have been appointed and have accepted appointment within 45 days following giving notice of removal or notice of resignation as aforesaid, the resigning Paying Agent or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction for the appointment of a successor Paying Agent, and such court may thereupon, after such notice, if any, as it may deem proper, appoint such successor Paying Agent. Any successor Paying Agent appointed under this Paying Agent Agreement shall signify its acceptance of such appointment by executing and delivering to the District and to its predecessor Paying Agent a written acceptance thereof, and thereupon such successor Paying Agent, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Paying Agent, with like effect as if originally named Paying Agent herein; but, nevertheless at the written request of the District or the successor Paying Agent, such predecessor Paying Agent shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Paying Agent all the right, title and interest of such predecessor Paying Agent in and to any property held by it under this Paying Agent Agreement and shall pay over, transfer, assign and deliver to the successor Paying Agent any money or other property subject to the conditions herein set forth. Upon acceptance of appointment by a successor Paying Agent as provided in this subsection, the District shall mail or cause the successor Paying Agent to mail, by first class mail postage prepaid, a notice of the succession of such Paying Agent hereunder to the Owners at the addresses shown on the Registration Books. If the District fails to mail such notice within 15 days after acceptance of appointment by the successor Paying Agent, the successor Paying Agent shall cause such notice to be mailed at the expense of the District.

(e) The Paying Agent, if not the Treasurer, shall be a bank, national banking association or trust company having trust powers incorporated or organized under the laws of the United States of America or any state thereof, having (or if such bank, national banking association or trust company is a member of a bank holding company system, its parent bank holding company shall have) a combined capital and surplus of at least \$75,000,000, in good standing and subject to supervision or examination by federal or state agency. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining agency above referred to, then for the purpose of this subsection the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

In case at any time the Paying Agent shall cease to be eligible in accordance with the provisions of this subsection (e), the Paying Agent shall resign immediately in the manner and with the effect specified in this Section.

Section 6.02. Merger or Consolidation. Any bank, national banking association or trust company into which a successor Paying Agent may be merged or converted or with which it may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under Section 6.01(e) shall be the successor to such Paying Agent, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Paying Agent. (a) The recitals of facts herein and in the Refunding Bonds contained shall be taken as statements of the District, and the Paying Agent shall not assume responsibility for the correctness of the same, or make any representations as to the validity or sufficiency of this Paying Agent Agreement or of the Refunding Bonds or shall incur any responsibility in respect thereof, other than as expressly stated herein in connection with the respective duties or obligations herein or in the Refunding Bonds assigned to or imposed upon it. The Paying Agent shall, however, be responsible for its representations contained in its certificate of authentication on the Refunding Bonds. The Paying Agent makes no representations as to the validity or sufficiency of this Paying Agent Agreement or of any Refunding Bonds, or in respect of the security afforded by this Paying Agent Agreement and the Paying Agent shall incur no responsibility in respect thereof. The Paying Agent shall be under no responsibility or duty with respect to (i) the issuance of the Refunding Bonds for value, (ii) the application of the proceeds thereof except to the extent that such proceeds are received by it in its capacity as Paying Agent, or (iii) the application of any moneys paid to the District or others in accordance with this Paying Agent Agreement except as the application of any moneys paid to it in its capacity as Paying Agent. The Paying Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Paying Agent shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Paying Agent Agreement. The Paying Agent and its officers and employees may become the Owner of Bonds with the same rights it would have if it were not Paying Agent, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bond Owners, whether or not such committee shall represent the Owners of a majority in aggregate Principal Amount of the Refunding Bonds then Outstanding.

(b) The Paying Agent shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Paying Agent was negligent in ascertaining the pertinent facts.

(c) No provision of this Paying Agent Agreement shall require the Paying Agent to risk or expend its own funds in the performance of its rights and duties hereunder.

(d) The immunities and protections extended to the Paying Agent also extend to its directors, officers, employees and agents.

(e) The Paying Agent may execute any of its powers or duties hereunder through attorneys, agents or receivers and shall not be answerable for the actions of such attorneys, agents or receivers if selected by it with due care.

Section 6.04. Right to Rely on Documents. The Paying Agent shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bonds or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may be counsel to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith; provided, however, the Paying Agent shall in no event delay any payment with respect to the Refunding Bonds in anticipation of any such opinion.

Whenever in the administration of the duties imposed upon it by this Paying Agent Agreement the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the District, and such Written Certificate shall be full warrant to the Paying Agent for any action taken or suffered in good faith under the provisions of this Paying Agent Agreement in reliance upon such Written Certificate, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

Section 6.05. Accounting Records and Reports; Preservation and Inspection of Documents. The Paying Agent shall keep or cause to be kept proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocation and application of all money on deposit in the accounts and funds established hereunder, which such books shall be available for inspection by the District at reasonable hours and under reasonable conditions.

All documents received by the Paying Agent under the provisions of this Paying Agent Agreement shall be retained in its possession and shall be subject during business hours and upon reasonable notice to the inspection of the District, the Owners and their agents and representatives duly authorized in writing.

Section 6.06. Compensation and Indemnification. The District shall pay to the Paying Agent from time to time all reasonable compensation pursuant to a pre-approved fee letter for all services rendered under this Paying Agent Agreement, and also all reasonable expenses, charges, legal and consulting fees pursuant to a pre-approved fee letter and other disbursements pursuant to a pre-approved fee letter and those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Paying Agent Agreement. The District further agrees, to the extent permitted by law, to indemnify, defend and save the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its

negligence or its willful misconduct. The duty of the District to indemnify and compensate the Paying Agent shall survive the termination and discharge of this Paying Agent Agreement and the resignation or removal of the Paying Agent.

Section 6.07. Unclaimed Moneys. Any money held in any fund created pursuant to this Paying Agent Agreement or by the Paying Agent in trust for the payment of the principal of, redemption premium, if any, or interest on the Refunding Bonds and remaining unclaimed for two years after the principal of all of the Refunding Bonds has become due and payable (whether by maturity or upon prior redemption) will be transferred to the Interest and Sinking Fund for payment of any outstanding bonds of the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys will be transferred to the general fund of the District as provided and permitted by law.

## ARTICLE VII

### MISCELLANEOUS

Section 7.01. Counterparts. This Paying Agent Agreement may be signed in several counterparts, each of which will constitute an original, but all of which shall constitute one and the same instrument.

Section 7.02. Continuing Disclosure. The District hereby covenants and agrees that it shall comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Paying Agent Agreement, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an event of default hereunder; provided that any Owner or Beneficial Owner (as defined below) may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. For purposes of this Section, "Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Refunding Bonds (including persons holding Refunding Bonds through nominees, depositories or other intermediaries).

Section 7.03. Notices. Unless otherwise specified herein, all notices, statements, orders, requests or other communications hereunder by any party to another shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, or if given by fax, electronically, or other means of written communication and confirmed by mail:

If to the District:	San Francisco Unified School District 135 Van Ness Avenue San Francisco, CA 94102 Attn: Chief Financial Officer
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If to the City:	City and County of San Francisco 1 Dr. Carlton B. Goodlett Place City Hall, Room 140
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San Francisco, CA 94102  
Attn: Treasurer and Tax Collector

Section 7.04. Governing Law. This Paying Agent Agreement shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have caused this Paying Agent Agreement, relating to the SAN FRANCISCO UNIFIED SCHOOL DISTRICT (CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA) 2022 GENERAL OBLIGATION REFUNDING BONDS (FORWARD DELIVERY) to be duly executed by their officers duly authorized as of the date first written above.

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

By \_\_\_\_\_  
Chief Financial Officer

CITY AND COUNTY OF SAN FRANCISCO

By \_\_\_\_\_  
Treasurer

EXHIBIT A

[FORM OF BOND]

Number UNITED STATES OF AMERICA Amount  
R- \_\_\_\_\_ STATE OF CALIFORNIA \$ \_\_\_\_\_  
CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
(CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA)  
2022 GENERAL OBLIGATION REFUNDING BONDS  
(FORWARD DELIVERY)

Dated as of Interest Rate Maturity Date CUSIP NO.  
[Settlement Date] [\_.\_\_\_\_]% June 15, 20\_\_ 79771T \_\_\_\_

Registered Owner: CEDE & CO.

Principal Sum: \_\_\_\_\_ DOLLARS

San Francisco Unified School District, City and County of San Francisco, State of California (herein called the “District”), acknowledges itself obligated to and promises to cause to be paid to the registered owner identified above or registered assigns, but only from taxes collected by the City and County of San Francisco (the “City”) for such purpose pursuant to Section 15250 of the Education Code of the State of California, on the maturity date set forth above or upon redemption prior thereto, the principal sum specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money at the interest rate per annum stated above, computed on the basis of a 360-day year of twelve 30-day months, payable on June 15 and December 15 of each year, commencing [June 15, 2022], until payment of said principal sum. If this bond is authenticated and registered on any date prior to the close of business on [June 1, 2022], it shall bear interest from the date hereof. If authenticated during the period between any Record Date (defined as the 1st day of the month preceding an interest payment date) and the close of business on its corresponding interest payment date, it shall bear interest from such interest payment date. Otherwise, this bond shall bear interest from the interest payment date immediately preceding the date of its authentication.

The principal hereof is payable to the registered owner hereof upon the surrender hereof at the place or places designated for the purpose by the paying agent/registrar and transfer agent of the District (herein called the “Paying Agent”), initially the Treasurer and Tax Collector of the City and County of San Francisco. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the registered owner hereof as of the close of business on the Record Date preceding each interest payment date, whether or not such day is a business day, such interest to be paid by check mailed to such registered owner at the owner’s address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Refunding Bonds (hereinafter



defined) aggregating at least \$1,000,000 in principal amount, interest will be paid by wire transfer to an account maintained in the United States as specified by the owner in such request. So long as Cede & Co. or its registered assigns shall be the registered owner of this bond, payment shall be made by wire transfer as provided in the Paying Agent Agreement hereinafter described.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest payment modes, interest rates, maturities and redemption provisions), amounting in the aggregate to \$[Par Amount], designated as “San Francisco Unified School District 2022 General Obligation Refunding Bonds (Forward Delivery)” (the “Refunding Bonds”), issued for the purpose of refunding and redeeming certain outstanding bonds of the District. The Refunding Bonds were authorized by a resolution approved by the Board of Education of the District (the “Board”) on October 12, 2021 (the “Resolution”) and are issued and sold pursuant to a Paying Agent Agreement (the “Paying Agent Agreement”), dated as of March 1, 2022, between the District and the Paying Agent. The Refunding Bonds are issued and sold by the District pursuant to and in strict conformity with the provisions of the Paying Agent Agreement and of the Constitution and laws of California, specifically under the authority of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

The Refunding Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 principal amount or any integral multiple thereof, provided that no Refunding Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Paying Agent Agreement, Refunding Bonds may be exchanged for a like aggregate principal amount of Refunding Bonds of the same series, maturity, interest payment mode and interest rate of other authorized denominations.

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at said office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Paying Agent Agreement, and upon surrender and cancellation of this bond. Upon such transfer, a new Refunding Bond or Refunding Bonds of authorized denomination or denominations for the same series, maturity, interest payment mode and interest rate, and same aggregate principal amount will be issued to the transferee in exchange herefor.

The District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, and the District and the Paying Agent shall not be affected by any notice to the contrary.

[The Refunding Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Paying Agent Agreement. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.]

The Board hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this bond, is within the limit provided by law, that all acts,

conditions and things required by law to be done or performed precedent to and in the issuance of this bond have been done and performed in strict conformity with the laws authorizing the issuance of this bond, that this bond is in substantially the form prescribed by the Paying Agent Agreement and by order of this Board duly made and entered on its minutes and shall be payable out of the Interest and Sinking Fund of the District, and the money for the payment of the principal of this bond, premium, if any, and the payment of interest hereon, shall be raised by taxation upon the taxable property of said District.

This Refunding Bond shall not be entitled to any benefit under the Paying Agent Agreement, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF the Board of Education of the San Francisco Unified School District, City and County of San Francisco, State of California, has caused this SAN FRANCISCO UNIFIED SCHOOL DISTRICT (CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA) 2022 GENERAL OBLIGATION REFUNDING BOND (FORWARD DELIVERY) to be executed by the manual or facsimile signature of its President and to be countersigned by the manual or facsimile signature of the Secretary of said Board, as of the date set forth above.

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President of the Board of Education  
of the San Francisco Unified School District

Countersigned:

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Secretary of the Board of Education  
of the San Francisco Unified School District

PAYING AGENT'S CERTIFICATE OF AUTHENTICATION  
AND REGISTRATION

This is one of the SAN FRANCISCO UNIFIED SCHOOL DISTRICT (CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA) 2022 GENERAL OBLIGATION REFUNDING BONDS (FORWARD DELIVERY) described in the within-mentioned Paying Agent Agreement and authenticated and registered on \_\_\_\_\_, 2022.

TREASURER OF THE CITY AND COUNTY OF  
SAN FRANCISCO, as Paying Agent/Registrar and  
Transfer Agent

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

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto \_\_\_\_\_ the within-mentioned Registered Bond and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_ attorney, to transfer the same on the books of the Paying Agent/Registrar and Transfer Agent with full power of substitution in the premises.

\_\_\_\_\_  
I.D. Number

\_\_\_\_\_  
NOTE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Registered Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: \_\_\_\_\_

Signature Guarantee: \_\_\_\_\_

Notice: Signature must be guaranteed by an eligible guarantor institution.

BOARD OF EDUCATION  
OF THE  
SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

RESOLUTION NO. 219-28A1

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF BONDS OF THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT IN AN AMOUNT NOT TO EXCEED \$284,250,000, BY NEGOTIATED SALE; PRESCRIBING THE TERMS OF SAID BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT, A BOND PURCHASE AGREEMENT, AN OFFICIAL STATEMENT, AND A CONTINUING DISCLOSURE CERTIFICATE, RELATING TO SAID BONDS; AND AUTHORIZING THE EXECUTION OF NECESSARY CERTIFICATES AND DOCUMENTS RELATING TO SAID BONDS

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WHEREAS, an election was duly called and regularly held in the San Francisco Unified School District, City and County of San Francisco, California (herein called the "District"), on November 8, 2016 (the "Election of 2016"), pursuant to Sections 15100 and 15264 et seq. of the Education Code of the State of California (the "Education Code"), at which a bond proposition (Proposition A) summarized as follows was submitted to the electors of the District:

"To repair and rehabilitate San Francisco Unified School District facilities to current accessibility, health, safety, seismic and instructional standards, replace worn-out plumbing, electrical, HVAC, and major building systems, renovate outdated classrooms and training facilities, construct school facilities and replace aging modular classrooms, improve information technology systems and food service preparation systems, shall the San Francisco Unified School District issue bonds in an amount not to exceed \$744,250,000 at legal rates, with annual audits, and citizen's oversight?"; and

WHEREAS, said proposition authorized any bond approved thereby to mature no later than the legal limit; and

WHEREAS, passage of said proposition required a 55% affirmative vote of the votes cast therein, and at least 55% of the votes cast on said proposition were in favor of issuing said bonds; and

WHEREAS, the District has issued its "San Francisco Unified School District General Obligation Bonds, Election of 2016, Series A" in the aggregate principal amount of \$180,000,000; and

WHEREAS, the District has issued its “San Francisco Unified School District General Obligation Bonds, Election of 2016, Series B” in the aggregate principal amount of \$280,000,000; and

WHEREAS, in accordance with Section 15146 of the Education Code, the Board of Education of the District (the “Board”) has determined that conditions in the municipal marketplace require the increased flexibility an underwriter can provide in structuring and planning the sale of the bonds; and

WHEREAS, in accordance with Section 15146 of the Education Code, estimates of the costs associated with the issuance of said bonds are attached hereto as Exhibit A; and

WHEREAS, the District has received a qualified certification in its most recent interim report and thereby requests the City and County of San Francisco (the “City”) to sell the bonds on its behalf as required by Section 15140 of the Education Code; and

WHEREAS, pursuant to Section 15270 of the Education Code, the District shall not sell bonds authorized by the Election of 2016 unless the tax rate levied to pay the bonds authorized by the Election of 2016 as estimated by the District at the time the Bonds are issued will not exceed \$60 per \$100,000 of taxable property when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution; and

WHEREAS, the Board recognizes that Senate Bill 222 (Chapter 78, Statutes of 2015), which provides for a statutory lien to secure repayment of general obligation bonds, was passed by the legislature and approved by the Governor of the State (the “Governor”) and became effective January 1, 2016; and

WHEREAS, the pledge included in this Resolution to secure payment of the Bonds is intended to be a consensual agreement with the bondholders; and

WHEREAS, Senate Bill 1029 (“SB1029”) was signed by the Governor on September 12, 2016, and places additional responsibilities on any issuer of public debt, including adopting debt management policies that meet certain criteria; and

WHEREAS, the District represents that it is in compliance with SB1029 pre-issuance requirements, the Bonds will be issued in compliance with a debt policy of the District and the District will comply with all post-issuance requirements of SB1029; and

WHEREAS, Section 5852.1 of the Government Code requires that the Board obtain from an underwriter, municipal advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total

of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, in compliance with said Section 5852.1, the Board has obtained from the Municipal Advisor (defined herein) the required good faith estimates for the bonds and such estimates are disclosed and set forth in Exhibit B attached hereto; and

WHEREAS, the State Superintendent of Public Instruction has jurisdiction over the District; and

WHEREAS, the Board deems it necessary and desirable to authorize the sale of said bonds by a negotiated sale to underwriters (collectively, the "Underwriters") to be selected by the Authorized District Representative (defined herein) in consultation with the District's Municipal Advisor (defined herein), pursuant to one or more Bond Purchase Agreements (each, a "Bond Purchase Agreement"), and pursuant to Section 15146 of the Education Code, has found and determined the following reasons therefor: (1) provide more flexibility in the timing of the sale of the Bonds; (2) provide more flexibility in the debt structure; (3) allow the District to work with participants familiar with the District; and (4) increase the opportunity to pre-market said bonds for sale to local residents and other investors; and

WHEREAS, the District hereby appoints Backstrom McCarley Berry & Co. LLC, as Municipal Advisor to the District (the "Municipal Advisor") and Orrick, Herrington & Sutcliffe LLP, as Bond Counsel ("Bond Counsel") and Disclosure Counsel ("Disclosure Counsel") to the District with respect to said bonds, and authorizes the Authorized District Representative to enter into contracts to confirm such appointments; and

WHEREAS, the Treasurer and Tax Collector of the City (the "City Treasurer") serves as the paying agent ("Paying Agent") for the District's bonds; and

WHEREAS, the District desires that the Controller of the City (the "City Controller") annually establish tax rates on taxable property within the District for repayment of said bonds, pursuant to Sections 29100-29103 of the Government Code, and that the Board of Supervisors of the City (the "Board of Supervisors") annually approve the levy of such tax, and that the City Treasurer annually collect such tax and apply the proceeds thereof to the payment of principal of and interest on the bonds when due, all pursuant to Sections 15250 and 15251 of the Education Code; and

WHEREAS, there have been submitted and are on file with the Secretary of the Board proposed forms of a Bond Purchase Agreement, a Paying Agent Agreement providing for the terms of issuance and repayment of the bonds, an Official Statement, and a Continuing Disclosure Certificate setting forth certain ongoing disclosure obligations of the District;

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER, AS FOLLOWS:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Authority for Issuance. The bonds described herein (the “Bonds”) are authorized to be issued pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, and other applicable provisions of law, including applicable provisions of the Education Code. The Bonds shall be sold in one or more series, to be designated the “San Francisco Unified School District General Obligation Bonds, Election of 2016, Series C,” with such additional or other series or subseries designations as may be approved as herein provided. The Bonds may be issued as provided in Section 3 hereof.

The District hereby authorizes the issuance of, and the Board of Supervisors is hereby requested, pursuant to Section 15140 et seq. of the Education Code, to sell by negotiated sale to the Underwriters, the Bonds, in conformity with the provisions of this Section 2.

The Board of Supervisors is hereby requested to provide by resolution (the “City Resolution”) for the terms of the sale of the Bonds in accordance with the particular terms and manner set forth herein and, with respect to such necessary or desirable terms as are not specified herein, as the Board of Supervisors shall otherwise see fit to determine. With respect to such necessary or desirable terms as are not finally determined by the City Resolution, the Board of Supervisors is hereby requested to provide for such terms to be finally determined and set forth in the Bond Purchase Agreement or in the Paying Agent Agreement, hereinafter approved.

Section 3. Terms of the Bonds. The Bonds shall be issued in a principal amount not to exceed \$284,250,000 in the form of current interest Bonds.

(a) Date of Bonds. The Bonds shall be dated as of the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement or the Paying Agent Agreement.

(b) Denominations: The Bonds shall be issued in denominations of \$5,000 principal amount or any integral multiple thereof.

(c) Maturity: The Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Agreement. No Bond shall mature later than the date which is 21 years from the date of issuance of the Bonds, to be determined as provided in subsection (a) of this Section. No Bond shall have principal maturing on more than one principal maturity date. The Bonds may mature in the same year or years as any other Bonds, without limitation.

(d) Interest Payment. (i) The Bonds shall bear interest at an interest rate in accordance with the limitations set forth in Section 5 hereof, computed on the basis of a 360-day year of twelve (12) 30-day months, first payable on June 15, 2022, and semiannually thereafter on June 15 and December 15 in each year (or on such other initial and semiannual interest payment dates as shall be set forth in the Bond Purchase Agreement).



(c) Obligation. The Board of Supervisors and officers of the City are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to redeem the Bonds, and to pay the principal, redemption premium, if any, and interest thereon as and when the same become due.

Section 4. Bond Purchase Agreement; Sale of Bonds. The Bond Purchase Agreement relating to the Bonds, among the District, the City, and the Underwriters, in substantially the form on file with the Secretary of the Board, is hereby approved. The Superintendent of the District, the Chief Financial Officer of the District, the Chief Facilities Officer of the District, or such other officer of the District designated for such purpose (each, an "Authorized District Representative") is hereby authorized and directed on behalf of the District to execute and approve one or more instruments in substantially said form providing for the sale by the Board of Supervisors, on behalf of the District, and the purchase by the Underwriters of the Bonds at a purchase price to be set forth therein; provided, that (i) said purchase price shall not be less than 100% of the principal amount of the Bonds; (ii) the true interest cost for the Bonds in aggregate shall not be in excess of 4.0% per annum; (iii) the maximum interest rate on any individual maturity of Bonds shall not be in excess of the maximum prescribed by the Education Code (8.0%); (iv) the Underwriters' discount shall not exceed 0.4% of the aggregate principal amount of the Bonds sold thereunder (excluding any costs of issuance the Underwriters agree to pay pursuant to the respective Bond Purchase Agreement); and (v) the Bonds shall otherwise conform to the limitations specified herein; and provided further, that such execution and approval shall constitute conclusive evidence of the approval by the Board of any changes or revisions therein from the form of Bond Purchase Agreement submitted herewith. The Authorized District Representative is hereby authorized and directed to execute and deliver one or more Bond Purchase Agreements relative to one or more series of Bonds, as necessary; provided that, any such Bond Purchase Agreement so executed and delivered shall conform to the limitations provided in this Section 4.

The City is hereby requested to cause one or more Bond Purchase Agreements to be executed and approved on behalf of the City, subject to such changes or revisions therein as may be acceptable to the Authorized District Representative executing the same.

Section 5. Redemption and Defeasance Provisions. The Bonds may be subject to redemption prior to their respective stated maturity dates at the option of the District as set forth in the Bond Purchase Agreement, the Paying Agent Agreement and in the Bonds. The Bonds may also be subject to mandatory sinking fund redemption, as specified in the Bond Purchase Agreement, Paying Agent Agreement and in the Bonds. The Bonds shall also be subject to defeasance in the manner provided in the Paying Agent Agreement.

Section 6. Pledge of Taxes. The District hereby pledges all revenues from the property taxes collected from the levy by the Board of Supervisors of the City for the payment of the Bonds and the outstanding bonds of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including any refunding bonds thereof (for

the purpose of this pledge, hereinafter collectively referred to as the “District Bonds”) and amounts on deposit in the interest and sinking fund of the District (the “Interest and Sinking Fund”) to the payment of the principal or redemption price of and interest on the District Bonds. This pledge shall be valid and binding from the date hereof for the benefit of the owners of the District Bonds and successors thereto. The property taxes and amounts held in the Interest and Sinking Fund shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the Interest and Sinking Fund to secure the payment of the District Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act.

The pledge is an agreement between the District and the bondholders to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds and each of the other District Bonds secured by the pledge are or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

Section 7.                    Tax Treatment of Bonds. All or any portion of the Bonds may be issued as taxable or as exempt from federal income tax, as the Authorized District Representative shall determine upon consultation with the Municipal Advisor, and according to the terms and conditions Bond Counsel to the District shall advise are appropriate to and necessary for the issuance of tax-exempt bonds.

Section 8.                    Approval of Paying Agent Agreement. The Paying Agent Agreement relating to the Bonds between the District and the Paying Agent, in substantially the form on file with the Secretary of the Board, including the form of Bonds included therein, is hereby approved. The Authorized District Representative is hereby authorized to execute and deliver one or more instruments in substantially said form, completed with the terms of the Bonds determined upon the sale thereof, and with such other changes thereto as the Authorized District Representative may require or approve, and the District’s approval of the Paying Agent Agreements shall be conclusively evidenced by the execution and delivery thereof.

Section 9.                    Approval of Official Statement. The Official Statement relating to the Bonds (the “Official Statement”), in substantially the form on file with the Secretary of the Board, is hereby approved. The Authorized District Representative is hereby authorized and directed on behalf of the District to execute and deliver one or more instruments in substantially said form, with such changes, additions and corrections thereto as the Authorized District Representative deems necessary, and the Underwriters are hereby authorized to distribute copies of such Official Statement in preliminary form to persons who may be interested in purchasing the Bonds. The Authorized District Representative is hereby authorized to certify on behalf of the District that the preliminary form of the Official Statement was deemed final as of its date, within the meaning of the Rule (except for the omission of certain final pricing, rating and related information as permitted by the Rule). The Authorized District Representative is hereby authorized and directed to sign said Official Statement in its final form, including the final pricing information, and to furnish to the Underwriters copies

thereof, and the Underwriters are hereby authorized and directed to deliver copies of such Official Statement in final form to subsequent purchasers of the Bonds.

Section 10.            Approval of Continuing Disclosure Certificate. The Continuing Disclosure Certificate relating to the Bonds, in substantially the form on file with the Secretary of the Board, is hereby approved. The Authorized District Representative, or the designee thereof, is hereby authorized on behalf of the District to execute and deliver the Continuing Disclosure Certificate in substantially said form, with such changes thereto as deemed necessary in order to permit the purchaser of the Bonds to comply with the requirements of Securities and Exchange Commission Rule 15c2-12. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate as finally executed and delivered.

Section 11.            Request for Tax Levy. The Board of Supervisors and officers of the City are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds as provided by law and in the Paying Agent Agreement. The District hereby requests the City Controller to annually establish tax rates on taxable property within the District pursuant to Sections 29100-29103 of the Government Code, sufficient to redeem the Bonds, and to pay the principal thereof, redemption premium, if any, and interest thereon as and when the same become due, and to provide for any mandatory sinking fund payments or set-asides that may be required, as Bond Counsel shall advise. The District acknowledges that the Bonds shall not constitute a debt of the City and the City shall have no obligations regarding the use or application of the proceeds of the Bonds.

Section 12.            Deposit and Investment of Funds. The proceeds of the sale of the Bonds, exclusive of any premium and accrued interest received, shall be deposited in the City treasury to the credit of the building fund of the District (the "Building Fund"). Any premium and accrued interest received by the District shall be deposited upon receipt in the Interest and Sinking Fund.

All funds held by the City Treasurer hereunder shall be invested by the City Treasurer in the City Investment Pool, or, in the sole discretion of the District, funds deposited in the Building Fund may be invested in the Local Agency Investment Fund administered by the State Treasurer, any investment authorized pursuant to Sections 53601 and 53635 of the Government Code, or in the sole discretion of the District, in investment agreements, including guaranteed investment contracts, float contracts or other investment products (hereinafter collectively referred to as "Investment Agreements"); provided that such agreements comply with the requirements of Section 148 of the Internal Revenue Code of 1986 (the "Code"), and with the requirements of each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds, if any. The City Treasurer shall assume no responsibility in the reporting, reconciling or monitoring of the investment of proceeds related to the Bonds.

To the extent permitted by law, an Authorized District Representative may request the City Treasurer, subject to his or her fiduciary responsibilities, to invest funds held in the Interest and Sinking Fund and in the Building Fund in specific investments, so as to effectively

coordinate the investments to the construction program of the District and the debt service payments on the Bonds. Pursuant to Section 5922 of the Government Code, the Board hereby finds and determines that the Investment Agreements will reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreements and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Bonds or enhance the relationship between risk and return with respect to investments of proceeds of the Bonds and funds held to pay the Bonds.

Section 13. Confirmation of Professional Engagements. The appointment of Backstrom McCarley Berry & Co. LLC, as Municipal Advisor to the District with respect to said Bonds is hereby reconfirmed. The appointment of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel and Disclosure Counsel to the District with respect to said Bonds is hereby reconfirmed. The Authorized District Representative is authorized to enter into contracts to confirm such appointments.

Section 14. Notice to California Debt and Investment Advisory Commission. Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, on behalf of the Board is hereby authorized and directed to cause notices of the proposed sale and final sale of the Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Section 8855(g) of the Government Code and to specify that the issuance of the Bonds will be made in compliance with the District's adopted debt policy.

Section 15. Approval of Actions. The President of the Board, the Secretary of the Board, the Superintendent of the District, the Chief Financial Officer of the District, the Chief Facilities Officer of the District and any other officer of the District to whom authority is delegated by one of the named officers for the purposes of the Bonds, are hereby authorized and directed to select an underwriter (as necessary), to execute and deliver any and all certificates and representations, including signature certificates, no-litigation certificates, certificates concerning the contents of Official Statements, representation letters to The Depository Trust Company, tax certificates and any other certificates proposed to be distributed in connection with the sale of the Bonds or any series thereof, and to enter into any agreements, including depository agreements, commitment letters and agreements with bond insurers, agreements providing for payment of costs of issuance of Bonds, agreements for special revenue opinions, and any other agreements, letters, or representations, which any of them deem necessary or desirable to accomplish the transactions authorized herein. If, in order to sell the Bonds in separate series or to separate purchasers as authorized herein, the District is required to prepare and deliver additional official statements, paying agent agreements, bond purchase agreements, continuing disclosure certificates, or other authorized documents, preparation and delivery of such additional documents is hereby authorized.

Section 16. Electronic Signatures; DocuSign. The Board hereby approves the execution and delivery of any and all agreements, documents, certificates and instruments referred to herein with electronic signatures, including those executed pursuant to

the California Uniform Electronic Transactions Act and digital signatures under Section 16.5 of the Government Code using DocuSign.

Section 17.            Ratification of Actions. All actions heretofore taken by the officers and agents of the District with respect to the sale, execution and delivery of the Bonds and the other transactions authorized and contemplated herein, are hereby approved, confirmed and ratified.

Section 18.            Filing with City. The Authorized District Representative is hereby authorized and directed to provide a certified copy of this Resolution to the City Office of Public Finance within 10 business days of adoption and the Authorized District Representative is hereby authorized and directed to deliver the final debt service schedule for the Bonds to the City Office of Public Finance within 5 business days of award of the bid, with a request that the tax be levied and collected pursuant to Section 15250 of the Education Code, and the principal, interest, and premium, if any, due on the Bonds in each year be paid in a timely manner to the Paying Agent on behalf of the Owners of the Bonds.

The Authorized District Representative is hereby also authorized and directed pursuant to Section 15140(c) of the Education Code to provide a certified copy of this Resolution, and a copy of the debt service schedule, to the City Superintendent of Schools, the City Auditor and the City Treasurer.

Section 19.            Indemnification. The District shall indemnify and hold harmless, to the extent permitted by law, the City and its officers and employees (“Indemnified Parties”), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of a resolution by the Board of Supervisors of the City providing for the issuance and sale of the Bonds, or related to the proceedings for sale, award, issuance and delivery of the Bonds in accordance therewith and herewith. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

Section 20. Effective Date. This Resolution shall take effect from and after its adoption.

**PASSED AND ADOPTED** this 12<sup>th</sup> day of October, 2021, by the following vote:

AYES: 6

NOES: 0

ABSTAIN: 0

ABSENT: 1



\_\_\_\_\_  
President of the Board of Education  
of the San Francisco Unified School District

ATTEST:



\_\_\_\_\_  
Secretary of the Board of Education of  
the San Francisco Unified School District

**EXHIBIT A**

**ESTIMATES OF COSTS OF ISSUANCE**

\$200,000,000<sup>1</sup>

SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES C

<b>Firm</b>	<b>Role</b>	<b>Estimated Cost<sup>2</sup></b>
Backstrom McCarley Berry & Co. LLC	Municipal Advisor	\$ 80,000
Orrick, Herrington & Sutcliffe LLP	Bond & Disclosure Counsel	115,000
Moody's Investors Service	Moody's Rating	125,000
S&P Global Ratings	S&P Rating	125,000
Office of Public Finance	Debt Management	25,000
City Controller	Debt Management	25,000
Treasurer's Office	Paying Agent	25,000
U.S. Bank National Association	Fiscal Agent	5,000
California Municipal Statistics, Inc.	Demographic Data	5,000
Avia Communications	Printer	5,000
Contingency	Contingency	<u>30,000</u>
	Total	\$565,000

<sup>1</sup> Estimates of costs of issuance are provided assuming a par amount of \$200,000,000. Certain fees may be higher if the par amount exceeds \$200,000,000. The District is authorizing a not-to-exceed par amount of \$284,250,000.

<sup>2</sup> Costs allocable to the Bonds will be substantially reduced if such bonds are sold in conjunction with a series of refunding bonds, as is anticipated.

## EXHIBIT B

### GOOD FAITH ESTIMATES

The following information was obtained from Backstrom McCarley Berry & Co. LLC as the Municipal Advisor to the District in connection with the bonds approved in the attached Resolution (the "Bonds"), and is provided in compliance with Section 15146(b)(4) of the Education Code of the State of California and Senate Bill 450 (Chapter 625 of the 2017-18 Session of the California Legislature) with respect to the Bonds:

1. *True Interest Cost of the Bonds.* Assuming an aggregate principal amount of the Bonds of \$200,000,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 3.5%.

2. *Finance Charge of the Bonds.* Assuming an aggregate principal amount of the Bonds of \$200,000,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$1,365,000 (including \$565,000 of up-front costs of issuance, and \$800,000 of underwriters' compensation).

3. *Amount of Proceeds to be Received.* Assuming an aggregate principal amount of the Bonds of \$200,000,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the District for sale of the Bonds less the finance charge of the Bonds described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$199,435,000.

4. *Total Payment Amount.* Assuming an aggregate principal amount of the Bonds of \$200,000,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Bonds plus the finance charge of the Bonds described in paragraph 2 above not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$285,000,000.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only, in each assuming an aggregate principal amount of \$200,000,000<sup>3</sup>. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from the estimates above due to variations from these estimates in the timing of Bond sales, the amount of Bonds sold, the amortization of the Bonds sold and market interest rates at the time of each sale. The date or dates of sale and the amount of Bonds sold will be determined by the District based on need for project funds and other factors. The actual interest rates at which the Bonds will be

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<sup>3</sup> The District is authorizing a not-to-exceed principal amount of \$284,250,000.



sold will depend on the bond market at the time of each sale. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of each sale. Market interest rates are affected by economic and other factors beyond the District's control.

**SECRETARY'S CERTIFICATE**

I, Vincent Matthews, Secretary of the Board of Education of the San Francisco Unified School District, City and County of San Francisco, California, do hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on October 12, 2021, and entered in the minutes thereof, of which meeting all of the members of said Board of Education had due notice and at which a quorum thereof was present; and at said meeting said resolution was adopted by the following vote:

AYES: 6

NOES: 0

ABSTAIN: 0

ABSENT: 1

An agenda of said meeting was posted at least 72 hours before said meeting at San Francisco Unified School District administrative offices, 555 Franklin Street, First Floor, San Francisco, California, a location freely accessible to members of the public and was posted online at BoardDocs at least 72 hours before said meeting in accordance with Section 89305.6 of the Education Code of the State of California and Section 54953 of the Government Code of the State of California, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I have carefully compared the same with the original minutes of said meeting on file and of record at the District Office. Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this 26 day of October, 2021.



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Secretary of the Board of Education  
San Francisco Unified School District

BOARD OF EDUCATION  
OF THE  
SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

RESOLUTION NO. 219-28A2

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$145,000,000 OF THE DISTRICT'S GENERAL OBLIGATION REFUNDING BONDS, BY NEGOTIATED SALE; PRESCRIBING THE TERMS OF SAID BONDS; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT, BOND PURCHASE AGREEMENT, ESCROW AGREEMENT, CONTINUING DISCLOSURE CERTIFICATE, AND OFFICIAL STATEMENT, RELATING TO SAID BONDS; AND AUTHORIZING THE EXECUTION OF NECESSARY CERTIFICATES AND DOCUMENTS RELATING TO SAID BONDS

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WHEREAS, this Board of Education (the "Board") of the San Francisco Unified School District (the "District"), of the City and County of San Francisco, California (the "City"), has heretofore issued or caused to be issued \$205,000,000 aggregate principal amount of "San Francisco Unified School District General Obligation Bonds (Proposition A, Election of 2011), Series B (2014)," \$143,850,000 of which are outstanding (the "Outstanding Bonds"); and

WHEREAS, the Board has determined, and does hereby declare, that it is necessary and desirable and that the prudent management of the fiscal affairs of the District requires that all or a portion of the Outstanding Bonds now be refunded (such bonds to be refunded referred to herein as the "Prior Bonds"); and

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Government Code") and other applicable law, and pursuant to the respective documents providing for the issuance of the Outstanding Bonds, the District is authorized to issue refunding bonds (the "Refunding Bonds") to refund the Prior Bonds, and to sell its Refunding Bonds on a negotiated sale basis; and

WHEREAS, the Board wishes to authorize the sale of the Refunding Bonds by negotiated sale to underwriters (collectively, the "Underwriters") to be selected by the Authorized District Representative (defined herein) in consultation with the District's Municipal Advisor (defined herein), to preserve flexibility and take advantage of changing market conditions; and

WHEREAS, the State Superintendent of Public Instruction has jurisdiction over the District; and

WHEREAS, estimates of the costs associated with the issuance of said bonds are attached hereto as Exhibit A; and

WHEREAS, the Board recognizes that Senate Bill 222 (Chapter 78, Statutes of 2015), which provides for a statutory lien to secure repayment of general obligation bonds, was passed by the legislature and approved by the Governor of the State (the "Governor") and became effective January 1, 2016; and

WHEREAS, the pledge included in this Resolution to secure payment of the Refunding Bonds is intended to be a consensual agreement with the bondholders; and

WHEREAS, Senate Bill 1029 ("SB1029") was signed by the Governor on September 12, 2016, and places additional responsibilities on any issuer of public debt, including adopting debt management policies that meet certain criteria; and

WHEREAS, the District represents that it is in compliance with SB1029 pre-issuance requirements, the Refunding Bonds will be issued in compliance with a debt policy of the District and the District will comply with all post-issuance requirements of SB1029; and

WHEREAS, Section 5852.1 of the Government Code requires that the Board obtain from an underwriter, municipal advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, in compliance with said Section 5852.1, the Board has obtained from the Municipal Advisor (defined herein) the required good faith estimates for the bonds and such estimates are disclosed and set forth in Exhibit B attached hereto; and

WHEREAS, the District hereby appoints Backstrom McCarley Berry & Co. LLC, as Municipal Advisor to the District (the "Municipal Advisor") and Orrick, Herrington & Sutcliffe LLP, as Bond Counsel ("Bond Counsel") and Disclosure Counsel ("Disclosure Counsel") to the District with respect to said bonds, and authorizes the Authorized District Representative to enter into contracts to confirm such appointments; and

WHEREAS, the Treasurer and Tax Collector of the City (the "City Treasurer") will act as Paying Agent (the "Paying Agent") with respect to the Refunding Bonds, and

WHEREAS, U.S. Bank National Association will act as Escrow Agent (the "Escrow Agent") with respect to the Prior Bonds; and

WHEREAS, the District proposes to execute and deliver an Escrow Agreement to the Escrow Agent directing the creation of an escrow fund for deposit of proceeds of sale of the Refunding Bonds for the purpose of paying and redeeming the Prior Bonds; and

WHEREAS, the Board desires that the City Treasurer should collect a tax on all taxable property within the District sufficient to provide for payment of the Refunding Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the City, the City Office of Public Finance, the City Superintendent of Schools, the City Auditor, the City Treasurer, and other officials of the City, that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of the Refunding Bonds and such portion, if any, of the Outstanding Bonds as shall remain outstanding following the issuance of the Refunding Bonds; and

WHEREAS, there have been submitted and are on file with the Secretary of the Board proposed forms of a Bond Purchase Agreement, an Escrow Agreement, a Paying Agent Agreement providing for the terms of issuance and repayment of the bonds, an Official Statement, and a Continuing Disclosure Certificate setting forth certain ongoing disclosure obligations of the District;

NOW, THEREFORE, the Board of Education of San Francisco Unified School District does hereby RESOLVE, DETERMINE AND ORDER, as follows:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Authorization of Refunding Bonds and of Redemption of Prior Bonds; Application of Proceeds of Sale. The Board hereby authorizes the sale and issuance of one or more series of refunding bonds of the District and the tentative designation of said bonds as the "San Francisco Unified School District 2022 General Obligation Refunding Bonds" (the "Refunding Bonds") in an aggregate principal amount not to exceed \$145,000,000, which amount shall be finally determined by the Authorized District Representative (defined herein), in accordance with the provisions of Section 8 hereof and with the general laws of the State of California. The Refunding Bonds, if issued, are hereby authorized to be issued on a forward delivery basis, on a taxable advance refunding basis, and/or on a tax-exempt current refunding basis, as determined by the District in consultation with its Municipal Advisor, and in accordance with law.

Proceeds from the sale of the Refunding Bonds are hereby authorized to be applied only as permitted by Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, including to acquire escrow securities or otherwise to pay or provide for payment of the principal of the Prior Bonds upon redemption thereof; to pay all expenses incident to the calling, retiring or paying of the Prior Bonds and to the issuance of the Refunding Bonds, including: charges of the Paying Agent in connection with the issuance and payment of the Refunding Bonds; charges of the Escrow Agent in connection with the redemption of the Prior Bonds; interest upon the Prior Bonds from the dated date of the Refunding Bonds to the maturity or earlier redemption date of the Prior Bonds; any premium payable upon the redemption of the Prior Bonds; and the costs of any bond insurance or other credit enhancement with respect to the Refunding Bonds. The Board hereby further determines that all interest or other gain derived from the investment of proceeds of the Refunding Bonds may be applied to pay such costs of issuance of the Refunding Bonds.

Section 3. Terms of Refunding Bonds. The maximum nominal annual interest rate on each maturity of the Refunding Bonds shall not exceed the maximum rate permitted by law, payable as described in the Paying Agent Agreement referred to in Section 5 hereof. The Refunding Bonds shall mature on a date or dates, in such of the years, beginning no earlier than June 15, 2022, and concluding no later than the final maturity of the Prior Bonds. No Refunding Bonds shall have principal maturing on more than one principal maturity date; however, it shall not be necessary that a portion of the aggregate principal amount mature in each year.

The Refunding Bonds shall be issued as current interest bonds.

The aggregate principal amount of the Refunding Bonds, the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual interest payment dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, shall be as specified in the Bond Purchase Agreement.

Section 4. Tax Treatment of Refunding Bonds. All or any portion of the Refunding Bonds may be issued as exempt from federal income tax, as the Authorized District Representative shall determine upon consultation with the Municipal Advisor, and according to the terms and conditions Bond Counsel to the District shall advise are appropriate to and necessary for the issuance of tax-exempt bonds.

Section 5. Paying Agent Agreement. The form of instrument entitled "Paying Agent Agreement," between the District and the Paying Agent, in substantially the form on file with the Secretary of the Board, is hereby approved and authorized. The Superintendent of the District, the Chief Financial Officer of the District, the Chief Facilities Officer of the District or such other officer of the District designated for the purpose (each, an "Authorized District Representative") has examined or caused to be examined each document and has approved the forms thereof, and has recommended that the Board approve and direct the completion, where appropriate, and the execution of the documents and the consummation of such financing Authorized District Representative is hereby authorized and directed to execute and deliver one or more instruments in substantially said form, completed with terms as shall be agreed to by the Authorized District Representative in accordance with this Resolution, and with such other changes therein as the Authorized District Representative may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. All other terms of the Refunding Bonds required by Sections 53553 and 53554 of the Government Code and not otherwise specified herein shall be as specified in the Paying Agent Agreement.

Section 6. Escrow Agreement. The form of instrument entitled "Escrow Agreement," by and between the District and the Escrow Agent, in substantially the form on file with the Secretary of the Board, is hereby approved and authorized. The Authorized District Representative is hereby authorized and directed to execute and deliver one or more instruments in substantially said form, completed with terms as shall be agreed to by the Authorized District Representative in accordance with this Resolution, and with such other

changes therein as the Authorized District Representative may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. Official Statement. The form of instrument entitled "Official Statement," in substantially the form on file with the Secretary of the Board of Education (the "Official Statement"), is hereby approved and authorized. The Authorized District Representative is hereby authorized and directed on behalf of the District to execute and deliver one or more instruments in substantially said form, with such changes, additions and corrections as the Authorized District Representative deems necessary, and the Underwriters with respect to the Refunding Bonds are hereby authorized to distribute copies of one or more instruments in preliminary form to persons who may be interested in purchasing the Refunding Bonds. The Authorized District Representative is hereby authorized to certify on behalf of the District that the preliminary form of the Official Statement was deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by said Rule). The Authorized District Representative is hereby authorized and directed to sign said Official Statement in its final form, including the final pricing information, and to furnish the initial purchaser with copies thereof, and the initial purchaser is hereby authorized and directed to deliver copies of such Official Statement in final form to subsequent purchasers of the Refunding Bonds.

Section 8. Bond Purchase Agreement; Sale of Bonds. The form of instrument entitled "Forward Delivery Bond Purchase Agreement", substantially in the form on file with the Secretary of the Board, is hereby approved and adopted as the contract for purchase and sale of the Refunding Bonds and the Authorized District Representative is hereby authorized and directed to execute and deliver one or more instruments in substantially said form, completed with terms as the Authorized District Representative shall have agreed to in accordance with this Resolution, and with such other changes therein as the Authorized District Representative may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that (i) the total net interest cost to maturity on the Refunding Bonds plus the aggregate principal amount of the Refunding Bonds shall be less than the total net interest cost to maturity on the Prior Bonds plus the aggregate principal amount of the Prior Bonds; (ii) the present value of the debt service savings with respect to the Prior Bonds shall be at least 8.0% of the aggregate principal amount of such Prior Bonds; (iii) the Underwriters' discount shall not exceed 0.4% of the aggregate principal amount of the Refunding Bonds; and (iv) the Refunding Bonds shall otherwise conform to the limitations specified herein and imposed by the general laws of the State.

Section 9. Pledge of Taxes. The District hereby pledges all revenues from the property taxes collected from the levy by the Board of Supervisors of the City for the payment of the Bonds and the outstanding bonds of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including any refunding bonds thereof (for the purpose of this pledge, hereinafter collectively referred to as the "District Bonds") and amounts on deposit in the interest and sinking fund of the District (the "Interest and Sinking Fund") to the payment of the principal or redemption price of and interest on the District Bonds.

This pledge shall be valid and binding from the date hereof for the benefit of the owners of the District Bonds and successors thereto. The property taxes and amounts held in the Interest and Sinking Fund shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the Interest and Sinking Fund to secure the payment of the District Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act.

The pledge is an agreement between the District and the bondholders to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds and each of the other District Bonds secured by the pledge are or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

Section 10.                    Request for Necessary City Actions. (a) The Board of Supervisors, the City Treasurer, and other officials of the City, are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property of the District sufficient to provide for payment of all principal of, redemption premium, if any, and interest on the Refunding Bonds as the same shall become due and payable, and to apply moneys in the District's Interest and Sinking Fund as necessary to the payment of the Refunding Bonds, pursuant to the Paying Agent Agreement, and to the payment of any Prior Bonds which are to remain outstanding, pursuant to the Prior Bonds Resolutions under which such bonds were issued. The Secretary of the Board is hereby authorized and directed to deliver certified copies of this Resolution to the Clerk of the Board of Supervisors of the City, the City Office of Public Finance, the City Superintendent of Schools, the City Auditor and the City Treasurer. The Board hereby agrees to reimburse the City for any costs associated with the levy and collection of said tax, upon such documentation of said costs as the District shall reasonably request.

(b) The Board of Supervisors, the City Controller, the City Treasurer and other officials of the City, are hereby requested to take and authorize such actions as may be necessary, upon, but only upon, the issuance of the Refunding Bonds, to discontinue the levy of property taxes on all taxable property of the District for the payment of the Prior Bonds, pursuant to Section 53561 of the Government Code.

Section 11.                    Notice of Redemption of Prior Bonds. The Escrow Agent is hereby authorized and directed to give notice of redemption of the Prior Bonds to be redeemed as shall be required by the Escrow Agreement and pursuant to the terms set forth in the respective documents providing for the issuance of the Outstanding Bonds, as applicable.

Section 12.                    Continuing Disclosure. The form of instrument entitled, "Continuing Disclosure Certificate," in substantially the form on file with the Secretary of the Board, is hereby approved and authorized. The Authorized District Representative is hereby authorized and directed on behalf of the District to execute and deliver one or more instruments in substantially said form, with such changes thereto as deemed necessary in order to permit the purchaser of the Refunding Bonds to comply with the requirements of Securities and Exchange



Commission (“SEC”) Rule 15c2-12. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate.

Section 13. Confirmation of Professional Engagements. The appointment of Backstrom McCarley Berry & Co. LLC, as Municipal Advisor to the District with respect to said Refunding Bonds is hereby reconfirmed. The appointment of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel and Disclosure Counsel to the District with respect to said Refunding Bonds is hereby reconfirmed. The Authorized District Representative is authorized to enter into contracts to confirm such appointments.

Section 14. Notice to California Debt and Investment Advisory Commission. Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, on behalf of the Board is hereby authorized and directed to cause notices of the proposed sale and final sale of the Refunding Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Section 8855(g) of the Government Code and to specify that the issuance of the Refunding Bonds will be made in compliance with the District’s adopted debt policy.

Section 15. Designated Costs of Issuing Refunding Bonds. In accordance with Section 53553 of the Government Code, with respect to the Refunding Bonds, the Board hereby designates the following costs and expenses as the “designated costs of issuing the refunding bonds:”

(i) all expenses incident to the calling, retiring, or paying of the applicable Prior Bonds and incident to the issuance of the Refunding Bonds, including the charges of any escrow agent or trustee in connection with the issuance of such Refunding Bonds or in connection with the redemption or retirement of such Prior Bonds;

(ii) either (a) the interest upon such Refunding Bonds from the date of sale of such Refunding Bonds to the date upon which the applicable Prior Bonds will be paid pursuant to call, or (b) the interest upon the applicable Prior Bonds from the date of sale of such Refunding Bonds to the date upon which the applicable Prior Bonds will be paid pursuant to call, as shall be determined by an Authorized District Representative to be in the best interest of the District and designated in the applicable Escrow Agreement, such determination to be conclusively evidenced by the execution of such Escrow Agreement by such Authorized District Representative; and

(iii) any premium necessary in the calling or retiring of such Prior Bonds.

Section 16. Approval of Actions. The President of the Board, the Secretary of the Board, the Superintendent of the District, the Chief Financial Officer of the District, the Chief Facilities Officer of the District and any other officer of the District to whom authority is delegated by one of the named officers for the purposes of the Refunding Bonds, are hereby authorized and directed to select an underwriter (as necessary), to engage certified public accountants to verify the sufficiency of funds deposited in escrow and to execute and deliver any and all certificates and representations, including signature certificates, no-litigation certificates,

certificates concerning the contents of Official Statements, representation letters to The Depository Trust Company, tax certificates and any other certificates proposed to be distributed in connection with the sale of the Refunding Bonds or any series thereof, and to enter into any agreements, including depository agreements, commitment letters and agreements with bond insurers, agreements providing for payment of costs of issuance of Refunding Bonds, agreements for special revenue opinions, and any other agreements, letters, or representations, which any of them deem necessary or desirable to accomplish the transactions authorized herein. If, in order to sell the Bonds in separate series or to separate purchasers as authorized herein, the District is required to prepare and deliver additional official statements, paying agent agreements, bond purchase agreements, continuing disclosure certificates, or other authorized documents, preparation and delivery of such additional documents is hereby authorized.

Section 17.            Electronic Signatures: DocuSign. The Board hereby approves the execution and delivery of any and all agreements, documents, certificates and instruments referred to herein with electronic signatures, including those executed pursuant to the California Uniform Electronic Transactions Act and digital signatures under Section 16.5 of the Government Code using DocuSign.

Section 18.            Ratification of Actions. All actions heretofore taken by the officers and agents of the District with respect to the sale, execution and delivery of the Refunding Bonds, the acquisition of escrow securities, and the other transactions authorized and contemplated herein, are hereby approved, confirmed and ratified.

Section 19.            Filing with City. The Authorized District Representative is hereby also authorized and directed pursuant to Section 15140(c) of the California Education Code to provide a certified copy of this Resolution, and a copy of the debt service schedule, to the City Superintendent of Schools, the City Auditor and the City Treasurer.

Section 20.            Indemnification. The District shall indemnify and hold harmless, to the extent permitted by law, the City and its officers and employees (“Indemnified Parties”), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of a resolution by the Board of Supervisors of the City providing for the issuance and sale of the Bonds, or related to the proceedings for sale, award, issuance and delivery of the Bonds in accordance therewith and herewith. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

Section 21. Effective Date. This Resolution shall take effect from and after its adoption.

**PASSED AND ADOPTED** this 12<sup>th</sup> day of October, 2021, by the following vote:

AYES: 6

NOES: 0


ABSTAIN: 0

ABSENT: 1

APPROVED:

  
\_\_\_\_\_  
President of the Board of Education  
of the San Francisco Unified School District

APPROVED:

  
\_\_\_\_\_  
Secretary of the Board of Education  
of the San Francisco Unified School District

**EXHIBIT A**

**ESTIMATES OF COSTS OF ISSUANCE**

\$115,000,000<sup>1</sup>

SAN FRANCISCO UNIFIED SCHOOL DISTRICT  
2022 GENERAL OBLIGATION REFUNDING BONDS

<b>Firm</b>	<b>Role</b>	<b>Estimated Cost<sup>2</sup></b>
Backstrom McCarley Berry & Co. LLC	Municipal Advisor	\$ 80,000
Orrick, Herrington & Sutcliffe LLP	Bond & Disclosure Counsel	115,000
Moody's Investors Service	Moody's Rating	75,000
S&P Global Ratings	S&P Rating	75,000
Office of Public Finance	Debt Management	25,000
City Controller	Debt Management	25,000
Treasurer's Office	Paying Agent	25,000
U.S. Bank National Association	Fiscal Agent and Escrow Agent	10,000
Causey Demgen & Moore P.C.	Verification Agent	5,000
California Municipal Statistics, Inc.	Demographic Data	5,000
Avia Communications	Printer	5,000
Contingency	Contingency	<u>30,000</u>
	Total	\$475,000

<sup>1</sup> Estimates of costs of issuance are provided assuming a par amount of \$115,000,000. Certain fees may be higher if the par amount exceeds \$115,000,000. The District is authorizing a not-to-exceed par amount of \$145,000,000.

<sup>2</sup> Costs allocable to the Bonds will be substantially reduced if such bonds are sold in conjunction with a series of new money bonds, as is anticipated.

## EXHIBIT B

### GOOD FAITH ESTIMATES

The following information was obtained from Backstrom McCarley Berry & Co. LLC as the Municipal Advisor to the District in connection with the bonds approved in the attached Resolution (the "Bonds"), and is provided in compliance with Section 15146(b)(4) of the Education Code of the State of California and Senate Bill 450 (Chapter 625 of the 2017-18 Session of the California Legislature) with respect to the Bonds:

1. *True Interest Cost of the Bonds.* Assuming an aggregate principal amount of the Bonds of \$115,000,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 2.5%.

2. *Finance Charge of the Bonds.* Assuming an aggregate principal amount of the Bonds of \$115,000,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$935,000 (including \$475,000 of up-front costs of issuance and \$460,000 of underwriter's compensation).

3. *Amount of Proceeds to be Received.* Assuming an aggregate principal amount of the Bonds of \$115,000,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the District for sale of the Bonds less the finance charge of the Bonds described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$114,065,000.

4. *Total Payment Amount.* Assuming an aggregate principal amount of the Bonds of \$115,000,000 are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Bonds plus the finance charge of the Bonds described in paragraph 2 above not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$172,000,000.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only, in each assuming an aggregate principal amount of \$115,000,000<sup>3</sup>. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from the estimates above due to variations from these estimates in the timing of Bond sales, the amount of Bonds sold, the amortization of the Bonds sold and market interest rates at the time of each sale. The date or dates of sale and the amount of Bonds sold will be determined by the District based on numerous factors. The actual interest rates at which the Bonds will be sold will depend on the

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<sup>3</sup> The District is authorizing a not-to-exceed principal amount of \$145,000,000.

bond market at the time of each sale. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of each sale. Market interest rates are affected by economic and other factors beyond the District's control.

SECRETARY'S CERTIFICATE

I, Vincent Matthews, Secretary of the Board of Education of the San Francisco Unified School District, City and County of San Francisco, California, hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on October 12, 2021, and entered in the minutes thereof, of which meeting all of the members of said Board of Education had due notice and at which a quorum thereof was present; and at said meeting said resolution was adopted by the following vote:

AYES: 6

NOES: 0

ABSTAIN: 0

ABSENT: 1

An agenda of said meeting and the aforementioned notice were posted at least 72 hours before said meeting at San Francisco Unified School District administrative offices, 555 Franklin Street, First Floor, San Francisco, California, a location freely accessible to members of the public and was posted online at BoardDocs at least 72 hours before said meeting in accordance with Section 89305.6 of the Education Code of the State of California and Section 54953 of the Government Code of the State of California, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I have carefully compared the same with the original minutes of said meeting on file and of record at the District office. Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this 26 day of October, 2021.



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Secretary of the Board of Education  
of the San Francisco Unified School District

**From:** [Peacock, Rebecca \(MYR\)](#)  
**To:** [BOS Legislation, \(BOS\)](#); [ROUX, KENNETH \(CAT\)](#)  
**Cc:** [Paulino, Tom \(MYR\)](#); [Groffenberger, Ashley \(MYR\)](#); [Taufic, Camilla \(MYR\)](#)  
**Subject:** Mayor -- [Resolution] -- [San Francisco Unified School District General Obligation Bonds – Not to Exceed \$284,250,000]  
**Date:** Tuesday, November 2, 2021 4:59:46 PM  
**Attachments:** [Reso\\_MYR\\_SFUSD\\_Bond\\_Sale\\_2016C.zip](#)

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Attached for introduction to the Board of Supervisors is a **resolution authorizing the issuance and sale of bonds of the San Francisco Unified School District; prescribing the terms of sale of not to exceed \$284,250,000 of said general obligation bonds, Election of 2016, Series C, by a negotiated sale; approving the form of bond purchase agreement; approving the forms of one or more paying agent agreements; and authorizing the execution of necessary documents and certificates relating to such bonds.**

[@Roux, Kenneth \(CAT\)](#), can you please reply-all to confirm your approval? Thanks!

Please let me know if you have any questions.

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**Rebecca Peacock** ([they/them](#))  
Office of Mayor London N. Breed  
Legislative & Government Affairs  
City & County of San Francisco